

SCOMI ENGINEERING BHD (111633-M)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 MARCH 2017**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year Period Ended	Preceding Year Corresponding Period Ended
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Unaudited	Unaudited	Audited
Revenue	44,267	35,671	162,880	174,548
Cost of sales	(35,825)	(37,563)	(162,037)	(165,874)
Gross profit/(loss)	8,442	(1,892)	843	8,674
Other income	(2,235)	14,837	31,932	17,075
Operating expenses	(12,972)	(28,279)	(29,791)	(30,775)
Operating (loss)/profit	(6,765)	(15,334)	2,984	(5,026)
Finance costs	(5,523)	(1,953)	(14,629)	(6,854)
Loss before taxation	(12,288)	(17,287)	(11,645)	(11,880)
Tax (expense)/credit	(7,870)	10,555	(8,111)	10,037
Loss for the financial year	(20,158)	(6,732)	(19,756)	(1,843)
Other comprehensive (expense)/income				
Currency translation differences arising from foreign operations	(1,925)	(1,426)	10,434	(2,548)
Available-for-sale financial assets	66	-	66	-
Total other comprehensive (expense)/income	(1,859)	(1,426)	10,500	(2,548)
Total comprehensive expense for the financial year	(22,017)	(8,158)	(9,256)	(4,391)
Basic loss per share (sen) from operations attributable to owners of the Company:	(5.89)	(1.97)	(5.78)	(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 31 MARCH 2017

	As at 31-Mar-17 RM'000 Unaudited	As at 31-Mar-16 RM'000 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	63,246	66,971
Intangible assets	153,693	156,463
Deferred tax assets	25,202	34,006
Available-for-sale financial assets	170	104
	<u>242,311</u>	<u>257,544</u>
CURRENT ASSETS		
Inventories	15,572	7,372
Receivables, deposits and prepayments	797,617	660,419
Current tax assets	4,619	4,077
Short term deposits, cash and bank balances	38,452	31,594
	<u>856,260</u>	<u>703,462</u>
TOTAL ASSETS	<u>1,098,571</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
Available-for-sale reserve	66	-
Currency exchange reserve	(1,113)	(11,547)
Accumulated losses	(152,778)	(133,022)
	<u>256,017</u>	<u>265,273</u>
NON-CURRENT LIABILITIES		
Payables	78,582	59,521
Loans and borrowings	118,970	71,486
	<u>197,552</u>	<u>131,007</u>
CURRENT LIABILITIES		
Payables	220,627	153,439
Loans and borrowings	406,671	398,331
Current tax liabilities	17,435	12,327
Deferred government grant	269	629
	<u>645,002</u>	<u>564,726</u>
TOTAL LIABILITIES	<u>842,554</u>	<u>695,733</u>
TOTAL EQUITY AND LIABILITIES	<u>1,098,571</u>	<u>961,006</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.75</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 YEAR ENDED 31 MARCH 2017**

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

	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Available for sale reserve RM'000	Merger relief reserve RM'000	Foreign currency translation reserve RM'000	Share option reserves RM'000	Accumulated losses RM'000	Total equity RM'000
<u>12-months ended 31 March 2017</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	-	-	-	-	-	10,434	-	-	10,434
Available-for-sale financial assets	-	-	-	66	-	-	-	-	66
Total other comprehensive income for the year	-	-	-	66	-	10,434	-	-	10,500
Loss for the year	-	-	-	-	-	-	-	(19,756)	(19,756)
Total comprehensive income/(expense) for the year	-	-	-	66	-	10,434	-	(19,756)	(9,256)
At 31 March 2017	342,080	(103)	46,605	66	21,260	(1,113)	-	(152,778)	256,017
<u>12-months ended 31 March 2016</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	-	-	-	-	-	(2,548)	-	-	(2,548)
Total other comprehensive expense for the year	-	-	-	-	-	(2,548)	-	-	(2,548)
Loss for the year	-	-	-	-	-	-	-	(1,843)	(1,843)
Total comprehensive expense for the year	-	-	-	-	-	(2,548)	-	(1,843)	(4,391)
Share options: - net options granted and forfeited	-	-	-	-	-	-	(4,374)	4,374	-
At 31 March 2016	342,080	(103)	46,605	-	21,260	(11,547)	-	(133,022)	265,273

