



**Condensed Consolidated Income Statement
For the Fourth Quarter ended 31 December 2009 (Unaudited)**

	***	***		
	Current Quarter Ended	Corresponding Quarter Ended	Cummulative Year To Date	Corresponding Period To Date
	31-Dec-09	31-Dec-08 (Restated)	31-Dec-09	31-Dec-08 (Restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	39,325	64,279	196,989	180,169
Operating expenses	(21,982)	(36,560)	(111,206)	(89,415)
Gross profit	17,343	27,719	85,783	90,754
Other operating income	400	801	1,843	26,371
Administration expenses	(11,574)	(9,633)	(34,952)	(24,722)
Finance costs	(2)	(29)	(11)	(3,643)
Profit before tax	6,167	18,858	52,663	88,760
Taxation	(986)	(3,627)	(9,137)	(15,568)
Deferred tax	-	(1,747)	-	(1,747)
Profit after tax	5,181	13,484	43,526	71,445
Minority interest	-	-	-	-
Profit for the period	5,181	13,484	43,526	71,445
Profit for the period attributable to Equity holders of the parent	5,181	13,484	43,526	71,445
Weighted average number of shares in issue ('000)	352,000	352,000	352,000	226,948
EPS-Basic/Diluted (sen)	1.47	3.83	12.37	31.48

*** The results for the quarter and period ended 31 December 2008 reflected the post-acquisition performances of subsidiaries acquired on 29 February 2008. Included therein was negative goodwill of RM22.536 million recognized following the acquisition of the subsidiaries. The negative goodwill has been restated from RM21.527 million to RM22.536 million based on the audited financial statements for the period ended 31 December 2008.

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Balance Sheet as at 31 December 2009 (Unaudited)**

	UNAUDITED AS AT 31-Dec-09 RM'000	AUDITED AS AT 31-Dec-08 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	190,452	161,983
Other investments	135,008	10,177
Deferred tax assets	34	34
	<hr/> 325,494	<hr/> 172,194
CURRENT ASSETS		
Inventories	1,611	1,818
Trade receivables	74,335	104,524
Other receivables	1,763	1,893
Cash and bank balances	57,222	97,158
	<hr/> 134,931	<hr/> 205,393
TOTAL ASSETS	<hr/> 460,425	<hr/> 377,587
EQUITY AND LIABILITIES		
EQUITY		
Share capital	176,000	176,000
Share premium	87,071	87,071
Retained profits	59,413	53,205
TOTAL EQUITY	<hr/> 322,484	<hr/> 316,276
NON CURRENT LIABILITIES		
Borrowings	100,000	-
Finance lease liabilities	-	63
Deferred tax liabilities	3,717	3,717
TOTAL NON CURRENT LIABILITIES	<hr/> 103,717	<hr/> 3,780
CURRENT LIABILITIES		
Trade payables	19,188	44,733
Other payables	5,835	6,013
Revolving credits	10,000	-
Bank overdraft	-	2
Finance lease liabilities	61	85
Current tax payables	(860)	6,698
TOTAL CURRENT LIABILITIES	<hr/> 34,224	<hr/> 57,531
TOTAL LIABILITIES	<hr/> 137,941	<hr/> 61,311
TOTAL EQUITY AND LIABILITIES	<hr/> 460,425	<hr/> 377,587
Net Assets per share (sen)	92	90

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Changes in Equity
For the Fourth Quarter ended 31 December 2009 (Unaudited)**

	Attributable to the equity holders of the parent			
	Share Capital	Non-distributable Share Premium	Distributable Retained Profits	Total Equity
	RM'000	RM'000	RM'000	RM'000
Balance as at 01 January 2008	-	-	(6)	(6)
Acquisition of subsidiaries	122,913	-	-	122,913
Rights Issue	10,150	10,150	-	20,300
Public Issue	42,937	81,580	-	124,517
Less: Expenses relating to flotation exercise	-	(4,659)	-	(4,659)
Profit for the period (Restated)	-	-	71,445	71,445
Dividend paid	-	-	(18,234)	(18,234)
Balance as at 31 December 2008 (Restated)	176,000	87,071	53,205	316,276
Balance as at 01 January 2009	176,000	87,071	53,205	316,276
Profit for the period	-	-	43,526	43,526
Dividend paid	-	-	(36,080)	(36,080)
Underlying S108 tax credit shortfall	-	-	(1,238)	(1,238)
	-	-	(37,318)	(37,318)
Balance as at 31 December 2009	176,000	87,071	59,413	322,484

