



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Fourth Quarter ended 31 December 2013 (Unaudited)**

	Current Quarter Ended 31-Dec-13 RM'000	Corresponding Quarter Ended 31-Dec-12 RM'000	Cumulative Year To Date 31-Dec-13 RM'000	Corresponding Year To Date 31-Dec-12 RM'000
Revenue	192,433	84,538	563,364	401,215
Operating expenses	(124,348)	(47,386)	(334,958)	(215,191)
Gross profit	68,085	37,152	228,406	186,024
Other income	97	351	*** 33,276	1,287
Administration expenses	(43,700)	(18,821)	(101,492)	(60,685)
Results from operating activities	24,482	18,682	160,190	126,626
Finance costs	(725)	(958)	(3,207)	(4,002)
Finance income	763	1,079	3,568	5,610
Net finance income	38	121	361	1,608
Share of results of an associate	5,471	-	14,127	-
Profit before tax	29,991	18,803	174,678	128,234
Income tax expense	(6,660)	(6,009)	(25,707)	(26,992)
Profit for the period	23,331	12,794	148,971	101,242
Other comprehensive income, net of tax				
Fair value changes of available-for-sale financial assets	-	20,320	1,850	28,132
Reclassification of fair value reserve to profit or loss	-	-	(32,799)	-
Share of other comprehensive (loss)/income of an associate	(147)	-	4,055	-
Other comprehensive (loss)/income for the period, net of tax	(147)	20,320	(26,894)	28,132
Total comprehensive income for the period attributable to Owners of the Company	23,184	33,114	122,077	129,374
Weighted average number of ordinary shares in issue ('000)	824,587	824,549	824,587	824,549
Basic earnings per ordinary share of RM0.50 each (sen)	2.83	1.55	18.07	12.28

***Includes reclassification of fair value reserve (i.e. available-for-sale revaluation reserve) of RM32,798,586 to profit or loss on remeasurement of an available-for-sale investment as an equity-accounted associate.

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2012 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Financial Position as at 31 December 2013 (Unaudited)**

	UNAUDITED AS AT 31-Dec-13 RM'000	AUDITED AS AT 31-Dec-12 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	392,054	267,402
Prepaid lease payments	11,595	11,595
Investment in an associate	165,516	-
Other investments	-	102,072
	<hr/> 569,165	<hr/> 381,069
CURRENT ASSETS		
Inventories	3,221	1,336
Trade and other receivables	300,433	166,489
Other investments	15,645	35,680
Current tax asset	415	213
Cash and bank balances	95,609	153,632
	<hr/> 415,323	<hr/> 357,350
TOTAL ASSETS	<hr/> 984,488	<hr/> 738,419
EQUITY AND LIABILITIES		
EQUITY		
Share capital	275,000	275,000
Share premium	109,009	107,787
Reserves	282,090	214,523
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<hr/> 666,099	<hr/> 597,310
NON CURRENT LIABILITIES		
Borrowings	45,119	45,376
Deferred tax liabilities	2,874	2,874
TOTAL NON CURRENT LIABILITIES	<hr/> 47,993	<hr/> 48,250
CURRENT LIABILITIES		
Loans and borrowings	76,700	22,146
Trade and other payables	190,060	66,733
Current tax liabilities	3,636	3,980
TOTAL CURRENT LIABILITIES	<hr/> 270,396	<hr/> 92,859
TOTAL LIABILITIES	<hr/> 318,389	<hr/> 141,109
TOTAL EQUITY AND LIABILITIES	<hr/> 984,488	<hr/> 738,419
Net Assets per share (sen)	81	72

(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 2012 and the accompanying notes attached to this interim financial report).