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 YEAR ENDED 31 MARCH 2017

	12 months ended 31-Mar-17 RM'000 Unaudited	12 months ended 31-Mar-16 RM'000 Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(11,645)	(11,880)
Adjustments for:		
Non-cash items	(19,124)	9,066
Interest expense	48,982	36,370
Interest income	(1,443)	(2,134)
Operating profit before changes in working capital	16,770	31,422
Changes in current assets	(117,862)	47,691
Changes in current liabilities	66,317	11,561
Cash (used in)/generated from operations	(34,775)	90,674
Tax paid	(1,131)	(1,146)
Tax refunded	57	291
Interest received	1,443	2,134
Net cash (used in)/generated from operating activities	(34,406)	91,953
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(100)	(1,349)
Compensation received	1,216	-
Net cash generated from/(used in) investing activities	1,116	(1,349)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from ultimate holding company	19,161	4,374
Repayment of borrowings	(11,872)	(27,939)
Drawdown of borrowings	13,024	2,244
Repayment of term loan	-	(938)
Drawdown of term loan	2,804	-
Net finance lease principal drawdown/(repayment)	35,686	(2,131)
Net settlement of trade facilities	(181)	(20,853)
Interest paid	(48,982)	(36,370)
Changes in deposits pledged	(6,533)	(3,264)
Net cash from/(used in) financing activities	3,107	(84,877)
Net (decrease)/increase in cash and cash equivalents during the financial year	(30,183)	5,727
Currency translation differences	26,265	(1,469)
Cash and cash equivalents at beginning of financial year	(65,532)	(69,790)
Cash and cash equivalents at end of the financial year	(69,450)	(65,532)
Cash and cash equivalents comprise:		
Deposits placed with licensed banks	31,941	25,904
Cash and bank balances	6,511	5,690
Bank overdrafts	(76,152)	(71,909)
	(37,700)	(40,315)
Deposits with licensed banks pledged as security for bank facilities	(31,750)	(25,217)
	(69,450)	(65,532)

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.

SCOMI ENGINEERING BHD (111633-M)

PART A: EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation of Interim Financial Reports

The interim financial statements are prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Company's annual audited financial statements for the year ended 31 March 2016 and the accompanying notes attached to the unaudited condensed consolidated financial statements.

Within the context of these condensed consolidated financial statements, the Group comprises the Company and its subsidiaries as at end for the year ended 31 March 2017.

Except as described below, the same accounting policies and methods of computation are followed in the condensed consolidated financial statements as compared with the audited financial statements for the year ended 31 March 2016.

As of 1 April 2016, the following MFRS, amendments and interpretations were issued by the Malaysian Accounting Standards Board but are not yet effective and have not been adopted by the Group:

Effective for annual periods commencing on or after 1 January 2017

Amendments to MFRS 107	Statement of Cash Flows – Disclosure Initiative
Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

Effective for annual periods commencing on or after 1 January 2018

MFRS 9	Financial Instruments (2014)
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 15	Revenue from Contracts with Customers

Effective for annual periods commencing on or after 1 January 2019

MFRS 16	Leases
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Effective for annual periods commencing on a date yet to be confirmed

Amendments on MFRS 10	Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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A2. Qualification of Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

A3. Seasonal or Cyclical Factors

The Group's results were not materially affected by any major seasonal or cyclical factors.

A4. Unusual and Extraordinary Items

There were no unusual and/or extraordinary items affecting assets, liabilities, equity, net income or cashflows during the period and year under review.