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Cash Flow Statements
For the Fourth Quarter ended 31 December 2009 (Unaudited)**

	Current Year-to-date 31-Dec-09 RM'000	Corresponding Period-to-date 31-Dec-08 (Restated) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	52,663	88,760
Adjustments for:-		
- Non-cash items	10,677	(16,630)
- Non-operating items	(1,782)	(208)
Operating profit before changes in working capital	61,558	71,922
<u>Changes in working capital</u>		
Inventories	207	1,450
Trade and other receivables	30,319	(46,711)
Trade and other payables	(25,723)	24,978
Total changes in working capital	4,803	(20,283)
Cash generated from operations	66,361	51,639
Interest received	1,792	3,851
Interest paid	(11)	(5,203)
Tax paid	(17,934)	(14,171)
Total Interest and tax paid	(16,153)	(15,523)
Net cash generated from operating activities	50,208	36,116
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of other investment	(135,247)	(10,177)
Effect of acquisition of subsidiary companies, net of cash acquired	-	42,080
Proceeds from disposal of quoted investment	10,416	25,000
Purchase of property, plant and equipment	(39,191)	(37,720)
Proceeds from disposal of property, plant and equipment	46	-
Net cash (used in)/generated from investing activities	(163,976)	19,183
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	144,817
Listing expenses	-	(4,659)
Proceeds from borrowings	110,000	-
Repayment of borrowings	-	(80,000)
Payments of finance lease liabilities	(86)	(67)
Dividend paid	(36,080)	(18,234)
Net cash generated from financing activities	73,834	41,857
Net (decrease)/increase in cash and cash equivalents	(39,934)	97,156
Cash and cash equivalents at the beginning of the year/period	97,156	
Cash and cash equivalents at the end of the year/period	57,222	97,156
Breakdown of cash and cash equivalents at the end of the year/period:-		
Short term deposits	35,284	68,215
Cash and bank balances	21,938	28,941
	57,222	97,156

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).



A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING

A1. Basis of reporting preparation

The interim financial statements are unaudited and has been prepared in accordance with Financial Reporting Standards 134 (FRS134): *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B part A of the Listing Requirements of Bursa Malaysia Securities Berhad.

The same accounting policies and methods of computation are followed in the preparation of the interim financial statements and the most recent annual financial statements of the Group save for the adoption of the new and revised Financial Reporting Standards (“FRSs”) and Issues Committee (“IC”) Interpretations issued by the MASB effective for the year under review. The adoption of the new and revised FRSs and IC Interpretations does not have any significant impact on the results of the Group.

The interim financial report should be read in conjunction with the audited financial statements of the Group and the Company for the financial period ended 31 December 2008 and the accompanying explanatory notes attached to this interim financial report.

A2. Impending Change of Accounting Policies

The Group has not applied the following accounting standards (including their consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board but are only effective for annual periods beginning on or after the respective dates indicated herein:

FRS/Amendment/Interpretation	Effective date
FRS 8, <i>Operating Segments</i>	1 July 2009
FRS 4, <i>Insurance Contracts</i>	1 January 2010
FRS 7, <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 123, <i>Borrowing Costs</i> (revised)	1 January 2010
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement</i> , FRS 7 <i>Financial Instruments: Disclosures</i> and IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards</i> and FRS 127, <i>Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>	1 January 2010
Amendments to FRS 2, <i>Share-based Payment: Vesting Conditions and Cancellations</i>	1 January 2010
Amendments to FRS 101, <i>Presentation of Financial Statements</i>	1 January 2010
Improvement to FRSs (2009)	1 January 2010
IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 10, <i>Interim Financial Reporting and Impairment</i>	1 January 2010
IC Interpretation 11, <i>FRS 2-Group and Treasury Share Transactions</i>	1 January 2010
IC Interpretation 13, <i>Customer Loyalty Programmes</i>	1 January 2010
IC Interpretation 14, <i>FRS 119-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	1 January 2010



