



**Condensed Consolidated Statement of Comprehensive Income
For the First Quarter ended 31 March 2010 (Unaudited)**

	Current Quarter Ended 31-Mar-10 RM'000	Corresponding Quarter Ended 31-Mar-09 RM'000	Cummulative Year To Date 31-Mar-10 RM'000	Corresponding Year To Date 31-Mar-09 RM'000
Revenue	43,048	45,167	43,048	45,167
Operating expenses	(21,008)	(25,714)	(21,008)	(25,714)
Gross profit	22,040	19,453	22,040	19,453
Other operating income	1,260	667	1,260	667
Administration expenses	(7,681)	(6,507)	(7,681)	(6,507)
Finance costs	(1,452)	(4)	(1,452)	(4)
Share of results of associates	2,062	-	2,062	-
Profit before tax	16,229	13,609	16,229	13,609
Taxation	(3,205)	(2,465)	(3,205)	(2,465)
Profit after tax	13,024	11,144	13,024	11,144
Minority interest	-	-	-	-
Profit/Total comprehensive income for the period	13,024	11,144	13,024	11,144
Profit/Total comprehensive income for the period attributable to Owners of the Company	13,024	11,144	13,024	11,144
Weighted average number of ordinary shares in issue ('000)	352,000	352,000	352,000	352,000
EPS-Basic/Diluted (sen)	3.70	3.17	3.70	3.17

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Financial Position as at 31 March 2010 (Unaudited)**

	UNAUDITED AS AT 31-Mar-10 RM'000	AUDITED AS AT 31-Dec-09 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	191,164	190,449
Investment in an associate	137,414	135,008
Deferred tax assets	34	34
	328,612	325,491
CURRENT ASSETS		
Inventories	2,157	1,611
Trade and other receivables	58,716	76,706
Current tax recoverable	1,553	1,553
Cash and bank balances	87,338	57,231
	149,764	137,101
TOTAL ASSETS	478,376	462,592
EQUITY AND LIABILITIES		
EQUITY		
Share capital	176,000	176,000
Share premium	87,071	87,071
Retained earnings	73,696	60,672
TOTAL EQUITY ATTRIBUTABLE TO OWNERS	336,767	323,743
NON CURRENT LIABILITIES		
Borrowings	100,000	100,000
Deferred tax liabilities	2,046	2,046
TOTAL NON CURRENT LIABILITIES	102,046	102,046
CURRENT LIABILITIES		
Trade and other payables	27,478	25,895
Borrowings	10,039	10,066
Current tax payables	2,046	842
TOTAL CURRENT LIABILITIES	39,563	36,803
TOTAL LIABILITIES	141,609	138,849
TOTAL EQUITY AND LIABILITIES	478,376	462,592
Net Assets per share (sen)	96	92

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Changes in Equity
For the First Quarter ended 31 March 2010 (Unaudited)**

	Attributable to the Owners of the Company			
	Share Capital RM'000	Non-distributable Share Premium RM'000	Distributable Retained Earnings RM'000	Total Equity RM'000
Balance as at 01 January 2009	176,000	87,071	53,205	316,276
Total comprehensive income for the year	-	-	44,785	44,785
Dividends paid	-	-	(36,080)	(36,080)
Section 108 credit shortfall	-	-	(1,238)	(1,238)
Balance as at 31 December 2009	176,000	87,071	60,672	323,743
Balance as at 01 January 2010	176,000	87,071	60,672	323,743
Total comprehensive income for the period	-	-	13,024	13,024
Balance as at 31 March 2010	176,000	87,071	73,696	336,767

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Cash Flows
For the First Quarter ended 31 March 2010 (Unaudited)**

	Current Year-to-date 31-Mar-10 RM'000	Corresponding Period-to-date 31-Mar-09 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	16,229	13,609
Adjustments for:-		
- Non-cash items	938	1,871
- Non-operating items	1,107	(635)
Operating profit before changes in working capital	18,274	14,845
<u>Changes in working capital</u>		
Inventories	(546)	(1,013)
Trade and other receivables	17,990	4,442
Trade and other payables	1,583	(11,521)
Total changes in working capital	19,027	(8,092)
Cash generated from operations	37,301	6,753
Interest received	332	639
Interest paid	(1,452)	(4)
Tax paid	(2,002)	(3,576)
Total interest and tax paid	(3,122)	(2,941)
Net cash generated from operating activities	34,179	3,812
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of an associate	(344)	-
Acquisition of other investment	-	(66)
Purchase of property, plant and equipment	(3,701)	(1,724)
Net cash used in investing activities	(4,045)	(1,790)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of finance lease liabilities	(22)	(21)
Dividend paid	-	(18,480)
Net cash used in financing activities	(22)	(18,501)
Net increase/(decrease) in cash and cash equivalents	30,112	(16,479)
Cash and cash equivalents at the beginning of the period	57,226	97,156
Cash and cash equivalents at the end of the period	87,338	80,677
Breakdown of cash and cash equivalents at the end of the period:-		
Short term deposits	39,806	68,475
Cash and bank balances	47,532	12,202
	87,338	80,677

