

SCOMI GROUP BHD
(COMPANY NO: 571212-A)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2016**

| | | <u>Quarter</u> | <u>Quarter</u> | <u>Cummulative</u> | <u>Cummulative</u> |
|-----------------------------------------------------------|-------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | 3 months ended | 3 months ended | 6 months ended | 6 months ended |
| | Note | 30 Sept | 30 Sept | 30 Sept | 30 Sept |
| | | 2016 | 2015 | 2016 | 2015 |
| | | RM '000 | RM '000 | RM '000 | RM '000 |
| <u>Continuing Operations</u> | | | | | |
| Revenue | A8 | 176,046 | 337,756 | 413,609 | 717,651 |
| Cost of revenue | | (163,924) | (270,620) | (375,631) | (581,234) |
| Gross profit | | 12,122 | 67,136 | 37,978 | 136,417 |
| Other income, net | | 9,891 | 10,685 | 22,793 | 20,681 |
| Operating expenses | | (44,160) | (53,189) | (91,567) | (103,970) |
| Finance costs | | (5,777) | (8,929) | (12,664) | (18,261) |
| Share of results of associates | | - | - | - | - |
| Share of results of jointly controlled entities | | (2,665) | (1,017) | (5,029) | (156) |
| Profit before taxation | B12 | (30,589) | 14,686 | (48,489) | 34,711 |
| Taxation | B5 | (859) | (8,117) | (5,058) | (14,134) |
| Profit for the period from continuing operations | | (31,448) | 6,569 | (53,547) | 20,577 |
| <u>Discontinued operations</u> | | | | | |
| Loss for the period from discontinued operations | | - | - | - | - |
| Profit for the period | A8 | (31,448) | 6,569 | (53,547) | 20,577 |
| <u>Other comprehensive income</u> | | | | | |
| Currency translation differences | | 7,056 | 75,027 | 28,209 | 86,585 |
| Cash flow hedges | | 1,981 | 11,185 | 3,460 | 21,113 |
| Other comprehensive income, net of tax | | 9,037 | 86,212 | 31,669 | 107,698 |
| Total comprehensive income for the period | | (22,411) | 92,781 | (21,878) | 128,275 |
| <u>Profit attributable to:</u> | | | | | |
| Owners of the Company | | (21,159) | 5,009 | (33,373) | 14,743 |
| Non-controlling interests | | (10,289) | 1,560 | (20,174) | 5,834 |
| | | (31,448) | 6,569 | (53,547) | 20,577 |
| <u>Total comprehensive income attributable to:</u> | | | | | |
| Owners of the Company | | (15,469) | 71,281 | (14,879) | 94,295 |
| Non-controlling interests | | (6,942) | 21,500 | (6,999) | 33,980 |
| | | (22,411) | 92,781 | (21,878) | 128,275 |
| <u>Earnings per share</u> | | | | | |
| | B10 | sen | sen | sen | sen |
| - Basic | | (1.12) | 0.32 | (1.77) | 0.95 |
| - Diluted | | (1.11) | 0.26 | (1.75) | 0.77 |

SCOMI GROUP BHD
(COMPANY NO: 571212-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016

| | Note | As at 30 Sept 2016 RM'000 | As at 31 March 2016 RM'000 (Audited) |
|------------------------------------------------------------------------------|------|------------------------------------|--------------------------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | A9 | 590,727 | 608,818 |
| Intangible assets | | 299,293 | 295,193 |
| Investment properties | | 2,450 | 2,440 |
| Investment in associate | | 7,439 | 7,439 |
| Investment in joint ventures and joint operations | | 63,371 | 66,081 |
| Available-for-sale financial asset | | 105 | 104 |
| Deferred tax assets | | 36,207 | 37,198 |
| Receivables | | 343 | 335 |
| | | 999,935 | 1,017,608 |
| Current assets | | | |
| Inventories | | 214,218 | 213,324 |
| Receivables, deposits and prepayments | | 1,128,987 | 1,109,618 |
| Current tax assets | | 27,399 | 21,455 |
| Short-term deposits, cash and bank balances | | 218,896 | 188,047 |
| | | 1,589,500 | 1,532,444 |
| Total assets | | 2,589,435 | 2,550,052 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to owners of the company | | | |
| Share capital | | 191,751 | 191,751 |
| Treasury shares | | (18,696) | (18,696) |
| Share premium | | 444,831 | 444,831 |
| Other reserves | | (79,250) | (97,744) |
| Retained earnings | | 100,013 | 133,386 |
| | | 638,649 | 653,528 |
| Non controlling interests | | 530,003 | 537,002 |
| | | 1,168,652 | 1,190,530 |
| Non-current liabilities | | | |
| Payables | | 5,584 | 5,684 |
| Provision for retirement benefit | | 8,712 | 7,359 |
| Loans and borrowings | B7 | 271,900 | 174,810 |
| Deferred taxation | | 6,949 | 8,602 |
| Derivative financial liabilities | | 35,757 | 28,845 |
| | | 328,902 | 225,300 |
| Current liabilities | | | |
| Trade and other payables | | 497,883 | 482,652 |
| Loans and borrowings | B7 | 549,105 | 596,368 |
| Current tax liabilities | | 38,904 | 39,326 |
| Deferred government grant | | 449 | 629 |
| Derivative financial liabilities | | 5,540 | 15,247 |
| | | 1,091,881 | 1,134,222 |
| Total liabilities | | 1,420,783 | 1,359,522 |
| Total equity and liabilities | | 2,589,435 | 2,550,052 |
| Net asset per share attributable to equity holders of the parent (RM) | | | |
| | | 0.33 | 0.34 |

The above should be read in conjunction with the audited financial statements for the year ended 31 March 2016.

