



**Condensed Consolidated Statement of Comprehensive Income
For the Third Quarter ended 30 September 2011 (Unaudited)**

	Current Quarter Ended 30-Sep-11 RM'000	Corresponding Quarter Ended 30-Sep-10 RM'000	Cumulative Year To Date 30-Sep-11 RM'000	Corresponding Year To Date 30-Sep-10 RM'000
Revenue	101,139	72,427	283,193	171,970
Operating expenses	(52,609)	(33,834)	(159,731)	(80,251)
Gross profit	48,530	38,593	123,462	91,719
Other operating income	2,452	639	6,860	2,346
Administration expenses	(11,900)	(13,054)	(35,184)	(32,251)
Finance costs	(768)	(1,504)	(4,446)	(4,441)
Share of results of associates	-	1,814	-	3,605
Profit before tax	38,314	26,488	90,692	60,978
Taxation	(7,968)	(3,859)	(19,380)	(10,915)
Profit after tax	30,346	22,629	71,312	50,063
Minority interest	-	-	-	-
Profit/Total comprehensive income for the period	30,346	22,629	71,312	50,063
Profit/Total comprehensive income for the period attributable to Owners of the Company	30,346	22,629	71,312	50,063
Weighted average number of ordinary shares in issue ('000)	550,000	440,000	523,809	440,000
Basic earnings per ordinary share of RM0.50 each (sen)	5.52	5.14	13.61	11.38

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 2010 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Financial Position as at 30 September 2011 (Unaudited)**

	UNAUDITED AS AT 30-Sep-11 RM'000	AUDITED AS AT 31-Dec-10 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	234,511	216,016
Other investments	72,297	-
	<u>306,808</u>	<u>216,016</u>
CURRENT ASSETS		
Inventories	1,290	1,298
Investment held for sale	-	134,900
Trade and other receivables	168,603	125,180
Current tax recoverable	728	728
Cash and bank balances	196,605	68,964
	<u>367,226</u>	<u>331,070</u>
TOTAL ASSETS	<u>674,034</u>	<u>547,086</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	275,000	176,000
Share premium	108,075	87,071
Retained earnings	125,946	109,634
Treasury shares	(460)	-
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>508,561</u>	<u>372,705</u>
NON CURRENT LIABILITIES		
Borrowings	44,000	84,000
Deferred tax liabilities	1,115	1,115
TOTAL NON CURRENT LIABILITIES	<u>45,115</u>	<u>85,115</u>
CURRENT LIABILITIES		
Trade and other payables	98,020	57,410
Borrowings	10,161	26,720
Current tax payable	12,177	5,136
TOTAL CURRENT LIABILITIES	<u>120,358</u>	<u>89,266</u>
TOTAL LIABILITIES	<u>165,473</u>	<u>174,381</u>
TOTAL EQUITY AND LIABILITIES	<u>674,034</u>	<u>547,086</u>
Net Assets per share (sen)	92	106

(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 2010 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Changes in Equity
For the Third Quarter ended 30 September 2011 (Unaudited)**

	Attributable to the Owners of the Company				
	Share Capital RM'000	Non- distributable Share Premium RM'000	Distributable Retained Earnings RM'000	Treasury Shares RM'000	Total Equity RM'000
Balance as at 01 January 2010	176,000	87,071	60,672	-	323,743
Total comprehensive income for the year	-	-	67,731	-	67,731
Dividends paid	-	-	(17,600)	-	(17,600)
Underlying S108 tax credit shortfall	-	-	(1,169)	-	(1,169)
	-	-	(18,769)	-	(18,769)
Balance as at 31 December 2010	176,000	87,071	109,634	-	372,705
Balance as at 01 January 2011	176,000	87,071	109,634	-	372,705
Total comprehensive income for the period	-	-	71,312	-	71,312
Bonus issue	44,000	(44,000)	-	-	-
Rights issue	55,000	66,000	-	-	121,000
Bonus/rights issue expenses	-	(996)	-	-	(996)
Treasury shares acquired	-	-	-	(460)	(460)
Dividends paid/payable	-	-	(55,000)	-	(55,000)
Balance as at 30 September 2011	275,000	108,075	125,946	(460)	508,561

(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 2010 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Cash Flows
For the Third Quarter ended 30 September 2011 (Unaudited)**

