



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Second Quarter ended 30 June 2014 (Unaudited)**

	Current Quarter Ended 30-Jun-14 RM'000	Corresponding Quarter Ended 30-Jun-13 RM'000	Cumulative Year To Date 30-Jun-14 RM'000	Corresponding Year To Date 30-Jun-13 RM'000
Revenue	221,694	111,570	399,045	199,494
Operating expenses	(137,349)	(58,402)	(255,127)	(101,064)
Gross profit	84,345	53,168	143,918	98,430
Other income	298	117	759	***33,074
Administration expenses	(22,695)	(15,319)	(43,664)	(29,146)
Results from operating activities	61,948	37,966	101,013	102,358
Finance costs	(2,052)	(842)	(3,222)	(1,726)
Finance income	615	938	1,242	2,098
Net finance (costs)/income	(1,437)	96	(1,980)	372
Share of results of an associate	5,888	3,437	11,328	4,728
Profit before tax	66,399	41,499	110,361	107,458
Income tax expense	(11,767)	(6,220)	(21,002)	(13,784)
Profit for the period	54,632	35,279	89,359	93,674
Other comprehensive income, net of tax				
Fair value changes of available-for-sale financial assets	-	-	-	1,850
Reclassification of fair value reserve to profit or loss	-	-	-	(32,799)
Share of other comprehensive loss of an associate	(1,762)	-	(3,042)	-
Other comprehensive loss for the period, net of tax	(1,762)	-	(3,042)	(30,949)
Total comprehensive income for the period attributable to Owners of the Company	52,870	35,279	86,317	62,725
Weighted average number of ordinary shares in issue ('000)	825,000	824,587	825,000	824,587
Basic earnings per ordinary share of RM0.50 each (sen)	6.62	4.28	10.83	11.36

***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 2013 and the accompanying notes attached to this interim financial report).



Condensed Consolidated Statement of Financial Position as at 30 June 2014 (Unaudited)

	UNAUDITED AS AT 30-Jun-14 RM'000	AUDITED AS AT 31-Dec-13 RM'000
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	433,540	392,561
Prepaid lease payments	11,043	11,227
Investment in an associate	173,802	165,516
	<hr/> 618,385	<hr/> 569,304
CURRENT ASSETS		
Inventories	3,198	3,221
Trade and other receivables	327,915	297,682
Other investments	15,854	15,645
Current tax asset	843	351
Cash and bank balances	79,872	101,911
	<hr/> 427,682	<hr/> 418,810
TOTAL ASSETS	<hr/> 1,046,067	<hr/> 988,114
EQUITY AND LIABILITIES		
EQUITY		
Share capital	412,500	275,000
Share premium	-	109,016
Reserves	311,251	282,414
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<hr/> 723,751	<hr/> 666,430
NON CURRENT LIABILITIES		
Borrowings	50,372	43,576
Deferred tax liabilities	6,458	6,458
TOTAL NON CURRENT LIABILITIES	<hr/> 56,830	<hr/> 50,034
CURRENT LIABILITIES		
Loans and borrowings	112,000	78,728
Trade and other payables	143,764	192,530
Current tax liabilities	9,722	392
TOTAL CURRENT LIABILITIES	<hr/> 265,486	<hr/> 271,650
TOTAL LIABILITIES	<hr/> 322,316	<hr/> 321,684
TOTAL EQUITY AND LIABILITIES	<hr/> 1,046,067	<hr/> 988,114
Net Assets per share (sen)	88	81

(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 2013 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Changes in Equity
For the Second Quarter ended 30 June 2014 (Unaudited)**