SCOMI GROUP BHD
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2016**

| | Share capital RM'000 | Share premium RM'000 | Treasury shares RM'000 | Translation reserve RM'000 | Merger reserve RM'000 | Share option reserve RM'000 | Hedge reserve RM'000 | Other reserve RM'000 | Available for sale reserve RM'000 | Convertible bond reserve RM'000 | Other reserves RM'000 | Retained earnings RM'000 | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
|-------------------------------------------------------------|-------------------------|-------------------------|---------------------------|-------------------------------|--------------------------|--------------------------------|-------------------------|-------------------------|--------------------------------------|------------------------------------|--------------------------|-----------------------------|-----------------|-------------------------------------|------------------------|
| At 1 April 2016 | 191,751 | 444,831 | (18,696) | (102,448) | - | - | (22,178) | 26,882 | - | - | (97,744) | 133,386 | 653,528 | 537,002 | 1,190,530 |
| Currency translation differences arising during the year: | | | | | | | | | | | | | | | |
| - subsidiaries | - | - | - | 16,260 | - | - | - | - | - | - | 16,260 | - | 16,260 | 11,949 | 28,209 |
| Cash flow hedges: | | | | | | | | | | | | | | | |
| - transfer to income statement | - | - | - | - | - | - | 2,234 | - | - | - | 2,234 | - | 2,234 | 1,226 | 3,460 |
| Profit for the period | - | - | - | - | - | - | - | - | - | - | - | (33,373) | (33,373) | (20,174) | (53,547) |
| Total comprehensive income for the period | - | - | - | 16,260 | - | - | 2,234 | - | - | - | 18,494 | (33,373) | (14,879) | (6,999) | (21,878) |
| At 30 September 2016 | 191,751 | 444,831 | (18,696) | (86,188) | - | - | (19,944) | 26,882 | - | - | (79,250) | 100,013 | 638,649 | 530,003 | 1,168,652 |
| At 1 April 2015, restated | 156,864 | 352,379 | (18,696) | (82,733) | - | 3,337 | (34,499) | 26,882 | - | 106,471 | (87,013) | 127,176 | 637,181 | 536,598 | 1,173,779 |
| Currency translation differences for foreign operations | - | - | - | (19,715) | - | - | - | - | - | - | (19,715) | - | (19,715) | 5,799 | (13,916) |
| Cash flow hedges | - | - | - | - | - | - | 12,321 | - | - | - | 12,321 | - | 12,321 | 6,447 | 18,768 |
| Profit for the year | - | - | - | - | - | - | - | - | - | - | - | 22,536 | 22,536 | (10,632) | 11,904 |
| Total comprehensive income for the year | - | - | - | (19,715) | - | - | 12,321 | - | - | - | (7,394) | 22,536 | 15,142 | 1,614 | 16,756 |
| Contributions by and distributions to owners of the Company | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share options : | | | | | | | | | | | | | | | |
| - value of options terminated | - | - | - | - | - | (3,337) | - | - | - | - | (3,337) | 4,547 | 1,210 | (1,210) | - |
| Disposal and deconsolidation of subsidiaries | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Conversion of convertible bonds | 34,887 | 92,452 | - | - | - | - | - | - | - | (106,471) | - | (20,868) | - | - | - |
| Other movements | - | - | - | - | - | - | - | - | - | - | - | (5) | (5) | - | (5) |
| At 31 March 2016 | 191,751 | 444,831 | (18,696) | (102,448) | - | - | (22,178) | 26,882 | - | - | (97,744) | 133,386 | 653,528 | 537,002 | 1,190,530 |

SCOMI GROUP BHD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2016

| | 6 months ended 30 Sept 2016 RM'000 | 6 months ended 30 Sept 2015 RM'000 |
|-------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| Cash flows from operating activities | | |
| Profit before taxation continuing operations | (48,489) | 20,025 |
| Adjustments for non-cash items | 44,904 | 22,610 |
| Operating profit before working capital changes | (3,585) | 42,635 |
| Changes in working capital: | | |
| Inventories | (895) | 5,438 |
| Trade and other receivables | (19,705) | (19,540) |
| Trade and other payables | 27,940 | 49,451 |
| Cash from operations | 3,755 | 77,984 |
| Tax paid | (10,776) | (5,187) |
| Redundancy payments | 27 | - |
| Net cash from operating activities | (6,994) | 72,797 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (6,591) | (8,841) |
| Proceeds from disposal of property, plant and equipment | 306 | 60 |
| Addition to intangible assets | (1,409) | - |
| Interest received | 1,257 | 1,207 |
| Net cash used in investing activities | (6,437) | (7,574) |
| Cash flows from financing activities | | |
| Proceeds from bank borrowings | 102,124 | (28,986) |
| Repayment of bank borrowings | (57,081) | (17,154) |
| Interest paid on borrowings | (26,470) | (14,933) |
| Increase in cash and short term deposit pledged as security | (23,290) | (11,381) |
| Net cash (used in) / from financing activities | (4,717) | (72,454) |
| Net decrease in cash and cash equivalents | (18,148) | (7,231) |
| Cash and cash equivalents at beginning of period | 44,444 | 83,727 |
| Currency translation differences | 27,404 | 2,793 |
| Cash and cash equivalents at end of period | 53,700 | 79,289 |
| <u>Cash and cash equivalents comprise:</u> | | |
| Short term deposits with licensed banks | 100,911 | 114,551 |
| Cash and bank balances | 117,985 | 127,882 |
| Bank overdrafts | (72,673) | (81,796) |
| | 146,223 | 160,637 |
| Less: Short-term deposit pledged as securities | (92,523) | (81,348) |
| | 53,700 | 79,289 |