FRS 1, <i>First-time Adoption of Financial Reporting Standards</i> (revised)	1 July 2010
FRS 3, <i>Business Combinations</i> (revised)	1 July 2010
FRS 127, <i>Consolidated and Separate Financial Statements</i> (revised)	1 July 2010
Amendments to FRS 2, <i>Share-based Payment</i>	1 July 2010
Amendments to FRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 July 2010
Amendments to FRS 138, <i>Intangible Assets</i>	1 July 2010
Amendments to IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 July 2010
IC Interpretation 12, <i>Service Concession Agreements</i>	1 July 2010
IC Interpretation 15, <i>Agreements for the Construction of Real Estate</i>	1 July 2010
IC Interpretation 16, <i>Hedges of a Net Investment in a Foreign Operation</i>	1 July 2010
IC Interpretation 17, <i>Distribution of Non-cash Assets to Owners</i>	1 July 2010

The Group plans to apply:

- from the annual period beginning on 1 January 2010 those standards, amendments and interpretations as listed above that are effective for annual periods beginning on or before 1 January 2010, except for Amendments to FRS 1 and FRS 127, Amendments to FRS 2, FRS 4, and IC Interpretations (ICI) 9, ICI 11, ICI 13 and ICI 14 which are not applicable to the Group.
- from the annual period beginning on 1 January 2011 those standards, amendments and interpretations as listed above that are effective for annual periods beginning on or after 1 July 2010, except for FRS 1 (revised), Amendments to FRS 2, Amendments to FRS 5, Amendments to FRS 127, Amendments to FRS 138, Amendments to ICI 9, ICI 12, ICI 15, ICI 16 and ICI 17 which are not applicable to the Group.

FRS 7 and FRS 139

The impacts and disclosures of applying FRS 7 and FRS 139 on the financial statements upon first adoption as required by paragraph 30 (b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed by virtue of the exemption given in the respective FRSS.

FRS 8

FRS 8 replaces FRS 114₂₀₀₄, *Segment Reporting* and requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. Currently, the Group presents segment information in respect of its business segments. The segmental information for the current quarter (see note A9) is presented based on internal reports that are regularly reviewed by our Managing Director.

FRS 123 (revised)

The revised FRS 123 requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset and removes the option of immediately recognising the borrowing cost as an expense.

IC Interpretation 10

IC Interpretation 10 prohibits the reversal of an impairment loss recognised in an interim period during the financial year in respect of goodwill, an investment in an equity instrument or a financial asset carried at cost. IC Interpretation 10 will apply prospectively from the date the Group first applied the measurement criteria of FRS 136, *Impairment of Assets* and FRS 139 respectively.



FRS 3 (revised)

FRS 3 (revised), which is to be applied prospectively, incorporates the following changes to the existing FRS 3:

- The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations.
- Contingent consideration will be measured at fair value, with subsequent changes therein recognised in profit or loss.
- Transaction costs, other than share and debts issue costs, will be expensed as incurred.
- Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss.
- Any minority (will be known as non-controlling) interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

Improvements to FRSs (2009)

Improvements to FRSs (2009) contain various amendments that result in accounting changes for presentation, recognition or measurement and disclosure purposes. These amendments are not expected to have a material impact to the Group.

A3. Auditors' report

There was no qualification on the audited financial statements of the Company for the financial period ended 31 December 2008.

A4. Seasonal or cyclical factors

Seasonality due to weather is not foreseen to affect the Group's vessel chartering operations. However, the offshore topside maintenance operations will be affected by bad weather at end of the year and this factor has been taken into consideration in the Group's annual business plan.

A5. Items of unusual nature and amount

There were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year-to-date.