	Attributable to the Owners of the Company								
	Non-Distributable							Distributable	Total Equity
	Share Capital	Share Premium	Fair Value Reserve	Treasury Shares	Other Capital Reserve	Cash Flow Hedge Reserve	Translation Reserve	Retained Earnings	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 31 December 2012/1 January 2013	275,000	107,787	30,948	(460)	-	-	-	184,035	597,310
Fair value changes of available-for-sale financial assets	-	-	1,850	-	-	-	-	-	1,850
***Reclassification of fair value reserve to profit or loss	-	-	(32,798)	-	-	-	-	-	(32,798)
Share of other comprehensive income of an equity-accounted associate	-	-	-	-	(123)	102	4,076	-	4,055
Total other comprehensive loss for the year	-	-	(30,948)	-	(123)	102	4,076	-	(26,893)
Profit for the year	-	-	-	-	-	-	-	149,294	149,294
Total comprehensive income for the year	-	-	(30,948)	-	(123)	102	4,076	149,294	122,401
Sale of treasury shares	-	1,229	-	460	-	-	-	-	1,689
Dividends to owners of the Company	-	-	-	-	-	-	-	(54,970)	(54,970)
At 31 December 2013/1 January 2014	275,000	109,016	-	-	(123)	102	4,076	278,359	666,430



DAYANG ENTERPRISE HOLDINGS BHD (712243-U)

Condensed Consolidated Statement of Changes in Equity (continued)
For the Second Quarter ended 30 June 2014 (Unaudited)

	Attributable to the Owners of the Company								Total Equity RM'000
	Non-Distributable						Distributable	Retained Earnings RM'000	
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Treasury Shares RM'000	Other Capital Reserve RM'000	Cash Flow Hedge Reserve RM'000	Translation Reserve RM'000		
At 31 December 2013/1 January 2014	275,000	109,016	-	-	(123)	102	4,076	278,359	666,430
Share of other comprehensive income/(loss) of an equity-accounted associate	-	-	-	-	-	38	(3,080)	-	(3,042)
Total other comprehensive loss for the period	-	-	-	-	-	38	(3,080)	-	(3,042)
Profit for the period	-	-	-	-	-	-	-	89,359	89,359
Total comprehensive income for the period	-	-	-	-	-	38	(3,080)	89,359	86,317
Bonus issue	137,500	(108,895)	-	-	-	-	-	(28,605)	-
Bonus issue expenses	-	(121)	-	-	-	-	-	-	(121)
Dividends to owners of the company	-	-	-	-	-	-	-	(28,875)	(28,875)
At 30 June 2014	412,500	-	-	-	(123)	140	996	310,238	723,751

(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 2013 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Cash Flows
For the Second Quarter ended 30 June 2014 (Unaudited)**

	Current Year-to-date 30-Jun-14 RM'000	Corresponding Year-to-date 30-Jun-13 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	110,361	107,458
Adjustments for:-		
- Non-cash items	7,798	5,677
- Non-operating items	1,980	(33,170)
Operating profit before changes in working capital	120,139	79,965
<u>Changes in working capital</u>		
Inventories	23	607
Trade and other receivables	(30,233)	(43,345)
Trade and other payables	(48,766)	9,500
Total changes in working capital	(78,976)	(33,238)
Cash generated from operations	41,163	46,727
Interest received	1,242	2,098
Interest paid	(1,559)	-
Tax paid	(12,164)	(10,828)
Total interest and tax paid	(12,481)	(8,730)
Net cash generated from operating activities	28,682	37,997
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of additional investment in an associate	-	(43,412)
Acquisition of other investment	(210)	(252)
Acquisition of property, plant and equipment	(60,232)	(31,531)
Proceeds from disposal of property, plant and equipment	311	-
Proceeds from disposal of other investments	-	20,498
Net cash used in investing activities	(60,131)	(54,697)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bonus issue expenses	(121)	-
Proceeds from borrowings	53,432	-
Repayment of borrowings	(13,364)	(10,167)
Term loan interest paid	(1,663)	(1,726)
Dividend paid	(28,875)	(27,485)
Net cash generated/(used in) from financing activities	9,409	(39,378)
Net decrease in cash and cash equivalents	(22,040)	(56,078)
Cash and cash equivalents at the beginning of the period	101,912	151,999
Cash and cash equivalents at the end of the period	79,872	95,921
Breakdown of cash and cash equivalents at the end of the period:-		
Short term deposits	57,896	65,421
Cash and bank balances	21,976	30,500
	79,872	95,921

(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 2013 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 2013 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 2013, except for the adoption of the following Standards, Amendments and Interpretations from 1 January 2014:

