

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016****Unaudited Condensed Consolidated Statement of Comprehensive Income**

		3 months ended 30 September 2016	3 months ended 30 September 2015	9 months ended 30 September 2016	9 months ended 30 September 2015
	Note	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Continuing Operations</b>					
Revenue	4	15,853	15,181	41,543	50,981
Cost of sales		<u>(13,662)</u>	<u>(12,815)</u>	<u>(36,062)</u>	<u>(40,080)</u>
<b>Gross profit</b>		<b>2,191</b>	<b>2,366</b>	<b>5,481</b>	<b>10,901</b>
(Other expenses)/other income		(9)	(16)	55	(30)
Administrative expenses		(1,026)	(1,137)	(3,217)	(3,445)
Selling and marketing expenses		(1,200)	(1,336)	(3,026)	(4,539)
		<u>(44)</u>	<u>(123)</u>	<u>(707)</u>	<u>2,887</u>
<b>Operating (loss)/profit</b>		<b>(44)</b>	<b>(123)</b>	<b>(707)</b>	<b>2,887</b>
Finance costs		(462)	(322)	(1,265)	(990)
Share of loss of an associate	11	<u>(87)</u>	<u>(95)</u>	<u>(262)</u>	<u>(288)</u>
<b>(Loss)/profit before tax</b>		<b>(593)</b>	<b>(540)</b>	<b>(2,234)</b>	<b>1,609</b>
Income tax expense	21	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>(Loss)/profit for the period attributable to equity holders of the Company</b>		<b>(593)</b>	<b>(540)</b>	<b>(2,234)</b>	<b>1,609</b>
<b>Other comprehensive income, net of tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<u>(593)</u>	<u>(540)</u>	<u>(2,234)</u>	<u>1,609</u>
<b>Total comprehensive (loss)/profit for the period attributable to equity holders of the Company</b>		<b>(593)</b>	<b>(540)</b>	<b>(2,234)</b>	<b>1,609</b>
<b>(Loss)/profit per share attributable to equity holders of the Company:</b>					
Basic, for (loss)/profit for the period (sen)	26	<b>(0.81)</b>	<b>(0.73)</b>	<b>(3.04)</b>	<b>2.19</b>
Diluted, for (loss)/ profit for the period (sen)- Not Applicable					

These Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016****Unaudited Condensed Consolidated Statements of Financial Position**

		As At 30 September 2016 (Unaudited) (RM'000)	As At 31 December 2015 (Audited) (RM'000)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	37,623	40,292
Investment properties		2,660	2,061
Investment in an associate	11	1,494	1,756
		<b>41,777</b>	<b>44,109</b>
<b>Current assets</b>			
Inventories		19,016	17,098
Trade receivables		22,343	16,651
Other receivables & prepayment		273	261
Other current receivables		1,414	220
Income tax recoverable		126	75
Cash & bank balances		4,672	5,938
		<b>47,844</b>	<b>40,243</b>
<b>TOTAL ASSETS</b>		<b>89,621</b>	<b>84,352</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		73,583	73,583
Share premium		5,097	5,097
Accumulated losses		(30,625)	(28,391)
Total equity		<b>48,055</b>	<b>50,289</b>
<b>Non-current liabilities</b>			
Borrowings	23	14,583	10,379
Other payables		127	127
		<b>14,710</b>	<b>10,506</b>
<b>Current liabilities</b>			
Borrowings	23	9,289	9,133
Trade payables		13,555	10,915
Other payables		2,894	2,391
Other current liabilities		1,118	1,118
		<b>26,856</b>	<b>23,557</b>
Total liabilities		<b>41,566</b>	<b>34,063</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>89,621</b>	<b>84,352</b>
Net assets per share (RM)		<b>0.65</b>	<b>0.68</b>

These Condensed Statements of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)**

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

**Unaudited Condensed Consolidated Statements of Changes in Equity**

	← Attributable to owners of the Company → Non-distributable				
	Share capital (RM'000)	Share premium (RM'000)	Revaluation reserve (RM'000)	Accumulated losses (RM'000)	Total (RM'000)
At 1 January 2015	73,583	5,097	-	(28,631)	50,049
Total comprehensive profit for the period	-	-	-	1,609	1,609
At 30 September 2015	<u>73,583</u>	<u>5,097</u>	<u>-</u>	<u>(27,022)</u>	<u>51,658</u>
At 1 January 2016	73,583	5,097	-	(28,391)	50,289
Total comprehensive loss for the period	-	-	-	(2,234)	(2,234)
At 30 September 2016	<u>73,583</u>	<u>5,097</u>	<u>-</u>	<u>(30,625)</u>	<u>48,055</u>

These Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD (25583-W)****INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016****Unaudited Condensed Consolidated Statements of Cash Flow**

	9 Months ended 30 September 2016 RM'000	9 Months ended 30 September 2015 RM'000
<b>Cash flows from operating activities</b>		
(Loss)/ Profit before tax	(2,234)	1,609
Adjustment for:		
Interest income	(65)	(34)
Interest expense	1,265	990
Gain on disposal of property, plant & equipment	-	(13)
Depreciation of property, plant and equipment	3,352	3,335
Impairment loss on trade receivables written (back)/off	(142)	15
Inventories written back	(8)	(4)
Share of loss of associate	262	288
Property, plant and equipment written off	1	1
Operating profit before working capital changes	<u>2,431</u>	<u>6,187</u>
Increase in inventories	(1,910)	(1,909)
(Increase) / Decrease in trade and other receivables	(5,561)	13
(Increase) / Decrease in other current assets	(1,194)	6
Increase / (Decrease) in trade and other payables	3,142	(2,879)
(Decrease) / Increase in other current liabilities	-	384
Cash (used in) / generated from operations	<u>(3,092)</u>	<u>1,802</u>
Taxation paid, net of refund	(52)	(52)
Interest received	65	34
Interest paid	(1,265)	(990)
Net cash (used in) / generated from operating activities	<u>(4,344)</u>	<u>794</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	13
Acquisition of property, plant and equipment	(683)	(799)
Subsequent expenditure on investment properties under construction	(599)	-
Net cash used in investing activities	<u>(1,282)</u>	<u>(786)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	7,718	2,432
Repayment of borrowings	(3,058)	(3,214)
Net cash generated from / (used in) financing activities	<u>4,660</u>	<u>(782)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(966)</b>	<b>(774)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,187</b>	<b>2,807</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,221</b>	<b>2,033</b>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	4,672	2,583
Bank overdraft (included within short term borrowings in Note 23)	(103)	(206)
Less: Fixed deposit pledged	(348)	(344)
	<u>4,221</u>	<u>2,033</u>

The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134 – INTERIM FINANCIAL REPORTING**

**1. Basis of Preparation**

The condensed consolidated interim financial statements (“Condensed Report”) have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with IAS 134 Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The Condensed Report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2015. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

The Condensed Report are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM’000).

**2. Significant accounting policies**

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2015 except for the adoption of the following with effect from 1 January 2016:

Annual Improvements to MFRSs 2012 - 2014 Cycle  
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation  
Amendments to MFRS 116 and MFRS 141: Agricultural: Bearer Plants  
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture  
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations  
Amendments to MFRS 127: Equity Method in Separate Financial Statements  
Amendments to MFRS 101: Disclosure Initiatives  
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception  
MFRS 14: Regulatory Deferral Accounts

The initial application of the above is not expected to have any significant financial impact on the Group’s financial statements.

**3. Auditors’ report on preceding annual financial statements**

The auditors’ report on the financial statements for the year ended 31 December 2015 was not qualified.

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016****NOTES (cont'd)****4. Segmental information****Results for 3 months ended 30 September 2016**

	<b>Manu- facturing RM'000</b>	<b>Property trading RM'000</b>	<b>Const- ruction RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
<b>Segment Revenue</b>					
Total revenue including inter-segment sales	15,853	-	-	-	15,853
Less: Inter-segment sales	-	-	-	-	-
External revenue	<u>15,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,853</u>
<b>Segment Results</b>					
Results	61	(8)	(97)	-	(44)
Finance costs	(462)	-	-	-	(462)
Share of results of an associate					(87)
Loss before tax					<u>(593)</u>
Income tax income					-
Loss after tax					<u>(593)</u>
<b>Other information</b>					
Interest income	<u>25</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>26</u>

**Results for 3 months ended 30 September 2015**

	<b>Manu- facturing RM'000</b>	<b>Property trading RM'000</b>	<b>Const- ruction RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
<b>Segment Revenue</b>					
Total revenue including inter-segment sales	15,181	-	-	-	15,181
Add/(Less): Inter-segment (return)/sales	-	-	-	-	-
External revenue	<u>15,181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,181</u>

