

SCOMI ENGINEERING BHD (111633-M)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Period Ended	Preceding Year Corresponding Period Ended
	31-Dec-15 RM'000 Unaudited	31-Dec-14 RM'000 Unaudited	31-Dec-15 RM'000 Unaudited	31-Dec-14 RM'000 Unaudited
Revenue	49,478	65,072	138,877	187,341
Cost of sales	(45,855)	(57,921)	(128,311)	(167,096)
Gross profit	3,623	7,151	10,566	20,245
Other income	399	(328)	2,238	1,498
Operating expenses	(927)	(5,018)	(2,496)	(17,707)
Operating profit	3,095	1,805	10,308	4,036
Finance costs	(1,552)	(1,935)	(4,901)	(4,467)
Profit/(loss) before taxation	1,543	(130)	5,407	(431)
Tax (expense)/credit	(307)	50	(518)	628
Profit/(loss) for the financial period	1,236	(80)	4,889	197
Other comprehensive (expense)/income				
Currency translation differences arising from foreign operations	(3,274)	732	(1,122)	(1,062)
Total other comprehensive (expense)/income	(3,274)	732	(1,122)	(1,062)
Total comprehensive (expense)/income for the financial period	(2,038)	652	3,767	(865)
Basic earnings/(loss) per share (sen) from operations attributable to owners of the Company:	0.36	(0.02)	1.43	0.06

Note: The detailed calculations for the Basic earnings per share are shown in Note B10.

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Report for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BHD (111633-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	As at 31-Dec-15 RM'000 Unaudited	As at 31-Mar-15 RM'000 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	68,155	72,181
Intangible assets	157,328	158,922
Deferred tax assets	23,681	31,036
Available-for-sale financial assets	104	104
	<u>249,268</u>	<u>262,243</u>
CURRENT ASSETS		
Inventories	10,074	9,901
Receivables, deposits and prepayments	672,899	688,959
Current tax assets	4,489	2,845
Short term deposits, cash and bank balances	33,814	32,325
	<u>721,276</u>	<u>734,030</u>
TOTAL ASSETS	<u>970,544</u>	<u>996,273</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	342,080	342,080
Treasury shares	(103)	(103)
Share premium	46,605	46,605
Merger relief reserve	21,260	21,260
Share option reserve	4,374	4,374
Currency exchange reserve	(10,121)	(8,999)
Accumulated losses	(130,664)	(135,553)
	<u>273,431</u>	<u>269,664</u>
NON-CURRENT LIABILITIES		
Payables	48,770	55,141
Loans and borrowings	4,306	13,669
	<u>53,076</u>	<u>68,810</u>
CURRENT LIABILITIES		
Payables	161,164	143,164
Loans and borrowings	470,011	506,949
Current tax liabilities	12,144	6,698
Deferred government grant	718	988
	<u>644,037</u>	<u>657,799</u>
TOTAL LIABILITIES	<u>697,113</u>	<u>726,609</u>
TOTAL EQUITY AND LIABILITIES	<u>970,544</u>	<u>996,273</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.80</u>	<u>0.79</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Report for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BERHAD (111633-M)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY****FOR THE PERIOD ENDED 31 DECEMBER 2015**

<-----Attributable to owners of the Company----->

	<u>Share capital</u> RM'000	<u>Treasury shares</u> RM'000	<u>Share premium</u> RM'000	<u>Merger relief reserve</u> RM'000	<u>Foreign currency translation reserve</u> RM'000	<u>Share option reserves</u> RM'000	<u>Accumulated losses</u> RM'000	<u>Total equity</u> RM'000
9-months ended 31 December 2015								
At 1 April 2015	342,080	(103)	46,605	21,260	(8,999)	4,374	(135,553)	269,664
Foreign currency translation differences for foreign operations	-	-	-	-	(1,122)	-	-	(1,122)
Total other comprehensive expense for the period	-	-	-	-	(1,122)	-	-	(1,122)
Profit for the period	-	-	-	-	-	-	4,889	4,889
Total comprehensive (expense)/income for the period	-	-	-	-	(1,122)	-	4,889	3,767
At 31 December 2015	342,080	(103)	46,605	21,260	(10,121)	4,374	(130,664)	273,431
9-months ended 31 December 2014								
At 1 April 2014	342,080	(103)	46,605	21,260	(7,994)	4,518	(136,075)	270,291
Foreign currency translation differences for foreign operations	-	-	-	-	(1,062)	-	-	(1,062)
Total other comprehensive expense for the period	-	-	-	-	(1,062)	-	-	(1,062)
Profit for the period	-	-	-	-	-	-	197	197
Total comprehensive (expense)/income for the period	-	-	-	-	(1,062)	-	197	(865)
At 31 December 2014	342,080	(103)	46,605	21,260	(9,056)	4,518	(135,878)	269,426

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Report for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BERHAD (111633-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2015

	9 months ended 31-Dec-15 RM'000 Unaudited	9 months ended 31-Dec-14 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	5,407	(431)
Adjustments for:		
Non-cash items	(4,248)	6,849
Interest expense	28,529	24,988
Interest income	(1,569)	(807)
Operating profit before changes in working capital	28,119	30,599
Changes in current assets	44,466	(48,945)
Changes in current liabilities	24,405	35,110
Cash generated from operations	96,990	16,764
Tax paid	(877)	(388)
Tax refunded	170	-
Interest received	1,569	807
Net cash generated from operating activities	97,852	17,183
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,078)	(406)
Development expenditure incurred	-	(6,059)
Net cash used in investing activities	(1,078)	(6,465)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to ultimate holding company	(6,427)	(1,731)
Repayment of borrowings	(27,439)	(6,000)
Drawdown of borrowings	3,958	119,155
Repayment of term loan	(3,240)	-
Net finance lease principal repayment	(1,578)	(1,415)
Net settlement of trade facilities	(21,245)	(4,243)
Interest paid	(28,529)	(24,988)
Short term deposits pledged as security for bank facilities	(2,834)	1,822
Net cash (used in)/from financing activities	(87,334)	82,600
Net increase in cash and cash equivalents during the financial period		
	9,440	93,318
Currency translation differences	(3,800)	(4,635)
Cash and cash equivalents at beginning of financial period	(69,790)	(155,910)
Cash and cash equivalents at end of the financial period	(64,150)	(67,227)
Cash and cash equivalents comprise:		
Deposits placed with licensed banks	25,798	28,962
Cash and bank balances	8,016	7,783
Bank overdrafts	(73,177)	(80,834)
	(39,363)	(44,089)
Deposits with licensed banks pledged as security for bank facilities	(24,787)	(23,138)
	(64,150)	(67,227)

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Report for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.