MFRS/Amendment/Interpretation	Effective date
• Amendments to MFRS 10, <i>Consolidated Financial Statements: Investment Entities</i>	1 January 2014
• Amendments to MFRS 12, <i>Disclosure of Interests in Other Entities: Investment Entities</i>	1 January 2014
• Amendments to MFRS 127, <i>Separate Financial Statements (2011): Investment Entities</i>	1 January 2014
• Amendments to MFRS 132, <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
• Amendments to MFRS 136, <i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
• Amendments to MFRS 139, <i>Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014
• IC Interpretation 21, <i>Levies</i>	1 January 2014

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 1, <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2011-2013 Cycle)</i>	1 July 2014
• Amendments to MFRS 2, <i>Share-based Payment (Annual Improvements to MFRSs 2010-2012 Cycle)</i>	1 July 2014
• Amendments to MFRS 3, <i>Business Combinations (Annual Improvements to MFRSs 2010-2012 Cycle and 2011-2013 Cycle)</i>	1 July 2014
• Amendments to MFRS 8, <i>Operating Segments (Annual Improvements to MFRSs 2010-2012 cycle)</i>	1 July 2014
• Amendments to MFRS 13, <i>Fair Value Measurement (Annual Improvements to MFRSs 2010-2012 Cycle and 2011-2013 Cycle)</i>	1 July 2014
• Amendments to MFRS 116, <i>Property, Plant and Equipment (Annual Improvements to MFRSs 2010-2012 Cycle)</i>	1 July 2014
• Amendments to MFRS 119, <i>Employee Benefits – Defined Benefit Plans: Employee Contributions</i>	1 July 2014
• Amendments to MFRS 124, <i>Related Party Disclosures (Annual Improvements to MFRSs 2010-2012 Cycle)</i>	1 July 2014
• Amendments to MFRS 138, <i>Intangible Assets (Annual Improvements to MFRSs 2010-2012 Cycle)</i>	1 July 2014
• Amendments to MFRS 140, <i>Investment Property (Annual Improvements to MFRSs 2011-2013 Cycle)</i>	1 July 2014
• MFRS 9, <i>Financial Instruments (2009)</i>	Yet to be confirmed
• MFRS 9, <i>Financial Instruments (2010)</i>	Yet to be confirmed
• MFRS 9, <i>Financial Instruments – Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139</i>	Yet to be confirmed
• Amendments to MFRS 7, <i>Financial Instruments: Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>	Yet to be confirmed
• MFRS 14, <i>Regulatory Deferral Accounts</i>	1 January 2016
• Amendments to MFRS 116 and MFRS 138: <i>Clarification of Acceptable Methods Of Depreciation and Amortisation</i>	1 January 2016
• Amendments to MFRS 11: <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016

The Group plans to apply:

- from the annual period beginning on 1 January 2015 for those accounting 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, Amendments to MFRS 138 and Amendments to MFRS 140 which are assessed as presently not applicable to the Group.

The initial application of the above accounting standards, amendments or interpretations are not expected to have any material financial impacts to the financial statements for current and prior period financial statements of the Group.

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 2013.



A4. Profit for the period

	Current quarter ended 30-Jun-14 RM'000	Current year-to-date 30-Jun-14 RM'000
Profit for the period is arrived at after charging:		
Depreciation of property, plant and equipment	10,321	19,458
Net foreign exchange loss	1	10

and after crediting:

Gain on disposal of property, plant and equipment	327	332
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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 period 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.

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.

A8. 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.

A9. Dividend paid

An interim dividend, in respect of the financial year ended 31 December 2013, of 3.5 sen per ordinary share tax exempt amounting to RM28,874,997.75 was declared on 26 February 2014 and paid to shareholders on 16 April 2014.



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:-

	30-Jun-14
	RM'000
Approved and contracted for	
Construction of workboats	40,296 *
Purchase of cranes	3,690
	<hr/>
	43,986
	<hr/>

* To be 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 15 August 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

As at 30 June 2014, the Company holds in total 180,897,780 ordinary shares of RM0.50 each in Perdana Petroleum Bhd (PPB). The equity interest in PPB has decreased from 24.87% (as at 31 December 2013) to 24.50% (as at 30 June 2014) as a result of allotment of the new PPB shares from the exercise of PPB warrants.