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

## NOTES (cont'd)

## 4. Segmental information (cont'd)

## Results for 3 months ended 30 September 2015 (cont'd)

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
<b>Segment Results</b>					
Results	-	(14)	(107)	(2)	(123)
Finance costs	(322)	-	-	-	(322)
Share of results of an associate					(95)
Loss before tax					(540)
Income tax income					-
Loss after tax					(540)
<b>Other information</b>					
Interest income	6	-	1	-	7

## Results for 9 months ended 30 September 2016

	Manu- facturing RM'000	Property trading RM'000	Const- ruction RM'000	Others RM'000	Consolidated RM'000
<b>Segment Revenue</b>					
Total revenue including inter- segment sales	41,543	-	-	-	41,543
Less: Inter-segment sales	-	-	-	-	-
External revenue	41,543	-	-	-	41,543
<b>Segment Results</b>					
Results	(333)	(25)	(348)	(1)	(707)
Finance costs	(1,265)	-	-	-	(1,265)
Share of results of an associate					(262)
Profit before tax					2,234
Income tax expense					-
Profit after tax					2,234
<b>Other information</b>					
Interest income	64	-	1	-	65

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

**NOTES (cont'd)**

**4. Segmental information (cont'd)**

**Results for 9 months ended 30 September 2015 (cont'd)**

	<b>Manu- facturing RM'000</b>	<b>Property trading RM'000</b>	<b>Const- ruction RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
<b>Segment Revenue</b>					
Total revenue including inter-segment sales	50,876	-	105	-	50,981
Less: Inter-segment sales	-	-	-	-	-
External revenue	<u>50,876</u>	<u>-</u>	<u>105</u>	<u>-</u>	<u>50,981</u>
<b>Segment Results</b>					
Results	3,349	(49)	(411)	(2)	2,887
Finance costs	(990)	-	-	-	(990)
Share of results of an associate					<u>(288)</u>
Profit before tax					1,609
Income tax expense					<u>-</u>
Profit after tax					<u>1,609</u>
<b>Other information</b>					
Interest income	<u>33</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>34</u>

**5. Unusual items due to their nature, size and incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 September 2016 except as disclosed in Note 2.

**6. Changes in estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

**7. Comments about seasonal or cyclical factors**

The business of the Group was not affected by any significant seasonal or cyclical factors.

**8. Dividend**

The Company did not declare or pay any dividend during the quarter and financial period ended 30 September 2016.

**9. Acquisitions and disposals of property, plant and equipment**

During the quarter and financial period ended 30 September 2016, the Group acquired Property, Plant and Equipment ("PPE") with an aggregate cost of RM343,273 (3rd Quarter 30 September 2015: RM70,057) and 683,808 (30 September 2015: RM958,346). Net Book Value of PPE disposed by the Group for the financial period ended 30 September 2016 was RM Nil (30 September 2015: RM1).



**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

**NOTES (cont'd)**

**10. Related party disclosures**

i) Transactions with companies in which certain directors of the Company have financial interest:

	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30.09.2016</b>	<b>30.09.2015</b>	<b>30.09.2016</b>	<b>30.09.2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Income</b>				
Sale of construction materials to:				
-Zecon Construction (Sarawak) Sdn. Bhd.	-	53	10	779
-Zecon Dredging Sdn. Bhd.	-	-	-	160
-Zecon Engineering and Construction Sdn. Bhd.	-	-	10	220
-Petra Jaya Properties Sdn. Bhd.	-	-	369	-
-Rekeruang Sdn Bhd	-	-	706	-
-Sego Holdings Sdn. Bhd.	75	-	75	-
<b>Expenditure</b>				
Insurance premium paid to Transnational Insurance Brokers (M) Sdn. Bhd.	110	126	153	170
Management fees paid to Santubong Suites Sdn. Bhd.	10	11	29	28
Rental paid to Reignvest Corporation Sdn Bhd.	180	180	540	540

**11. Investment in an associate**

	<b>As At</b>	<b>As At</b>
	<b>30.09.2016</b>	<b>31.12.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Unquoted shares, at cost	3,000	3,000
Share of post-acquisitions reserve	(1,506)	(1,244)
	<u>1,494</u>	<u>1,756</u>

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

**NOTES (cont'd)**

**11. Investment in associate (cont'd)**

Details of the associate are as follows:

Name of associate	Country of incorporation	Principal activities	Proportion of ownership interest	
			As at 30.09.2016 %	As at 31.12.2015 %
<b>Held through SCIB Properties Sdn. Bhd. :</b>				
Influx Meridian Sdn. Bhd	Malaysia	Property development	40%	40%

**12. Debt and equity securities**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial period-to-date.

**13. Changes in composition of the Group**

Saved as disclosed below, there were no changes in the composition of the Group for the current quarter and financial period-to-date.