	Current Year-to-date 30-Sep-11 RM'000	Corresponding Year-to-date 30-Sep-10 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	90,692	60,978
Adjustments for:-		
- Non-cash items	11,413	5,901
- Non-operating items	283	3,006
Operating profit before changes in working capital	102,388	69,885
<u>Changes in working capital</u>		
Inventories	8	(134)
Trade and other receivables	(43,423)	(31,832)
Trade and other payables	13,110	14,855
Total changes in working capital	(30,305)	(17,111)
Cash generated from operations	72,083	52,774
Interest received	4,163	1,435
Interest paid	(4,446)	(4,441)
Tax paid	(12,339)	(7,186)
Total interest and tax paid	(12,622)	(10,192)
Net cash generated from operating activities	59,461	42,582
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of an associate	-	(344)
Acquisition of other investment	(117,560)	-
Dividend received from an associate	-	4,000
Purchase of property, plant and equipment	(29,908)	(22,641)
Proceeds from disposal of investment in an associate	134,900	-
Proceeds from disposal of other investments	45,263	-
Net cash generated from/(used in) investing activities	32,695	(18,985)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of rights shares	121,000	-
Bonus/rights issue expenses	(996)	-
Repayment of borrowings	(56,000)	-
Payments of finance lease liabilities	(556)	(62)
Buy-back of shares	(460)	-
Dividend paid	(27,500)	(17,600)
Net cash generated from/(used in) financing activities	35,488	(17,662)
Net increase in cash and cash equivalents	127,644	5,935
Cash and cash equivalents at the beginning of the period	68,961	57,226
Cash and cash equivalents at the end of the period	196,605	63,161
Breakdown of cash and cash equivalents at the end of the period:-		
Short term deposits	175,246	51,594
Cash and bank balances	21,359	11,567
	196,605	63,161

(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 2010 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 have 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 2010 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

A2.1. Adoption of New/Revised Standards, Amendments and Interpretations

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 2010 except for the new standards, amendments and interpretations adopted during the period under review as disclosed below:

FRS 3 (revised)

FRS 3 (revised), which is 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 is measured at fair value, with subsequent changes therein recognised in profit or loss.
- Transaction costs, other than share and debts issue costs, are expensed as incurred.
- Any pre-existing interest in the acquiree is measured at fair value with the gain or loss recognised in profit or loss.
- Any minority (known as non-controlling) interest is 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.

Amendments to FRS 127

The amendments to FRS 127 require changes in group composition to be accounted for as equity transactions between the group and its minority (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 amendments to FRS 127 are not expected to have material impacts to the Group.



Improvements to FRSs (2010)

Improvements to FRSs (2010) contain amendments to ten FRSs and one Interpretation, to provide clarification or guidance thereon or to correct for relatively minor unintended consequences, conflicts or oversights.

IC Interpretation 4

IC Interpretation 4, which is applied retrospectively, provides guidance on determining whether certain arrangements are, or contain, leases that are required to be accounted for in accordance with FRS 117, *Leases*. Where an arrangement is within the scope of FRS 117, the Group applies FRS 117 in determining whether the arrangement is a finance or an operating lease. The adoption of ICI 4 is not expected to have a material impact to the Group.

A2.2. Malaysian Financial Reporting Standards

The Malaysian Accounting Standards Board (MASB), in furtherance of its objective of converging the accounting framework for entities other than private entities in Malaysia with International Financial Reporting Standards (IFRS), announced on 19 November 2011 the issuance of Malaysian Financial Reporting Standards (MFRS). Entities other than private entities shall apply the MFRS framework for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and/or IC Interpretation 15 Agreement for the Construction of Real Estate.

An entity subject to the application of MFRS 141 and/or IC Interpretation 15 may continue to apply Financial Reporting Standards (FRS) as its financial reporting framework for annual reporting periods beginning on or after 1 January 2012. The entity shall comply with the MFRS framework for annual periods beginning on or after 1 January 2013.

An entity that consolidates or equity accounts or proportionately consolidates another entity that has chosen to apply FRSs as its financial reporting framework may itself choose to apply FRSs as its financial reporting framework for annual periods beginning on or after 1 January 2012. The entity shall comply with the MFRS framework for annual periods beginning on or after 1 January 2013.

The Company is assessing the impact of MFRSs, in particular MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards, on the financial statements of the Group and of its components. The Group will adopt MFRSs from the year ending 31 December 2012.

A3. Auditors' report

There was no qualification on the audited financial statements of the Company for the financial year ended 31 December 2010.