DAYANG ENTERPRISE HOLDINGS BHD (712243-U)

**Condensed Consolidated Statement of Changes in Equity
For the Fourth Quarter ended 31 December 2013 (Unaudited)**

	Attributable to the Owners of the Company								Total Equity
	Non-Distributable						Distributable		
	Share Capital	Share Premium	Fair Value Reserve	Treasury Shares	Other Capital Reserve	Cash Flow Hedge Reserve	Translation Reserve		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 31 December 2011/1 January 2012	275,000	107,787	2,817	(460)				137,762	522,906
Profit for the year	-	-	-	-	-	-	-	101,242	101,242
Fair value change of available-for-sale financial asset	-	-	28,132	-	-	-	-	-	28,132
Total comprehensive income for the year	-	-	28,132	-	-	-	-	101,242	129,374
Dividends paid	-	-	-	-	-	-	-	(54,970)	(54,970)
At 31 December 2012/1 January 2013	275,000	107,787	30,949	(460)				184,034	597,310
Fair value of available-for-sale financial asset	-	-	1,850	-	-	-	-	-	1,850
***Reclassification of fair value reserve to profit or loss	-	-	(32,799)	-	-	-	-	-	(32,799)
Share of other comprehensive income of an associate	-	-	-	-	(123)	102	4,076	-	4,055
Total other comprehensive income for the year	-	-	(30,949)	-	(123)	102	4,076	-	(26,894)
Profit for the year	-	-	-	-	-	-	-	148,971	148,971
Total comprehensive income for the year	-	-	(30,949)	-	(123)	102	4,076	148,971	122,077
Sale of treasury shares	-	1,229	-	460	-	-	-	-	1,689
Bonus issue expenses	-	(7)	-	-	-	-	-	-	(7)
Dividends paid	-	-	-	-	-	-	-	(54,970)	(54,970)
At 31 December 2013	275,000	109,009	-	-	(123)	102	4,076	278,035	666,099

***This comprises reclassification of fair value reserve (i.e. available-for-sale revaluation reserve) of RM32,798,586 to profit or loss on remeasurement of the Company's investment in Perdana Petroleum Bhd from available-for-sale investment as an equity accounted associate.

(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 2012 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Cash Flows
For the Fourth Quarter ended 31 December 2013 (Unaudited)**

	Current Year-to-date 31-Dec-13 RM'000	Corresponding Year-to-date 31-Dec-12 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	174,678	128,234
Adjustments for:-		
- Non-cash items	15,213	19,516
- Non-operating items	(33,158)	(1,691)
Operating profit before changes in working capital	156,733	146,059
<u>Changes in working capital</u>		
Inventories	(1,885)	645
Trade and other receivables	(133,944)	(15,232)
Trade and other payables	123,327	(12,950)
Total changes in working capital	(12,502)	(27,537)
Cash generated from operations	144,231	118,522
Interest received	3,568	5,610
Interest paid	(34)	(328)
Tax paid	(26,253)	(25,715)
Total interest and tax paid	(22,719)	(20,433)
Net cash generated from operating activities	121,512	98,089
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of additional investment in an associate	(43,412)	-
Acquisition of other investment	(463)	(37,697)
Acquisition of prepaid lease payments	-	(11,779)
Acquisition of property, plant and equipment	(153,993)	(40,199)
Proceeds from disposal of property, plant and equipment	-	105
Proceeds from disposal of other investments	20,498	-
Net cash used in investing activities	(177,370)	(89,570)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	76,864	8,637
Repayment of borrowings	(20,934)	(18,000)
Term loan interest paid	(3,173)	(3,674)
Proceeds from disposal of treasury shares	1,681	-
Dividend paid	(54,970)	(54,970)
Net cash used in financing activities	(532)	(68,007)
Net decrease in cash and cash equivalents	(56,390)	(59,488)
Cash and cash equivalents at the beginning of the year	151,999	211,487
Cash and cash equivalents at the end of the year	95,609	151,999
Breakdown of cash and cash equivalents at the end of the year:-		
Short term deposits	78,266	146,094
Cash and bank balances	17,343	7,538
Bank overdrafts	-	(1,633)
	95,609	151,999

(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 2012 and the accompanying notes attached to this interim financial report).