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 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 condensed consolidated interim financial statements are unaudited and has been prepared in accordance with Financial Reporting Standard 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 condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Group and the Company for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

A2.1. Change in Accounting Policies

The accounting policies and methods of computation used in the preparation of the consolidated interim financial statements of the Group are consistent with those used in the preparation of the last audited financial statements of the Group for the year ended 31 December 2009 except for the new standards, amendments and interpretations adopted during the period under review as disclosed below:

FRS 139, *Financial Instruments: Recognition and Measurement*

The adoption of FRS 139 has resulted in changes to accounting policies relating to recognition and measurement of financial instruments and the new accounting policies are as follows:

Initial recognition and measurement

A financial instrument is recognised in the financial statements when, and only when, the Group becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

Financial instrument categories and subsequent measurement

The Group categorises financial instruments as follows:-

Financial Assets

a) Financial assets at fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a designated and effective hedging instrument) of financial assets that are specifically designated into this category upon initial recognition.



b) **Held-to-maturity investments**

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and the Group has the positive intention and ability to hold them to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

c) **Loan and receivables**

Loans and receivables category comprises debt instruments that are not quoted in an active market, trade and other receivables and cash and cash equivalents.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

d) **Available-for-sale financial assets**

Available-for-sale category comprises investments in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment.

Financial Liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

- a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.



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The board of directors has assessed the impact of the adoption of FRS 139 and concluded that the fair value adjustments arising from remeasurement of financial instruments are immaterial to the financial statements. Thus no adjustment has been made to the opening balances of reserves.

FRS 7, FRS 8 and FRS 101 only impact presentation and disclosure aspects of the financial statements.

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. The adoption of FRS 123 (revised) does not have a material impact to the Group.

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 applies prospectively from the date the Group first applied the measurement criteria of FRS 136, *Impairment of Assets* and FRS 139 respectively. The adoption of IC Interpretation 10 does not have any impact to the financial statements of the Group as no reversal of such impairment loss has been made in the current or previous period.

A2.2. Standards, Amendments and Interpretations Yet to be Adopted

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
Amendments to FRS 132, <i>Financial Instruments: Presentation-Classification of Right Issues</i>	1 March 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
Amendments to FRS 1, <i>Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters</i>	1 January 2011
Amendments to FRS 7, <i>Improving Disclosures about Financial Instruments</i>	1 January 2011

The Group plans to apply from the annual period beginning on 1 January 2011 those standards, amendments and interpretations as listed above, except for FRS 1 (revised), Amendments to FRS 2, Amendments to FRS 5, Amendments to FRS 132, Amendments to FRS 138, Amendments to IC Interpretation (ICI) 9, ICI 12, ICI 15, ICI 16 and ICI 17 which are not applicable to the Group.



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.

The amendments to FRS 127 require changes in group composition to be accounted for as equity transactions between the group and its minority (will be known as non-controlling) interest holders.

The amendments to FRS 127 further require all losses attributable to minority interest to be absorbed by the minority interest i.e., the excess and any further losses exceeding the minority interest in the equity of a subsidiary are no longer charged against the Group's interest.

The above changes in FRS 127 are not expected to have material impacts to the Group.

Financial Reporting Standards will be fully converged with International Financial Reporting Standards by 1 January 2012. The financial impact and effect on disclosures and measurement consequent on such convergence are dependent on the issuance of such new or revised standards, amendments and interpretations as are necessary to effectuate the full convergence.

A3. Auditors' report

There was no qualification on the audited financial statements of the Company for the financial year ended 31 December 2009.

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**

No dividends have been paid by the Group in the current quarter and financial year-to-date.

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 quarter ended 31 March 2010	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	-	40,906	2,142	-	43,048	-	43,048
Inter-segment revenue	540	-	7,889	582	9,011	(9,011)	-
	540	40,906	10,031	582	52,059	(9,011)	43,048
Results							
Segment results	(90)	12,136	2,837	404	15,287	-	15,287
Interest expense	(1,451)	(1)	-	-	(1,452)	-	(1,452)
Interest income	47	208	5	72	332	-	332
Share of results of an associate	2,062				2,062	-	2,062
Profit before tax							16,229
Taxation							(3,205)
Profit after tax							13,024

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

As at 31 March 2010, there were no material capital commitments for capital expenditure, contracted for or known to be contracted for by the Group.

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 19 May 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

As at 31 March 2010, there were no changes in the composition of the Group.