A5. Material Changes in Estimates

The Group makes assumptions concerning the future and other sources of estimation uncertainty at the balance sheet date including impairment of intangible assets, depreciation on property, plant and equipment, deferred tax assets that could arise from unused tax losses and unabsorbed capital allowances, assessment of penalties and indirect taxes payable, construction contracts profits and capitalised development expenditure.

There were no material changes in estimates reported in the period and year under review.

A6. Issuance and Repayment of Debt and Equity Securities

There were no issuances, cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Company during the period and year under review.

A7. Dividends Paid

No dividends were paid during the period and year under review.

A8. Segmental Information**Current Quarter as compared to Preceding Year Corresponding Quarter**

	3-mths ended		YTD 12-mths ended	
	31.03.17 RM'000	31.03.16 RM'000	31.03.17 RM'000	31.03.16 RM'000
Segment Revenue				
Rail	33,620	24,890	104,435	125,372
Commercial Vehicles	10,647	10,781	58,445	49,176
Revenue	<u>44,267</u>	<u>35,671</u>	<u>162,880</u>	<u>174,548</u>
Segment Results				
Rail	(9,007)	(8,180)	3,826	8
Commercial Vehicles	(968)	(1,321)	(3,331)	(3,532)
Corporate expenses	(2,313)	(7,786)	(12,140)	(8,356)
Loss before taxation	<u>(12,288)</u>	<u>(17,287)</u>	<u>(11,645)</u>	<u>(11,880)</u>
Tax (expense)/credit	(7,870)	10,555	(8,111)	10,037
Loss for the financial period/year	<u>(20,158)</u>	<u>(6,732)</u>	<u>(19,756)</u>	<u>(1,843)</u>

A9. Material Events Subsequent to the End of the Period

There were no material events subsequent to the end of the period and year under review.

A10. Contingent Liabilities

There were no contingent liabilities for the Group as at 31 March 2017.

A11. Capital and Operating Lease Commitments

- (a) The capital commitments not provided for in the financial statements are as follows:

	31.03.17	31.03.16
	RM'000	RM'000
Approved and contracted for		
- Property, plant and equipment	-	111
- Development costs	-	-
	-	-
Approved but not contracted for		
- Property, plant and equipment	-	-
- Development costs	-	-
	-	-
Total	-	-

- (b) The Group has entered into non-cancellable operating lease agreement for property, plant and equipment. Commitments for future minimum lease payments are as follows:

	31.03.17	31.03.16
	RM'000	RM'000
Due within 1 year	39	1,043
Due within 1 and 2 years	32	324
Due later than 2 years	42	-
Total	113	1,367

A12. Significant Related Party Transactions

The following are the Group's significant related party transactions:

	3-mths	YTD
	ended	12-mths
	31.03.17	31.03.17
	RM'000	RM'000
Transactions with a company connected to Directors		
- Provision of airline ticketing services	4	26
- Sharing of rental and office relocation costs with immediate holding company	96	283

PART B: ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA

B1. Review of Performance

Current quarter compared to corresponding quarter of the preceding year

The Group recorded revenue of RM44.3 million for the current quarter as compared to RM35.7 million for the corresponding quarter in financial year 2016, an increase of RM8.6 million due to higher revenue generated from Rail segment.

The Group posted a loss after taxation for the current quarter of RM20.2 million as compared to RM6.7 million for the corresponding quarter in financial year 2016. This was due to a prudent decision to reverse certain claims which were recognised previously, unrealised foreign exchange losses arising from translation of accrued receivables for the Brazil monorail project as a result of weakening of the BRL against RM during the quarter and lower work done in the Rail segment and lower sales in the Commercial Vehicles segment.

(a) Rail segment

Revenue for the current quarter is RM33.6 million, higher by RM8.7 million as compared to RM24.9 million for the corresponding quarter in financial year 2016. This was mainly due to higher work done on the Mumbai Monorail Onshore works for completion of Phase 2 works.

The segment posted a loss before taxation of RM9.0 million for the current quarter, as compared to RM8.2 million for the corresponding quarter in financial year 2016, slightly higher by RM0.8 million.