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

A1. Basis of reporting preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard 134 (MFRS134), *Interim Financial Reporting* and with IAS 34, *Interim Financial Reporting* 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 2012 and the accompanying explanatory notes attached to this interim financial report.

A2. Changes in Accounting policies

A2.1 Adoption of Standards, Amendments and Interpretations

The significant accounting policies adopted in the preparation of these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2012, except for the adoption of the following Standards, Amendments and Interpretations from 1 January 2013:

MFRS/Amendment/Interpretation	Effective date
• MFRS 10, <i>Consolidated Financial Statements</i>	1 January 2013
• MFRS 13, <i>Fair Value Measurements</i>	1 January 2013
• MFRS 128, <i>Investments in Associates and Joint Ventures</i>	1 January 2013
• Amendments to MFRS 7, <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i>	1 January 2013
• Amendments to MFRS 101, <i>Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
• Amendments to MFRS 116, <i>Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
• Amendments to MFRS 132, <i>Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
• Amendments to MFRS 134, <i>Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
• Amendments to MFRS 10, <i>Consolidated Financial Statements: Transition Guidance</i>	1 January 2013

The adoption of the above Standards, Amendments and Interpretations does not have a material impact on the financial statements of the Group and the Company.



A2.2 Standards, Amendments and Interpretations issued but not yet effective

- Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities* 1 January 2014
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities* 1 January 2014
- Amendments to MFRS 127, *Separate Financial Statements: Investment Entities* 1 January 2014
- Amendments to MFRS 132, *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* 1 January 2014
- Amendments to MFRS 136, *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets* 1 January 2014
- Amendments to MFRS 139, *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting* 1 January 2014
- IC Interpretation 21, *Levies* 1 January 2014
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2011-2013 Cycle)* 1 July 2014
- Amendments to MFRS 2, *Share-based Payment (Annual Improvements to MFRSs 2010-2012 Cycle)* 1 July 2014
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRSs 2010-2012 Cycle and 2011-2013 Cycle)* 1 July 2014
- Amendments to MFRS 8, *Operating Segments (Annual Improvements to MFRSs 2010-2012 cycle)* 1 July 2014
- Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements to MFRSs 2010-2012 Cycle and 2011-2013 Cycle)* 1 July 2014
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements To MFRSs 2010-2012 Cycle)* 1 July 2014
- Amendments to MFRS 119, *Employee Benefits – Defined Benefit Plans: Employee Contributions* 1 July 2014
- Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements To MFRSs 2010-2012 Cycle)* 1 July 2014
- Amendments to MFRS 138, *Intangible Assets (Annual Improvements to MFRSs 2010-2012 Cycle)* 1 July 2014
- Amendments to MFRS 140, *Investment Property (Annual Improvements to MFRSs 2011-2013 Cycle)* 1 July 2014
- MFRS 9, *Financial Instruments (2009)* Yet to be confirmed
- MFRS 9, *Financial Instruments (2010)* Yet to be confirmed
- MFRS 9, *Financial Instruments – Hedge Accounting and Amendments to FRS 9, FRS 7 and FRS 139* Yet to be confirmed
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures* Yet to be confirmed



The Group plans to apply:

- from the annual period beginning on 1 January 2014 those standards, amendments or interpretations that are effective for annual periods beginning on 1 January 2014, except Amendments to MFRS 12, Amendments to MFRS 127 and IC Interpretation 21 which are presently assessed as being not applicable to the Group.
- from annual period beginning on 1 January 2015 those standards, amendments or interpretations that are effective for annual periods beginning on or after 1 July 2014, except Amendments to MFRS 2, Amendments to MFRS 119 and MFRS 138 which are presently assessed as being not applicable to the Group.

The initial application of the above standards, amendments and interpretations are not expected to have any material impacts to the financial statements for current and prior periods upon their first adoption.

A3. Auditors' report

There was no qualification on the audited financial statements of the Group and of the Company for the financial year ended 31 December 2012.