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 respondents have, through their solicitors, offered a sum of RM700,000 as final settlement of all claims. The said offer has been rejected by the Group. 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 quarter:-

Transactions with Directors and a company in which certain Directors have substantial financial interest:-	Nature	Amount for 3 months ended 31 March 2010	Unsettled balance as at 31 March 2010
		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	165	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office	8	-
Joe Ling Siew Loung @ Lin Shou Long and his spouse Chong Siaw Choon	Rental of office	9	-
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	169	-
		<hr/>	<hr/>
		351	-

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 year is tabled below:

	Quarter ended 31-Mar-10 RM'000	Quarter ended 31-Mar-09 RM'000	Variance	
			RM'000	%
Revenue	43,048	45,167	(2,119)	(5)
Profit before tax (excluding share of results of an associate)	14,167	13,609	558	4
Share of results of an associate	2,062	-	2,062	
Profit before tax (including share of results of an associate)	16,229	13,609	2,620	19
Total comprehensive income for the period attributable to Owners of the Company	13,024	11,144	1,880	17

Comparatively, the Group's revenue for the current quarter ended 31 March 2010 decreased by 5% while profit before tax and total comprehensive income for the current quarter increased by 19% and 17% respectively. The lower revenue in the current quarter as compared to the corresponding quarter is mainly due to slightly lower work orders received and performed in the current quarter.

Whilst revenue decreased by RM2.1 million ie 5%, profit before tax (excluding share of results of an associate) for the current quarter increased by RM0.6 million ie. 4% in view of the fact that the work orders in the current quarter have a higher profit margin contribution.

The Group's associate, Syarikat Borcos Shipping Sdn Bhd, contributed approximately 13% to the profit before tax of the group for the current quarter.

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 March 2010 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-Mar-10 RM'000	Preceding Quarter ended 31-Dec-09 (Restated) RM'000	Variance RM'000	%
Revenue	43,048	39,325	3,723	9
Profit before tax (excluding share of results of an associate)	14,167	5,905	8,262	140
Share of results of an associate	2,062	-	2,062	
Profit before tax (including share of results of an associate)	16,229	5,905	10,324	175
Total comprehensive income for the period attributable to Owners of the Company	13,024	6,439	6,585	102

In the current quarter, the Group's revenue was 9% higher, the profit before tax 140% higher and the total comprehensive income 102% higher compared to the preceding quarter.

The higher revenue of RM43.0 million for the current quarter as compared to RM39.3 million for the preceding quarter is mainly due to higher work orders received and performed in the current quarter.

Whilst revenue increased by RM3.7 million ie. 9%, profit before tax increased by RM8.3 million ie. 140% in view of the fact that the work orders in the current quarter have a higher profit margin contribution compared to the previous quarter.

B3. Prospects for the current financial year

The Directors remain positive of the Group's prospects for the remaining quarters of the current financial year as the Group has on-going contracts exceeding RM1.0 billion to last at least until year 2015. The Group would also see contributions from its 40% associate, Syarikat Borcos Shipping Sdn Bhd from the current quarter onwards.

While the Directors are optimistic of the future prospects of the Group, 2010 remains very challenging for the Group 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 March 2010 RM'000	Current year-to-date ended 31 March 2010 RM'000
Malaysian income tax	3,205	3,205
Tax expense	3,205	3,205

The lower effective tax rate applicable to the Group for the current quarter 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.

B7. Quoted securities

There were no purchase or disposal of quoted securities for the current quarter and the Group did not hold any quoted securities as at the end of the financial year to date.

B8. Status of corporate proposal

There was no corporate proposal announced or not completed by the Group as at the latest practicable date of 19 May 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 of public issue as compared to the actual utilisation is as follows:-

	Proposed utilisation RM'000	Actual utilisation RM'000	Intended time frame for utilisation RM'000	Remark 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 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
	144,817	134,949		9,868

*** 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 March 2010 were as follows:

	RM'000
Short term borrowings-secured	
Revolving credits	10,000
Finance lease liabilities	39
	<u>10,039</u>
Long term borrowings-secured	
Term loan	100,000
Finance lease liabilities	-
	<u>100,000</u>
Total	<u>110,039</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 a 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-Mar-10
	RM'000
Not later than 1 year	828
Later than 1 year and not later than 5 years	746
	<u>1,574</u>

B11. Material litigation

Save as disclosed below, as at 19 May 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>	

B13. Earnings per share

Basic Earnings Per Share	Current Quarter Ended 31-Mar-10	Corresponding Quarter Ended 31-Mar-09	Cumulative Period Ended 31-Mar-10	Corresponding Period Ended 31-Mar-09
Total comprehensive income attributable to Owners of the Company (RM'000)	13,024	11,144	13,024	11,144
Weighted average number of ordinary shares in issue ('000)	352,000	352,000	352,000	352,000
Basic earnings per share (sen)	3.70	3.17	3.70	3.17