This was mainly due to certain provisions made during the quarter with regards to a prudent decision to reverse certain claims that were recognised previously and higher unrealised foreign exchange losses arising from translation of accrued receivables for Brazil monorail project due to weakening of BRL against RM for the current quarter.

(b) Commercial Vehicles segment

Revenue for the current quarter is RM10.6 million as compared to RM10.8 million for the corresponding quarter in financial year 2016, a marginal reduction of RM0.2 million. This was mainly due to lower sales generated from truck vehicles body, mitigated by revenue recognised on MRT feeder buses during the current quarter.

The segment posted a loss before taxation for the current quarter of RM1.0 million, as compared to RM1.3 million recorded in the corresponding quarter in financial year 2016, a decrease of RM0.3 million.

The lower losses during the quarter were mainly due to lower overhead costs during the current quarter.

B2. Material Change in Profit Before Taxation as compared to preceding quarter

The Group posted a loss before taxation for the current quarter of RM20.2 million as compared to profit before taxation of RM3.0 million for the preceding quarter.

This was mainly due to lower activities as well as reversal of certain claims which were recognised earlier and increase in unrealised foreign exchange losses arising from translation of accrued receivables for Brazil monorail project due to weakening of BRL against RM for the current quarter.

B3. Prospects

The Group continues with efforts to complete its current projects. Even though the current projects continue to be faced with various challenges that affect the operations and financial performance, various mitigative actions are being implemented.

Work continues on Phase 2 of the Mumbai Monorail Project in India and the additional scopes awarded for the Line 17 Monorail Project in Brazil. With the launch of the Line 17 1st 5 car train this quarter for Line 17 Monorail Project, we anticipate timely delivery of the trains to Sao Paulo and this will have positive contribution for the Rail Segment in the coming year.

In Malaysia, Scomi Transit Project Sdn Bhd ("**STP**"), a wholly-owned subsidiary of Scomi Engineering Bhd, is currently in litigation relating to the termination of the Kuala Lumpur Monorail Fleet Expansion Project. STP also continues to pursue its extension of time and variation order claims and all other claims in line with its entitlements. Whilst STP is in discussion with its client, to resolve the matter amicably, any unfavorable outcome will potentially have an adverse impact on the Group.

As part of future growth plan, there is added focus to pursue projects in various strategic markets such as China, Turkey and ASEAN.

In view of these, the Group remains cautious of its performance for the coming financial year.

B4. Profit Forecast or Profit Guarantee

The Group has not provided any profit forecast or profit guarantee.

B5. Tax Expense/(Credit)

	3-mths ended		YTD 12-mths ended	
	31.03.17	31.03.16	31.03.17	31.03.16
	RM'000	RM'000	RM'000	RM'000
Current period taxation				
Malaysian income tax	327	67	327	585
Foreign tax	-	114	-	114
	<u>327</u>	<u>181</u>	<u>327</u>	<u>699</u>
Prior period taxation				
Income tax under provided	(325)	-	(84)	-
	<u>2</u>	<u>181</u>	<u>243</u>	<u>699</u>
Deferred tax	7,868	(10,736)	7,868	(10,736)
Total tax expense/(credit)	<u>7,870</u>	<u>(10,555)</u>	<u>8,111</u>	<u>(10,037)</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2016: 24%) of the estimated assessable profit for the period. Taxation for the other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The effective tax rate of the Group for the current and previous corresponding quarters before adjustment in respect of prior period taxation were lower than the Malaysian statutory tax rate mainly due to income not subject to tax and income subject to lower tax rate in certain jurisdiction of the subsidiaries.

B6. Status of Corporate Proposal

There were no corporate proposals announced but not completed as at the date of issue of this report.