A4. Profit for the period

	Current quarter ended 31-Dec-13 RM'000	Current year-to-date 31-Dec-13 RM'000
Profit for the period is arrived at after charging:		
Depreciation of property, plant and equipment	7,744	25,337
Impairment loss on property, plant and equipment	4,000	4,000
Net foreign exchange loss	11	5
Loss on disposal of property, plant and equipment	9	11
and after crediting:		
Reclassification of fair value reserve to profit or loss on remeasurement of an available-for-sale investment as an equity-accounted associate	-	32,799

No write down/off of inventories, gain or loss on derivatives or material exceptional items are included in the profit of the Group for the year under review or for the comparative period.



A5. 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.

A6. 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 other than the reclassification of fair value reserve of RM32,798,586 to profit or loss on remeasurement of an available-for-sale investment as an equity-accounted associate.

A7. Material changes in estimates

There were no changes in the estimates of amounts reported in the prior interim periods of the current financial quarter 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.

A8. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities

The Company has on the 17 December 2013 resold 300,500 of its treasury shares for RM5.64 per share, amounting to total net proceeds of RM1,689,027.09

Save as disclosed above, 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.

A9. Dividend paid

An interim dividend, in respect of the financial year ended 31 December 2013, of 5 sen per ordinary share tax exempt amounting to RM27,484,975 was declared on 26 August 2013 and paid to shareholders on 10 October 2013.



A11. 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.

A12. Capital commitments

Capital commitments as at end of the current quarter are as follows:-

	31-Dec-13
	RM'000
Approved and contracted for	
Construction of workboats	67,160 *
Purchase of cranes	4,100
	<hr/>
	<u>71,260</u>

* Partly financed by borrowings

A13. Material events subsequent to the end of period reported

There are no material events subsequent to the end of the current quarter and current period up to 19 February 2014 (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.

A14. Changes in composition of the group

Subsequent to 31 December 2012, the Company has acquired additional shares in Perdana Petroleum Berhad (PPB) from the open market. As at 6 February 2013, the Company holds in total 100,793,500 ordinary shares (31 December 2012: 94,510,900 ordinary shares) of RM0.50 each in PPB representing 20.36% (31 December 2012: 19.09%) of the issued and paid-up share capital in PPB, which has since become an associate of the Company.

As at 31 December 2013, the Company holds in total 180,897,780 ordinary shares of RM0.50 each in PPB representing 24.87% of the issued and paid-up share capital in PPB.

Except for the above, there were no changes in the composition of the Group.

**A15. Contingent Liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets that had arisen since the last financial year end.

A16. 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 year:-

Transactions with Directors and a company in which certain Directors have substantial financial interests:-	Nature	Amount for 12 months ended 31 December 2013	Unsettled balance as at 31 December 2013
		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	720	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office	33	-
Joe Ling Siew Loung @ Lin Shou Long and his spouse Chong Siaw Choon	Rental of office	41	-
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	677	-
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	530	-
		2,001	-
Transactions with a wholly owned subsidiary of an associate company	Nature	Amount for 12 months ended 31 December 2013	Unsettled balance as at 31 December 2013
		RM'000	RM'000
Perdana Nautika Sdn Bhd	Vessel charter expenses	48,932	18,322
		48,932	18,322

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****B1.1 The Group's performance for the quarter under review versus the corresponding quarter of the previous financial year is tabled below:**

	Current Quarter ended 31-Dec-13 RM'000	Corresponding Quarter ended 31-Dec-12 RM'000	Variance	
			RM'000	%
Revenue	192,433	84,538	107,895	128
Profit before tax (excluding share of results of an associate)	24,520	18,803	5,717	30
Share of results of an associate	5,471	-	5,471	
Profit before tax	29,991	18,803	11,188	60
Profit for the period	23,331	12,794	10,537	82
Other comprehensive (loss)/ income, net of tax	(147)	20,320	(20,467)	(101)
Total comprehensive income for the period attributable to owners of the Company	23,184	33,114	(9,930)	(30)

Comparatively, the Group's revenue for the current quarter ended 31 December 2013 increased by 128% while profit before tax (excluding share of results of an associate) for the current quarter increased by 30% when compared to the corresponding quarter ended 31 December 2012. 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 for the new hook-up and commissioning contracts that were awarded in May 2013.