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 is normally affected by bad weather at the beginning and the 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. Dividend paid

An interim dividend, in respect of the financial year ended 31 December 2011, of 5 sen per ordinary share tax exempt amounting to RM27,500,000 was paid to shareholders on 14 October 2011.

**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

Cummulative 9 months ended 30 September 2011	Investmen t Holding	Offshore TMS	Marine Charter	Equipmen t Rental	Total	Elimination	Consolidate d
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

Revenue

External revenue	265	268,172	14,756	-	283,193	-	283,193
Inter-segment revenue	61,625	-	40,791	5,340	107,756	(107,756)	-
Total revenue	61,890	268,172	55,547	5,340	390,949	(107,756)	283,193

Results

Segment results	58,892	69,944	19,203	2,491	150,530	(59,555)	90,975
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Interest expense	(4,419)	(27)			(4,446)	-	(4,446)
Inter-segment interest expense			(3,387)		(3,387)	3,387	-
Total interest expense	(4,419)	(27)	(3,387)	-	(7,833)	3,387	(4,446)

Interest income	3,054	1,033	25	51	4,163	-	4,163
Inter-segment interest income	3,387				3,387	(3,387)	-
Total interest income	6,441	1,033	25	51	7,550	(3,387)	4,163

Profit before tax **90,692**

Taxation **(19,380)**

Profit after tax **71,312**



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 are as follows:-

	30-Sep-11
	RM'000
Approved and contracted for	
Construction of a workboat	38,244 *
Purchase of a crane	384
Development of a piece of land for minor fabrication in Kemaman Supply Base	2,378
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	41,
	<hr/> 006

* To be partly financed by borrowings

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 15 November 2011 (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 30 September 2011, there were no changes in the composition of the Group.

A14. Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets that had arisen since the last annual balance sheet date.

**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 period:-

Transactions with Directors and a company in which certain Directors have substantial financial interest:-	Nature	Amount for 9 months ended 30 September 2011	Unsettled balance as at 30 September 2011
		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	540	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office	25	-
Joe Ling Siew Loung @ Lin Shou Long and his spouse Chong Siaw Choon	Rental of office	28	-
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	508	-
		<hr/>	<hr/>
		1,101	-

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:

	Current Quarter ended 30-Sep-11 RM'000	Corresponding Quarter ended 30-Sep-10 RM'000	Variance	
			RM'000	%
Revenue	101,139	72,427	28,712	40
Profit before tax (excluding share of results of an associate)	38,314	24,674	13,640	55
Share of results of an associate	-	1,814	(1,814)	
Profit before tax (including share of results of an associate)	38,314	26,488	11,826	45
Total comprehensive income for the period attributable to owners of the Company	30,346	22,629	7,717	34

Comparatively, the Group's revenue for the current quarter ended 30 September 2011 increased by 40% while profit before tax (excluding share of results of an associate) and total comprehensive income for the current quarter increased by 55% and 45% respectively, when compared to the quarter ended 30 September 2010. The higher revenue in the current quarter as compared to the corresponding quarter is mainly due to higher value of work orders received and performed in the current quarter.

Whilst revenue increased by RM28.7 million ie 40%, profit before tax (excluding share of results of an associate) for the current quarter increased by RM13.6 million ie. 55% in view of the fact that the work orders in the current quarter have a slightly higher profit margin contribution compared to those in the corresponding 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 30 September 2011 and the date of this report.

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

	Current Quarter ended 30-Sep-11 RM'000	Preceding Quarter ended 30-Jun-11 RM'000	Variance RM'000	%
Revenue	101,139	98,696	2,443	2
Profit before tax	38,314	30,177	8,137	27

In the current quarter, the Group's revenue was 2% higher as compared to the preceding quarter while the profit before tax was 27% higher as compared to the preceding quarter.

The higher revenue of RM101.1 million for the current quarter as compared to RM98.7 million for the preceding quarter is mainly due to higher work orders received and performed in the current quarter.

Whilst revenue increased by RM2.4 million ie. 2%, profit before tax increased by RM8 million ie. 27% in view of the fact that the work orders in the current quarter have a higher profit margin contribution as compared to those of the preceding quarter.

B3. Prospects for the current financial year

The Directors remain positive of the Group's prospects for the remaining quarter of the current financial year as the Group has on-going contracts exceeding RM1.5 billion to last at least until 2016. However, in view of the impending monsoon season, the Group may experience operational disruption due to inclement weather and therefore we would foresee a slower last quarter. While the Directors are optimistic of the future prospects of the Group, 2012 would pose a great challenge amid the unsettled global economic climate. The Directors will continue to exercise due care in order to preserve and enhance shareholders' values.