A6. Material changes in estimates

There were no changes in the estimates of amounts reported in the prior interim periods of the current financial year or changes in the estimates of amounts relating to the prior financial years that have a material effect in the current quarter and financial year-to-date.

A7. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities

There were no issuance and repayments 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 year-to-date.

A8. Dividends paid

An interim dividend, in respect of the financial year ended 31 December 2009, of 5 sen per ordinary share tax exempt amounting to RM17,600,000 was paid to shareholders on 21 December 2009.

**A9. Segmental information**

The Group is organized into the following operating segments:-

1. Investment holding
2. Offshore Topside Maintenance Services (“Offshore TMS”)
3. Charter of Marine Vessels (“Marine Charter”)
4. Rental of offshore equipment (“Equipment Rental”)

Segmental Reporting

Current financial year ended 31 December 2009	Investment Holding	Offshore TMS	Marine Charter	Equipment Rental	Total	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	-	196,345	-	644	196,989	-	196,989
Inter-segment revenue	51,560	-	62,548	3,407	117,515	(117,515)	-
	51,560	196,345	62,548	4,051	314,504	(117,515)	196,989
Results							
Segment results	49,128	29,216	19,258	2,680	100,282	(49,400)	50,882
Interest expense	-	(11)	-	-	(11)	-	(11)
Interest income	630	1,049	37	76	1,792	-	1,792
Profit before tax							52,663
Taxation							(9,137)
Profit after tax							43,526

A10. Valuation of property, plant and equipment

The property, plant and equipment of the Group have been brought forward without amendment from their previous annual financial statements.

A11. Capital commitments

Capital commitments as at end of the current quarter and financial year-to-date are as follows:-

31-Dec-09

RM'000

Approved and contracted for

-

A12. Material events subsequent to the end of period reported

There are no material events subsequent to the end of the current quarter and financial period to date up to 18 February 2010 (not earlier than 7 days from the date of announcement of this interim financial report) that have not been reflected in the financial statements for the current quarter and financial year-to-date.



A13. Changes in composition of the group

On 15 December 2009, Dayang Enterprise Holdings Bhd completed the acquisition of 40% equity interests in Syarikat Borcos Shipping Sdn Bhd for a total purchase consideration of RM132 million.

A14. Contingent Liabilities and Contingent Assets

Save as disclosed below, there were no contingent liabilities or contingent assets that had arisen since the last annual balance sheet date.

Our subsidiary, Dayang Enterprise Sdn Bhd ('DESB'), has made a claim against Sarawak Shell Berhad and Sabah Shell Petroleum Co. Ltd for wrongful premature termination of an offshore maintenance contract in the year 2002. The amount claimed by DESB was RM10,160,445 together with general damages, interests and costs thereon. The matter is being arbitrated and the date of the forthcoming arbitration proceedings has not been fixed. In view of the uncertainty of the timing and actual outcome of the claim, no amount arising from this arbitration has been taken up in the financial statements.

A15. Significant related party transactions

The Group entered into the following transactions with related parties, in addition to compensations to Directors and other Key Management personnel, during the current financial year:-

Transactions with Directors and a company in which certain Directors have substantial financial interest:-	Nature	Amount for 12 months ended 31 December 2009	Unsettled balance as at 31 December 2009
		RM'000	RM'000
Ling Suk Kiong and Joe Ling Siew Loung @ Lin Shou Long	Rental of open yard fabrication facilities with workshop, warehouse and office	660	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office	32	-
Joe Ling Siew Loung @ Lin Shou Long and his spouse Chong Siaw Choon	Rental of office	37	-
Kunci Prima Sdn Bhd (Directors and shareholders are Tengku Yusof Bin Tengku Ahmad Shahrudin, Joe Ling Siew Loung @ Lin Shou Long, Ling Suk Kiong and his spouse Wong Siew Hong)	Rental of office	451	-
		1,180	-

In the opinion of the directors, the above transactions have been entered into in the ordinary course of business and have been established under terms no less favourable than those transacted with unrelated parties.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS****B1. Review of performance of the Company and its principal subsidiaries**

The Group's performance for the quarter under review versus the corresponding quarter of the previous financial period is tabled below:

	Quarter ended 31-Dec-09 RM'000	Quarter ended 31-Dec-08 (Restated) RM'000	Variance	
			RM'000	%
Revenue	39,325	64,279	(24,954)	(39)
Profit before tax	6,167	18,858	(12,691)	(67)

Comparatively, the Group's revenue for the current quarter ended 31 December 2009 decreased by 39% while profit before tax for the current quarter decreased by 67%. The lower revenue in the current quarter as compared to the corresponding quarter is mainly due to fewer revenue from work orders received and performed in the current quarter.