Whilst revenue increased by RM107.9 million ie 128%, profit before tax (excluding share of results of an associate) for the current quarter only increased by RM5.7 million ie. 30% because of lower profit margin contribution from the work orders performed as compared to the corresponding quarter.

The Group's associate, Perdana Petroleum Berhad, contributed approximately 18% 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 December 2012 and the date of this report other than the reclassification of fair value reserve as explained above and also an impairment loss of a vessel amounting to RM4.0 million.



B1.2 The Group's performance for the current financial year under review versus the previous financial year is tabled below:

	Cummulative	Corresponding	Variance	
	year-to-date 31-Dec-13 RM'000	year-to-date 31-Dec-12 RM'000	RM'000	%
Revenue	563,364	401,215	162,149	40
Profit before tax (excluding reclassification of fair value reserve to profit or loss and share of results of an associate)	127,752	128,234	(482)	(0)
Share of results of an associate	14,127	-	14,127	
Reclassification of fair value reserve to profit or loss on remeasurement of available-for-sale investment as an equity-accounted associate	32,799	-	32,799	
Profit before tax	174,678	128,234	46,444	36
Profit for the year	148,971	101,242	47,729	47
Other comprehensive (loss)/income, net of tax	(26,894)	28,132	(55,026)	(196)
Total comprehensive income for the year attributable to owners of the Company	122,077	129,374	(7,297)	(6)

Revenue increased by 40% from RM401.2 million in the previous period to RM563.4 million in the current period. The higher revenue in the current year to date as compared to the corresponding year to date is mainly due to higher fleet utilisation and higher revenue from the new hook-up and commissioning contracts and also from the topside major maintenance services contracts.

The profit before tax (excluding reclassification of fair value reserve to profit or loss and share of results of an associate) did not increase and remained at RM128.0 million, due to lower profit margin contribution from work orders performed as compared to the preceding year.

The Group's associate, Perdana Petroleum Berhad, contributed approximately 8.0% to the profit before tax of the group for the current year.

The reclassification of fair value reserve of RM32,798,586 to profit or loss is occasioned by the remeasurement of the investment in Perdana Petroleum Bhd from an available-for-sale investment to an equity-accounted associate.

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

	Current Quarter ended 31-Dec-13 RM'000	Preceding Quarter ended 30-Sep-13 RM'000	Variance	
			RM'000	%
Revenue	192,433	171,437	20,996	12
Profit before tax (excluding share of results of an associate)	24,520	33,301	(8,781)	(26)
Share of results of an associate	5,471	3,928	1,543	39
Profit before tax	29,991	37,229	(7,238)	(19)

In the current quarter, the Group's revenue was 12% higher as compared to the preceding quarter while the profit before tax was 26% lower as compared to the preceding quarter.

The higher revenue of RM192.4 million for the current quarter as compared to RM171.4 million for the preceding quarter is mainly due to higher vessel utilisation rate and higher work orders received and performed in the current quarter.

Whilst revenue increased by RM21.0 million ie. 12%, profit before tax (excluding share of results of an associate) decreased by RM8.8 million ie. 26% in view of the fact that the work orders in the current quarter have a lower profit margin contribution as compared to those of the preceding quarter, due largely to high mobilisation costs incurred for the new hook-up and commissioning contracts.

The Group's associate, Perdana Petroleum Berhad contributed a profit of approximately RM5.5 million in the current quarter ie an increase of 39% from the preceding quarter.