B4. Profit forecast and profit guarantee

There was no profit guarantee issued by the Group.

B5. Taxation

	Current quarter ended 30-Sep-11 RM'000	Current year-to-date 30-Sep-11 RM'000
Malaysian income tax	7,968	19,380
Tax expense	<u>7,968</u>	<u>19,380</u>

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**

	Current quarter ended 30-Sep-11 RM'000	Cummulative Year-to-date 30-Sep-11 RM'000
At beginning of the period	71,797	-
Addition	500	117,560
Disposal		(45,263)
At end of the period	<u>72,297</u>	<u>72,297</u>
Market value	<u>72,297</u>	<u>72,297</u>

B8. Status of corporate proposal

There was no corporate proposal announced or not completed by the Group as at the latest practicable date of 15 November 2011.

B9. Status of utilisation of proceeds**Proceeds from 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	Remark RM'000
Full redemption of Islamic medium term notes	60,000	60,000	- Fully utilised
Part finance the construction of marine vessels and/or acquisition of equipment and machinery	51,450	51,450	- Fully utilised
Payment of estimated expenses relating to the flotation exercise	4,600	4,600	- Fully utilised
Working capital of the Group	<u>28,767</u>	<u>28,767</u>	- Fully utilised
	<u>144,817</u>	<u>144,817</u>	-

**Proceeds from Rights Issue**

	Proposed utilisation	Actual utilisation	Intended time frame for utilisation	Remark
	RM'000	RM'000		RM'000
Capital expenditure and/or investments	100,000	-	Within 2 years from the listing of the Rights Shares	100,000 Available for use
Working capital of the Group	19,750	-	Within 2 years from the listing of the Rights Shares	19,750 Available for use
Estimated expenses for Rights issue	1,250	996	Within 1 month from the listing of Rights Shares	254 Available for use
	<u>121,000</u>	<u>996</u>		<u>120,004</u>

B10. Group borrowings and debt securities

Total Group's borrowings as at 30 September 2011 were as follows:

	RM'000
Short term borrowings-secured	
Revolving credit	10,000
Finance lease liabilities	161
Term loan	-
	<u>10,161</u>
Long term borrowings-secured	
Term loan	44,000
	<u>44,000</u>
Total	<u>54,161</u>

There are no foreign currency borrowings.

B11. Material litigation

As at 15 November 2011, (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.

**B12. Dividends**

The Board had at its Board of Directors meeting held on 23 August 2011, declared a first interim dividend of 5 Sen per ordinary share tax exempt totaling RM27,500,000 in respect of financial year ending 31 December 2011. The dividend was paid on 14 October 2011.

Total dividends paid during the respective financial periods are as follows:

	Sen per share (net)	Total amount RM'000	Date of payment
<u>2011</u>			
First interim 2011 ordinary (single-tier)	5.00	27,500	14-Oct-11
Second interim 2010 ordinary (single-tier)	5.00	<u>27,500</u>	6-Jul-11
		<u>55,000</u>	
<u>2010</u>			
First interim 2010 ordinary (single-tier)	5.00	<u>17,600</u>	30-Sep-10

B13. Earnings per share

Basic Earnings Per Share	Current Quarter Ended 30-Sep-11	Corresponding Quarter Ended 30-Sep-10	Cumulative Period Ended 30-Sep-11	Corresponding Period Ended 30-Sep-10
Total comprehensive income attributable to Owners of the Company (RM'000)	30,346	22,629	71,312	50,063
Weighted average number of ordinary shares in issue ('000)	550,000	440,000	523,809	440,000
Basic earnings per share (sen)	5.52	5.14	13.61	11.38



B14. Retained earnings

The breakdown of retained earnings of the Group as at reporting date, into realised and unrealised is as follow:

	As at 30-Sep-11 RM'000	As at 31-Dec-10 RM'000
Total retained earnings of the Company and its subsidiaries		
Realised	127,061	106,658
Unrealised	(1,115)	(1,115)
Total share of retained earnings from an associate		
Realised	-	4,091
Unrealised	-	-
Total retained earnings as per consolidated accounts	<u>125,946</u>	<u>109,634</u>

The determination of realised and unrealised profits 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.

B15. 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 22 November 2011.