

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 SEPTEMBER 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Period Ended	Preceding Year Corresponding Period Ended
	30-Sep-16	30-Sep-15	30-Sep-16	30-Sep-15
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	30,568	43,307	63,540	89,399
Cost of sales	(32,428)	(40,368)	(65,263)	(82,456)
Gross (loss)/profit	(1,860)	2,939	(1,723)	6,943
Other income	8,205	529	15,353	1,839
Operating expenses	(5,221)	105	(10,516)	(1,569)
Operating profit	1,124	3,573	3,114	7,213
Finance costs	(4,127)	(1,667)	(5,531)	(3,349)
(Loss)/profit before taxation	(3,003)	1,906	(2,417)	3,864
Tax credit/(expense)	32	(109)	(210)	(211)
(Loss)/profit for the financial period	(2,971)	1,797	(2,627)	3,653
Other comprehensive income/(expense)				
Currency translation differences arising from foreign operations	2,017	(3,154)	12,103	2,152
Total other comprehensive income/(expense)	2,017	(3,154)	12,103	2,152
Total comprehensive (expense)/income for the financial period	(954)	(1,357)	9,476	5,805
Basic (loss)/earnings per share (sen) from operations attributable to owners of the Company:	(0.87)	0.53	(0.77)	1.07

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 SEPTEMBER 2016

	As at 30-Sep-16 RM'000 Unaudited	As at 31-Mar-16 RM'000 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	64,066	66,971
Intangible assets	155,568	156,463
Deferred tax assets	33,884	34,006
Available-for-sale financial assets	104	104
	253,622	257,544
CURRENT ASSETS		
Inventories	14,089	7,372
Receivables, deposits and prepayments	745,290	660,419
Current tax assets	4,286	4,077
Short term deposits, cash and bank balances	32,752	31,594
	796,417	703,462
TOTAL ASSETS	1,050,039	961,006
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	556	(11,547)
Accumulated losses	(135,649)	(133,022)
	274,749	265,273
NON-CURRENT LIABILITIES		
Payables	78,082	59,521
Loans and borrowings	86,412	71,486
	164,494	131,007
CURRENT LIABILITIES		
Payables	196,450	153,439
Loans and borrowings	399,325	398,331
Current tax liabilities	14,482	12,327
Deferred government grant	539	629
	610,796	564,726
TOTAL LIABILITIES	775,290	695,733
TOTAL EQUITY AND LIABILITIES	1,050,039	961,006
Net assets per share attributable to owners of the Company (RM)	0.80	0.78

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 SEPTEMBER 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
<u>6-months ended 30 September 2016</u>								
At 1 April 2016	342,080	(103)	46,605	21,260	(11,547)	-	(133,022)	265,273
Foreign currency translation differences for foreign operations	-	-	-	-	12,103	-	-	12,103
Total other comprehensive income for the period	-	-	-	-	12,103	-	-	12,103
Loss for the period	-	-	-	-	-	-	(2,627)	(2,627)
Total comprehensive income/(expense) for the period	-	-	-	-	12,103	-	(2,627)	9,476
At 30 September 2016	342,080	(103)	46,605	21,260	556	-	(135,649)	274,749
<u>6-months ended 30 September 2015</u>								
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	-	-	-	-	2,152	-	-	2,152
Total other comprehensive income for the period	-	-	-	-	2,152	-	-	2,152
Profit for the period	-	-	-	-	-	-	3,653	3,653
Total comprehensive income for the period	-	-	-	-	2,152	-	3,653	5,805
At 30 September 2015	342,080	(103)	46,605	21,260	(6,847)	4,374	(131,900)	275,469

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 SEPTEMBER 2016

	6 months ended 30-Sep-16 RM'000 Unaudited	6 months ended 30-Sep-15 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(2,417)	3,864
Adjustments for:		
Non-cash items	(11,337)	(3,218)
Interest expense	17,299	17,555
Interest income	(246)	(1,309)
Operating profit before changes in working capital	3,299	16,892
Changes in current assets	(69,495)	34,623
Changes in current liabilities	35,017	6,585
Cash (used in)/generated from operations	(31,179)	58,100
Tax paid	(773)	(214)
Tax refunded	-	170
Interest received	246	1,309
Net cash (used in)/generated from operating activities	(31,706)	59,365
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(9)	(484)
Development expenditure incurred	-	(456)
Net cash used in investing activities	(9)	(940)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from/(repayment to) ultimate holding company	18,662	(1,418)
Repayment of borrowings	(5,972)	(7,600)
Drawdown of borrowings	17,120	1,589
Repayment of term loan	-	(5,841)
Drawdown of term loan	2,804	-
Net finance lease principal repayment	(1,756)	(1,169)
Net settlement of trade facilities	(173)	(21,394)
Interest paid	(17,299)	(17,555)
Short term deposits pledged as security for bank facilities	(577)	(2,834)
Net cash from/(used in) financing activities	12,809	(56,222)
Net (decrease)/increase in cash and cash equivalents during the financial period	(18,906)	2,203
Currency translation differences	21,218	(256)
Cash and cash equivalents at beginning of financial period	(65,532)	(69,790)
Cash and cash equivalents at end of the financial period	(63,220)	(67,843)
Cash and cash equivalents comprise:		
Deposits placed with licensed banks	25,937	28,246
Cash and bank balances	6,815	5,503
Bank overdrafts	(70,178)	(76,805)
	(37,426)	(43,056)
Deposits with licensed banks pledged as security for bank facilities	(25,794)	(24,787)
	(63,220)	(67,843)

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.