B7. Group Borrowings

The group borrowings are as follows:

Secured	31.03.17 RM'000	31.03.16 RM'000
Non-Current		
Term loan	36,259	41,908
Revolving credits	44,811	25,635
Finance lease liabilities	37,900	3,943
	<u>118,970</u>	<u>71,486</u>
Current		
Bank overdrafts	76,152	71,909
Term loans	116,288	113,423
Trade facilities	579	760
Finance lease liabilities	5,025	3,295
Revolving credits	208,627	208,944
	<u>406,671</u>	<u>398,331</u>
Total		
Bank overdrafts	76,152	71,909
Term loans	152,547	155,331
Trade facilities	579	760
Finance lease liabilities	42,925	7,238
Revolving credits	253,438	234,579
Total borrowings	<u>525,641</u>	<u>469,817</u>

The group borrowings are denominated in the following currencies:

	31.03.17 RM'000 equivalent	31.03.16 RM'000 equivalent
Ringgit Malaysia	384,429	350,553
United States Dollar	81,070	67,543
Indian Rupee	60,142	51,721
	<u>525,641</u>	<u>469,817</u>

B8. Changes in Material Litigation

Claims by and Counter Claims against Molinari Rail AG and Molinari Rail Austria GmbH

The following arbitrations have been instituted against Scomi Rail Bhd ("**SRB**") and the Company respectively:

- a) SIAC ARB 036/14/ALO between Molinari Rail Austria GmbH and Molinari Rail AG v SRB ("**SRB Arbitration**"); and
- b) SIAC ARB 090/16/JJ between Molinari Rail AG v SEB ("**SEB Arbitration**")

Arbitration hearing on the SRB Arbitration commenced on 1 August 2016 and completed on 8 August 2016. Molinari claims payment for services provided. SRB, the main recipient of the services, is defending the claims and has a counter claim arising out of the services performed by the claimants. The parties have delivered their respective written submissions on the claims and counterclaims

The Arbitral Tribunal gave its final award on 3 April 2017 in favour of Claimants in both cases. A summary of the final award is as follows:

a) Under the SRB Arbitration Final Award:

- i) SRB (Respondent) is to pay Molinari Rail Austria GmbH (1st Claimant) the sum of EUR598,726.43, comprising EUR 504,439.15 in the claimed amount and EUR94,287.28 in interest on that sum;
- ii) SRB to pay the Claimants the sum of EUR982,850.62 in respect of legal costs; and
- iii) SRB pays the entire costs of the arbitration, as assessed by the SIAC, amounting to SGD478,051.55 and to the extent that any such costs have been paid by the Claimants, the Claimants are to be reimbursed by Scomi Rail.

b) Under the SEB Arbitration Final Award:

- i) SEB (Respondent) is to pay Molinari Rail AG (Claimant) the amount of CHF102,256.40, comprising CHF96,813.49 in the claim amount and CHF5,442.91 in interest on that sum;
- ii) SEB to pay Molinari Rail AG the sum of EUR18,858.98 in legal costs; and
- iii) SEB pays the entire costs of the arbitration, as assessed by the SIAC, amounting to SGD59,241.30 and to the extent that any such costs have been paid by Molinari Rail, Molinari Rail, are to be reimbursed by Scomi Engineering.

The Company and SRB are presently seeking legal advice relating to their respective rights with respect to the final awards.

Notice of Termination by Prasarana Malaysia Bhd ("PMB") of the Kuala Lumpur Fleet Expansion Project ("Project") Contract dated 3 June 2011 (as supplemented by the First Supplemental Agreement dated 16 April 2014 and the Second Supplemental Contract dated 15 April 2015) (collectively, the "Contract")

The Contract between PMB and Scomi Transit Project Sdn Bhd ("**STP**") relates to the Project which involves the upgrade of the stations and systems of the Kuala Lumpur Monorail and replaces the old trains with 12 new 4-car trains, 6 of which have been delivered with 5 in successful revenue service. 83% of the Project works have been completed by STP despite extensive delays beyond its control and ongoing disputes relating to contractor claims.