SCIB Properties Sdn. Bhd. ("SCIBP") a wholly-owned subsidiary of SCIB Holdings Sdn. Bhd., which is in turn wholly-owned by the Company, had on 25 November 2016 entered into a Share Sale Agreement with KTS Properties & Construction Sdn. Bhd. ("KTS") for the proposed divestment of 3,000,000 ordinary shares of RM1 each representing 40% issued and paid up share capital of Influx Meridian Sdn. Bhd. ("IMSB") to KTS for a total sale consideration of RM5,000,000, to be fully satisfied in cash. Upon completion of the proposed divestment of the entire 40% equity interest in IMSB, IMSB shall cease as an associate company of SCIBP.

**14. Capital commitments**

	As At 30.09.2016 RM'000	As At 31.12.2015 RM'000
Capital expenditure not provided for in the financial statements:		
Authorised and contracted for	16	441
Approved but not contracted for	5,255	1,102
	<u>5,271</u>	<u>1,543</u>
	=====	=====

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

**NOTES (cont'd)**

**15. Contingent liabilities – Unsecured**

	<b>As At 30.09.2016 RM'000</b>	<b>As At 31.12.2015 RM'000</b>
Corporate guarantee given to bank for credit facilities granted to a subsidiary	23,654 =====	19,238 =====

**16. Subsequent event**

There were no material events subsequent to the end of the current quarter

**PART B -ADDITIONAL INFORMATION PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

**17. Performance review**

The Group's revenue has increased by 4% from RM15.2 million reported in the third quarter of 2015 to RM15.9 million in the third quarter of 2016. Slightly higher revenue from the Manufacturing division due to roll out of Pan Borneo Highway Project. The Group reported a loss before tax of RM593,000 as compared to loss before tax of RM540,000 posted in the corresponding quarter last year.

On a year-to-date basis, the Group reported revenue of RM41.5 million in the nine months period of 2016, as compared to RM51 million for the same period last year. The manufacturing division being the key driver and largest contributor to the Group's revenue, reported revenue of about RM41.5 million and RM50.9 million for the 9 months period ended 30 September 2016 and 30 September 2015 respectively. The Group recorded a loss before tax of RM2,234,000 as compared to profit before tax of RM1,609,000 reported for the same period last year mainly attributable to lower sales, coupled with higher operating and finance costs. The net assets of the Group as at 30 September 2016 stood at RM48.06 million which translates to RM0.65 net assets value per share.

**18. Variation of results against preceding quarter**

The Group registered a loss before tax of RM593,000 from a revenue of RM15.9 million for the current quarter as compared to a loss before tax of RM1,059,000 from a revenue of RM13.8 million in the preceding quarter. A lower loss before tax as compared to the preceding quarter is mainly due to higher sales in the current quarter under review.

**19. Prospects for the remaining quarter**

Given the rolling out of the Pan Borneo Highway Project, the Group expects significant improvement in its order book and anticipates better results for the remaining quarter. The Group also remains focused on managing its cost structure and promoting its IBS products for new projects.

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016**

**NOTES (cont'd)**

20. (a) **Variance of actual profit from forecast profit**

Not applicable

(b) **Shortfall in the profit guarantee**

Not applicable

21. **Income tax (income)/ expense**

	3 months ended		9 months ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	RM'000	RM'000	RM'000	RM'000
Current tax	-	-	-	-
(Over) /Underprovision of tax in prior year	-	-	-	-
Deferred tax	-	-	-	-
Total income tax (income)/ expense	-	-	-	-

22. **Corporate Proposals**

There were no new or outstanding corporate proposals which have not been completed as at the date of this announcement.

23. **Borrowings**

	As at	As at
	30.09.2016	31.12.2015
	RM'000	RM'000
<b>Short term borrowings</b>		
Secured	9,186	8,999
Unsecured	103	134
	<u>9,289</u>	<u>9,133</u>
<b>Long term borrowings</b>		
Secured	14,583	10,379
	<u>23,872</u>	<u>19,512</u>

All of the above borrowings are denominated in Ringgit Malaysia.

24. **Derivatives financial instruments**

There were no outstanding derivatives as at the end of the reporting year.

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**NOTES (cont'd)**

**25. Dividend payable**

No interim ordinary dividend has been declared for the financial period ended 30 September 2016 (30 September 2015: Nil).

