

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 30 JUNE 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Period Ended	Preceding Year Corresponding Period Ended
	30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	32,972	46,092	32,972	46,092
Cost of sales	(32,835)	(42,088)	(32,835)	(42,088)
Gross profit	137	4,004	137	4,004
Other income	7,148	1,310	7,148	1,310
Operating expenses	(5,295)	(1,674)	(5,295)	(1,674)
Operating profit	1,990	3,640	1,990	3,640
Finance costs	(1,404)	(1,682)	(1,404)	(1,682)
Profit before taxation	586	1,958	586	1,958
Tax expense	(242)	(102)	(242)	(102)
Profit for the financial period	344	1,856	344	1,856
Other comprehensive income				
Currency translation differences arising from foreign operations	10,086	5,306	10,086	5,306
Total other comprehensive income	10,086	5,306	10,086	5,306
Total comprehensive income for the financial period	10,430	7,162	10,430	7,162
Basic earnings per share (sen) from operations attributable to owners of the Company:	0.10	0.54	0.10	0.54

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 2016 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 30 JUNE 2016

	As at 30-Jun-16 RM'000 Unaudited	As at 31-Mar-16 RM'000 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	65,041	66,971
Intangible assets	156,209	156,463
Deferred tax assets	33,929	34,006
Available-for-sale financial assets	104	104
	<u>255,283</u>	<u>257,544</u>
CURRENT ASSETS		
Inventories	7,168	7,372
Receivables, deposits and prepayments	704,624	660,419
Current tax assets	3,996	4,077
Short term deposits, cash and bank balances	33,857	31,594
	<u>749,645</u>	<u>703,462</u>
TOTAL ASSETS	<u>1,004,928</u>	<u>961,006</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
Currency exchange reserve	(1,461)	(11,547)
Accumulated losses	(132,678)	(133,022)
	<u>275,703</u>	<u>265,273</u>
NON-CURRENT LIABILITIES		
Payables	68,232	59,521
Loans and borrowings	81,630	71,486
	<u>149,862</u>	<u>131,007</u>
CURRENT LIABILITIES		
Payables	167,658	153,439
Loans and borrowings	397,676	398,331
Current tax liabilities	13,490	12,327
Deferred government grant	539	629
	<u>579,363</u>	<u>564,726</u>
TOTAL LIABILITIES	<u>729,225</u>	<u>695,733</u>
TOTAL EQUITY AND LIABILITIES	<u>1,004,928</u>	<u>961,006</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.81</u>	<u>0.78</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Report for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BERHAD (111633-M)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2016**

<-----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
3-months ended 30 June 2016								
At 1 April 2016	342,080	(103)	46,605	21,260	(11,547)	-	(133,022)	265,273
Foreign currency translation differences for foreign operations	-	-	-	-	10,086	-	-	10,086
Total other comprehensive income for the period	-	-	-	-	10,086	-	-	10,086
Profit for the period	-	-	-	-	-	-	344	344
Total comprehensive income for the period	-	-	-	-	10,086	-	344	10,430
At 30 June 2016	342,080	(103)	46,605	21,260	(1,461)	-	(132,678)	275,703
3-months ended 30 June 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	-	-	-	-	5,306	-	-	5,306
Total other comprehensive income for the period	-	-	-	-	5,306	-	-	5,306
Profit for the period	-	-	-	-	-	-	1,856	1,856
Total comprehensive income for the period	-	-	-	-	5,306	-	1,856	7,162
At 30 June 2015	342,080	(103)	46,605	21,260	(3,693)	4,374	(133,697)	276,826

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Report for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.

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

INTERIM FINANCIAL STATEMENTS
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2016

	3 months ended 30-Jun-16 RM'000 Unaudited	3 months ended 30-Jun-15 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	591	1,958
Adjustments for:		
Non-cash items	(4,861)	(338)
Interest expense	8,721	8,543
Interest income	(184)	(867)
Operating profit before changes in working capital	4,267	9,296
Changes in current assets	(30,847)	(11,363)
Changes in current liabilities	12,805	21,758
Cash (used in)/generated from operations	(13,775)	19,691
Tax paid	(339)	(117)
Interest received	184	867
Net cash (used in)/generated from operating activities	(13,930)	20,441
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-	(1)
Net cash used in investing activities	-	(1)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from/(repayment to) ultimate holding company	8,810	(1,294)
Repayment of borrowings	(4,972)	(13,186)
Drawdown of borrowings	8,536	1,588
Drawdown of term loan	2,804	-
Net finance lease principal repayment	(169)	(182)
Net utilisation/(settlement) of trade facilities	339	(4,710)
Interest paid	(8,721)	(8,543)
Short term deposits pledged as security for bank facilities	(41)	(656)
Net cash from/(used in) financing activities	6,586	(26,983)
Net decrease in cash and cash equivalents during the financial period	(7,344)	(6,543)
Currency translation differences	8,499	6,667
Cash and cash equivalents at beginning of financial period	(65,532)	(69,790)
Cash and cash equivalents at end of the financial period	(64,377)	(69,666)
Cash and cash equivalents comprise:		
Deposits placed with licensed banks	25,396	27,943
Cash and bank balances	8,461	4,308
Bank overdrafts	(72,976)	(79,308)
	(39,119)	(47,057)
Deposits with licensed banks pledged as security for bank facilities	(25,258)	(22,609)
	(64,377)	(69,666)

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Report for the year ended 31 March 2016 and the accompanying explanatory notes attached to the interim financial statements.