By written notice PMB purported to terminate the Contract on 9 June 2016. STP disputed the purported termination and applied to the Kuala Lumpur High Court on 20 June 2016 to restrain the termination of the Contract pending reference of dispute to arbitration on grounds that the purported termination was in breach of the Contract, was bad in law, made in bad faith, unconscionable and that PMB was estopped from terminating the Contract ("Dispute").

STP filed a Notice of Arbitration against PMB in respect of the Dispute on 21 July 2016. The arbitration is pending.

On 22 July 2016, the High Court dismissed STP's action to restrain the purported termination of the Contract pending arbitration ("High Court Decision").

On 25 July 2016, STP filed an appeal against the High Court Decision which was fixed for hearing on 16 August 2016 ("Appeal").

The High Court on 26 July 2016, on an application by STP, granted an interim injunction to restrain PMB from appointing another contractor in respect of the Project pending the disposal of the Appeal on 16 August 2016 ("interim injunction").

On 16 August 2016, the Court of Appeal adjourned the hearing of the Appeal to 20 September 2016 and extended the interim injunction to 20 September 2016.

The hearing of the Appeal was adjourned to 9 November 2016, 10 January 2017, 20 February 2017, 27 April 2017 and 26 May 2017. The interim injunction was extended by the Court of appeal until 9 November 2016, and then to 10 January 2017, 20 February 2017, 27 April 2017 and 26 May 2017 respectively.

The hearing of the Appeal was adjourned on 26 May 2017 pending settlement of the matter and is now fixed for case management on 12 July 2017. The interim injunction remains extended until the disposal of the Appeal.

B9. Dividend Declared

No interim dividend has been declared for the current period under review.

B10. Loss Per Share

The computations for basic loss per share are as follows:-

	3-mths ended		YTD 12-mths ended	
	31.03.17 RM'000	31.03.16 RM'000	31.03.17 RM'000	31.03.16 RM'000
Loss for the period/year	(20,158)	(6,732)	(19,756)	(1,843)
Weighted average no. of shares in issue ('000)	342,080	342,080	342,080	342,080
Basic loss per share (sen)	<u>(5.89)</u>	<u>(1.97)</u>	<u>(5.78)</u>	<u>(0.54)</u>

There was no dilution in the earnings per share of the Company as at 31 March 2017 as the market price of the Company's ordinary shares was anti-dilutive.

B11. Current Status of the Matter Giving Rise to Qualification of Financial Statements

The preceding annual audited financial statement was not qualified.

B12. Additional Information

The following items are included in the statement of comprehensive income:-

	3-mths ended		YTD 12-mths ended	
	31.03.17 RM'000	31.03.16 RM'000	31.03.17 RM'000	31.03.16 RM'000
Loss before taxation is stated after charging/(crediting):-				
- Interest income	(517)	(565)	(1,443)	(2,134)
- Interest expense	14,670	7,841	48,982	36,370
- Depreciation and amortisation	2,223	2,090	9,286	8,801
- Unrealised foreign exchange losses/(gains)	5,527	(1,322)	(27,637)	(12,014)
- Realised foreign exchange losses/(gains)	867	605	1,230	(580)

Note: The finance costs included within cost of sales amounted to RM9.1 million (2016: RM5.9 million) and RM34.3 million (2016: RM29.5 million) for current quarter and year to date respectively.

There were no provision for and write off of receivables and inventories, gain or loss on disposal of quoted or unquoted investments, impairment assets and exceptional items.

B13. Retained Earnings /(Accumulated Losses)

	As at	
	31.03.17	31.03.16
	RM'000	RM'000
Total accumulated (losses)/retained earnings of the Company and its subsidiaries :		
Realised	(295,572)	(250,122)
Unrealised	77,490	39,092
	<u>(218,082)</u>	<u>(211,030)</u>
Less : Consolidation adjustments	65,304	78,008
Total Group accumulated losses	<u>(152,778)</u>	<u>(133,022)</u>

B14. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 31 May 2017.