Whilst revenue decreased by RM24.9 million ie 39%, profit before tax for the current quarter decreased by RM12.7 million ie. 67% in view of the fact that the work orders in the current quarter have a much lower profit margin contribution.

In the opinion of the Directors, the results for the current quarter and financial year-to-date have not been affected by any transactions or events of a material nature which have arisen between 31 December 2009 and the date of this report.

B2. Material changes in the quarterly results compared to the results of the preceding quarter

	Current Quarter ended 31-Dec-09 RM'000	Preceding Quarter ended 30-Sep-09 RM'000	Variance	
			RM'000	%
Revenue	39,325	49,329	(10,004)	(20)
Profit before tax	6,167	11,636	(5,469)	(47)

In the current quarter, the Group's revenue was 20% lower and the profit before tax was 47% lower compared to the preceding quarter.

The lower revenue of RM39.3 million for the current quarter as compared to RM49.3 million for the preceding quarter is mainly due to fewer work orders received and performed in the current quarter.

Whilst revenue reduced by RM10.0 million ie. 20%, profit before tax decreased by RM5.5 million ie. 47% in view of the fact that the work orders in the current quarter have a lower profit margin contribution compared to the previous quarter.



B3. Prospects for the next financial year

Despite the unfavourable economic climate and the low price of petroleum that caused our clients to generally cut back on spending in 2009, the Group achieved an unaudited profit after tax of RM43.5 million for the financial year ended 31 December 2009.

The Directors remain positive of the Group's prospects for the 1st quarter of the next financial year as the Group has on-going contracts exceeding RM500 million to last at least until year 2012. The Group currently has tendered for more than RM500 million worth of contracts and is still awaiting the favourable outcome of some of these tenders. Should these materialize, they would contribute positively to the future prospects.

For the first time, the Group would also see contributions from its 40% associate company, Syarikat Borcos Shipping Sdn Bhd from the financial year ending 31 December 2010.

While the Directors are optimistic on the future prospects of the Group, 2010 remains very challenging for the Group as the year ahead is fraught with uncertainties as world economies generally still look very fragile. The Directors will continue to exercise due care, prudence and caution in facing the challenging and competitive economic environment in order to preserve and enhance shareholders' value.

B4. Profit forecast and profit guarantee

There was no profit guarantee issued by the Group.

B5. Taxation

	Current quarter ended 31 December 2009 RM'000	Current year-to-date ended 31 December 2009 RM'000
Malaysian income tax	986	9,137
Deferred income tax	-	-
Tax expense	<u>986</u>	<u>9,137</u>

The lower effective tax rate applicable to the Group for the current quarter and financial year-to-date was mainly due to exemption from income tax under Section 54A of the Income Tax Act, 1967, in respect of revenue derived from the charter of some of DMSSB's marine vessels.

B6. Profit from sale of unquoted investments and/or properties

There were no disposals of unquoted investments and properties for the current quarter and financial year-to-date.



B7. Quoted securities

(A) Movement in unit trusts:

	Current quarter ended 31-Dec-09 RM'000	Cummulative Year-to-date 31-Dec-09 RM'000
At beginning of the period	10,346	10,177
Addition	70	239
Disposal	(10,416)	(10,416)
At end of the period	-	-
Market value	-	-

B8. Status of corporate proposal

On 9 September 2009, the Company entered into a Conditional Sale and Purchase Agreement to acquire from AWH Equity Holdings Sdn Bhd 1,800,000 ordinary shares of RM1.00 each in, representing 40% of the issued and paid up ordinary share capital of Syarikat Borcos Shipping Sdn Bhd for a total purchase consideration of RM132 million. The proposed acquisition had been completed on 15 December 2009.