B3. Prospects for the 2014 financial year

The Board of Directors remain positive of the Group's prospects for this financial year as the Group has on-going hook-up and commissioning contracts of above RM4.0 billion to last at least until 2018. The Board is also optimistic on the prospects for oil and gas in the domestic market going forward. The Group has taken delivery of a new workboat MV Dayang Opal and this will enhance the earning for marine services business to the Group. Adding on to this, the Board of Directors are also optimistic that with the improving marine charter outlook, its associate company, Perdana Petroleum Berhad will continue to register significant improvements this year.

The Directors will continue to exercise due care in the running and administration of the Company's business and in ensuring that shareholders' values be enhanced.

B4. Profit forecast and profit guarantee

There was no profit guarantee issued by the Group.

**B5. Income tax expense**

	Current quarter ended 31-Dec-13 RM'000	Current year-to-date 31-Dec-13 RM'000
Malaysian income tax	6,660	25,707
Income tax expense	<u>6,660</u>	<u>25,707</u>

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 marine vessels by a subsidiary.

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**Movement in unit trusts:**

	Current quarter ended 31-Dec-13 RM'000	Cummulative Year-to-date 31-Dec-13 RM'000
At beginning of the period	15,538	35,680
Addition	107	463
Disposal	-	(20,498)
At end of the period	<u>15,645</u>	<u>15,645</u>
Market value	<u>15,645</u>	<u>15,645</u>

B8. Status of corporate proposal

The Company has effected on the 13 January 2014, a bonus issue of 275 million ordinary shares of RM0.50 each on the basis of one (1) Bonus Share for every two (2) existing ordinary shares of RM0.50 each held in the Company. The listing and quotation of the Bonus shares on the Main Board of Bursa Securities was successfully done on 30 January 2014.

Save as disclosed above, there was no corporate proposal announced or not completed by the Group as at the latest practicable date of 19 February 2014.

**B9. Group borrowings and debt securities**

Total Group's borrowings as at 31 December 2013 were as follows:

	RM'000
Short term borrowings-secured	
Revolving credit	49,500
Term loan	27,200
	<hr/>
	76,700
	<hr/>
Long term borrowings-secured	
Term loan	45,119
	<hr/>
	45,119
	<hr/>
Total	<hr/>
	121,819
	<hr/>

There are no foreign currency borrowings.

B10. Material litigation

As at 19 February 2014, (not earlier than 7 days from the date of announcement 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.

B11. Dividend

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

However, the Board has at its Board of Directors meeting held today, approved a second interim dividend of 3.5 sen per ordinary share tax exempt totaling RM28,874,997.75 in respect of financial year ending 31 December 2013 to be paid on 16 April 2014. The entitlement date shall be 17 March 2014.

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

	Sen per share (net)	Total amount RM'000	Date of payment
<u>2013</u>			
First interim 2013 ordinary (single-tier)	5.00	27,485	10-Oct-13
Second interim 2012 ordinary (single-tier)	5.00	27,485	12-Apr-13
		<hr/>	
		54,970	
		<hr/>	
<u>2012</u>			
First interim 2012 ordinary (single-tier)	5.00	27,485	8-Oct-12
Second interim 2011 ordinary (single-tier)	5.00	27,485	12-Apr-12
		<hr/>	
		54,970	
		<hr/>	

**B12. Earnings per share**

Basic Earnings Per Share	Current Quarter Ended 31-Dec-13	Corresponding Quarter Ended 31-Dec-12	Cumulative Period Ended 31-Dec-13	Corresponding Period Ended 31-Dec-12
Profit for the period attributable to Owners of the Company (RM'000)	23,331	12,794	148,971	101,242
Weighted average number of ordinary shares in issue ('000)	824,587	824,549	824,587	824,549
Basic earnings per share (sen)	2.83	1.55	18.07	12.28

B13. Retained earnings

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

	As at 31-Dec-13 RM'000	As at 31-Dec-12 RM'000
Total retained earnings of the Company and its subsidiaries		
Realised	248,110	186,908
Unrealised	29,925	(2,874)
Total retained earnings as per consolidated accounts	<u>278,035</u>	<u>184,034</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.

B14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 February 2014.