**26. Basic (loss)/profit per share**

	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30.09.2016</b>	<b>30.09.2015</b>	<b>30.09.2016</b>	<b>30.09.2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(Loss)/profit attributable to ordinary equity holders of the Company	<u>(593)</u>	<u>(540)</u>	<u>(2,234)</u>	<u>1,609</u>
		<b>As at</b>		<b>As at</b>
	<b>30.09.2016</b>	<b>30.09.2015</b>	<b>30.09.2016</b>	<b>30.09.2015</b>
Weighted average number of ordinary shares in issue	<u>73,582,500</u>	<u>73,582,500</u>	<u>73,582,500</u>	<u>73,582,500</u>
		<b>3 months ended</b>		<b>9 months ended</b>
		<b>30.09.2016</b>		<b>30.09.2015</b>
		<b>Sen</b>		<b>Sen</b>
Basic (loss)/profit per share for (loss)/profit for the period	<u>(0.81)</u>	<u>(0.73)</u>	<u>(3.04)</u>	<u>2.19</u>

There is no dilution in its (loss)/profit per share in the current quarter and financial period to date as there are no dilutive potential ordinary shares outstanding at the end of the reporting period.

**SARAWAK CONSOLIDATED INDUSTRIES BERHAD** (25583-W)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD  
QUARTER ENDED 30 SEPTEMBER 2016**

**NOTES (cont'd)**

**27. Breakdown of accumulated losses of the Group as at the reporting date into realised and unrealised**

	<b>As at 30.09.2016 RM'000</b>	<b>As at 31.12.2015 RM'000</b>
Total accumulated losses		
- Realised	29,328	27,554
- Unrealised	-	-
	<u>29,328</u>	<u>27,554</u>
	<b>As at 30.09.2016 RM'000</b>	<b>As at 31.12.2015 RM'000</b>
Total share of loss of an associate		
- Realised	1,507	1,244
- Unrealised	-	-
	<u>1,507</u>	<u>1,244</u>
Total losses before consolidation adjustments	30,835	28,798
Consolidation adjustments	(210)	(407)
Total Group accumulated losses as per consolidated accounts	<u>30,625</u>	<u>28,391</u>

The determination of realised and unrealised profits or losses is based on the Guidance of Special Matter No. 1, Determination of Realised and unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

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**NOTES (cont'd)**

**28. Material litigation**

On 13 July 2016, the Company announced that its wholly owned subsidiary, SCIB Industrialised Building System Sdn. Bhd. (“the Plaintiff”) had on 5<sup>th</sup> July 2016 through its solicitor, Messrs Loke, King, Goh & Partners Advocates sealed a Writ and Statement of Claim in respect of the High Court of Sabah and Sarawak Suit No. KCH-22NCvC-41/7- 2016(HC 2) which was filed at the High Court of Sabah and Sarawak at Kuching (“Civil Suit”). The Civil Suit was filed by SCIB Industrialised Building System Sdn. Bhd. (“the Plaintiff”) through its solicitors against Millennium Crest Sdn. Bhd. (“the Defendant”).

Pursuant to the Writ and Statement of Claim, the Plaintiff claims the following from the Defendant:

- a) A declaration that the Plaintiff had practically completed its scope of works by 15<sup>th</sup> of November 2013.
- b) the principal sum of RM2,786,695.70 as at 29<sup>th</sup> December 2014;
- c) interest on the sum of RM2,786,695.70 at the rate of 7.6% per annum from 30<sup>th</sup> December 2014 until full and final settlement;
- d) the sum of RM4,725.00 as compensation for the arbitration cost;
- e) costs; and
- f) such further or other relief as the Honourable Court may deem fit and just.

**29. Additional disclosures on (loss)/profit for the period**

(Loss)/profit for the period is arrived at after charging/(crediting):

	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30.09.2016</b>	<b>30.09.2015</b>	<b>30.09.2016</b>	<b>30.09.2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property, plant and Equipment (“PPE”)	1,122	1,116	3,352	3,335
PPE written off	-	1	1	1
Share of associate loss	87	95	262	288
Interest expense	462	322	1,265	990
Interest income	(26)	(7)	(65)	(34)
Inventories written back	-	-	(8)	(4)
Impairment loss on Trade receivables written (back)/off	-	-	(142)	15
Gain on disposal of property, plant and Equipment (“PPE”)	-	-	-	(13)

**30. 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 28 November 2016.