On 14 January 2010, The Company entered into a Joint Venture Agreement with Alphaone Engineering Services Sdn Bhd (a limited liability company incorporated in Negara Brunei Darussalam) to co-operate in the preparation of technical and commercial proposals and project execution of projects in the Oil and Gas sector in the territory of Brunei Darussalam.

Save as disclosed above, there was no corporate proposal announced or not completed by the Group as at the latest practicable date of 18 February 2010.



(A) Status of utilization of proceeds of public issue

As at the end of the current quarter and financial year-to-date, the status of utilisation of the proceeds as compared to the actual utilisation is as follows:-

	Proposed utilisation	Actual utilisation	Intended time frame for utilisation	Remark
	RM'000	RM'000	RM'000	RM'000
Full redemption of Islamic medium term notes	60,000	60,000	Within 6 months after listing	- Fully utilized
Part finance the construction of marine vessels and/or acquisition of equipment and machinery	51,450	47,870	Within 24 months after listing	3,580 Available for use
Payment of estimated expenses relating to the flotation exercise	4,600	4,659	Within 3 months after listing	(59) See *** below
Working capital of the Group	28,767	22,420	Within 24 months after listing	6,347 Available for use
	<u>144,817</u>	<u>134,949</u>		<u>9,868</u>

*** The excess of actual utilisation of share issue expenses over the proposed utilisation will be deducted from the actual utilisation for working capital of the Group.

B9. Group borrowings and debt securities

Total Group's borrowings as at 31 December 2009 were as follows:

	RM'000
Short term borrowings-secured	
Revolving credits	10,000
Finance lease liabilities	61
	<u>10,061</u>
Long term borrowings-secured	
Term loan	100,000
Finance lease liabilities	-
	<u>100,000</u>
Total	<u>110,061</u>

There are no foreign currency borrowings.



B10. Off balance sheet financial instruments

The Group has entered into non-cancellable operating lease agreements for offshore equipment. These leases have a tenor of 3 years with the renewal option except option to purchase which has been included in the contracts.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as liabilities are as follows:-

Future minimum rental payments:	As at
	31-Dec-09
	RM'000
Not later than 1 year	453
Later than 1 year and not later than 5 years	<u>64</u>
	<u>517</u>

B11. Material litigation

Save as disclosed below, as at 18 February 2010, (not earlier than 7 days from the date of announcement issue of this interim financial report), our Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which will have a material effect on our financial position.

DESB has made a claim against Sarawak Shell Berhad and Sabah Shell Petroleum Co. Ltd for wrongful premature termination of an offshore maintenance contract in the year 2002. The amount claimed by DESB was RM10,160,445 together with general damages, interests and costs thereon. The matter is being arbitrated and the date of the forthcoming arbitration proceedings has not been fixed.

B12. Dividends

No dividend was proposed or declared during the current quarter under review.

	Sen per share (net of tax)	Total amount RM'000	Date of payment
<u>2009</u>			
Second interim 2008 ordinary (franked)	0.07	18,480	27-Mar-09
First interim 2009 ordinary (single-tier)	0.05 (tax exempt)	<u>17,600</u>	21-Dec-09
		<u>36,080</u>	
<u>2008</u>			
First interim 2008 ordinary (franked)	0.07	<u>18,234</u>	1-Sep-08
		<u>18,234</u>	

**B13. Earnings per share**

Basic Earnings Per Share	Current Quarter Ended 31-Dec-09	Corresponding Quarter Ended 31-Dec-08 (Restated)	Cumulative Period Ended 31-Dec-09	Corresponding Period Ended 31-Dec-08 (Restated)
Profit attributable to equity holders of the parent (RM'000)	5,181	13,484	43,526	71,445
Weighted average number of ordinary shares in issue ('000)	352,000	352,000	352,000	226,948
Basic earnings per share (sen)	1.47	3.83	12.37	31.48