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 quarter:-

Transactions with Directors and a company in which certain Directors have substantial financial interests:-	Nature	Amount for 6 months ended 30 June 2014	Unsettled balance as at 30 June 2014
		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	360	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office	17	-
Joe Ling Siew Loung @ Lin Shou Long and his spouse Chong Siaw Choon	Rental of office	20	-
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	802	-
		1,199	-
Transactions with a wholly owned subsidiary of an associate company	Nature	Amount for 6 months ended 30 June 2014	Unsettled balance as at 30 June 2014
		RM'000	RM'000
Perdana Nautika Sdn Bhd	Vessel charter expenses	113,975	21,871
		113,975	21,871

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 30-Jun-14 RM'000	Corresponding Quarter ended 30-Jun-13 RM'000	Variance	
			RM'000	%
Revenue	221,694	111,570	110,124	99
Profit before tax (excluding share of results of an associate and reclassification of fair value reserve to profit or loss)	60,511	38,062	22,449	59
Share of results of an associate	5,888	3,437	2,451	71
Profit before tax	66,399	41,499	24,900	60
Profit for the period	54,632	35,279	19,353	55
Other comprehensive loss, net of tax	(1,762)	-	(1,762)	
Total comprehensive income for the period attributable to owners of the Company	52,870	35,279	17,591	50

Comparatively, the Group's revenue for the current quarter ended 30 June 2014 increased by 99% while profit before tax (excluding share of results of an associate) for the current quarter increased by 59% when compared to the corresponding quarter ended 30 June 2013. 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 RM110.1 million ie 99%, profit before tax (excluding share of results of an associate) for the current quarter only increased by RM22.4 million ie. 59% 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 8.9% to the profit before tax of the group for the current quarter.

In the opinion of the Directors, the results for the current quarter have not been affected by any transactions or events of a material nature which have arisen between 30 June 2014 and the date of this report.

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

	Cummulative year-to-date 30-Jun-14 RM'000	Corresponding year-to-date 30-Jun-13 RM'000	Variance	
			RM'000	%
Revenue	399,045	199,494	199,551	100
Profit before tax (excluding reclassification of fair value reserve to profit or loss and share of results of an associate)	99,033	69,931	29,102	42
Share of results of an associate	11,328	4,728	6,600	140
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	110,361	107,458	2,903	3
Profit for the period	89,359	93,674	(4,315)	(5)
Other comprehensive loss, net of tax	(3,042)	(30,949)	27,907	(90)
Total comprehensive income for the period attributable to owners of the Company	86,317	62,725	23,592	38

Revenue increased by 100% from RM199.5 million in the previous period to RM399.0 million in the current period. The higher revenue in the current period to date as compared to the corresponding period to date is mainly due to higher revenue from the new hook-up and commissioning contracts.

The profit before tax (excluding reclassification of fair value reserve to profit or loss and share of results of an associate) increased by only 42% from RM69.9 million to RM99.0 million due to lower profit margin contribution from work orders performed as compared to the corresponding period.

The Group's associate, Perdana Petroleum Berhad, contributed approximately 10.3% to the profit before tax of the group for the current period to date.

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 in the first quarter of 2013.



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

	Current Quarter ended 30-Jun-14 RM'000	Preceding Quarter ended 31-Mar-14 RM'000	Variance RM'000	%
Revenue	221,694	177,351	44,343	25
Profit before tax (excluding share of results of an associate)	60,511	38,522	21,989	57
Share of results of an associate	5,888	5,440	448	8
Profit before tax	66,399	43,962	22,437	51

In the current quarter, the Group's revenue was 25% higher as compared to the preceding quarter while the profit before tax (excluding share of results of an associate) was 57% higher as compared to the preceding quarter.

The higher revenue of RM221.7 million for the current quarter as compared to RM177.4 million for the preceding quarter is mainly due to higher work orders received and performed in the current quarter.

Whilst revenue increased by RM44.3 million ie. 25%, profit before tax (excluding share of results of an associate) increased by RM22.0 million ie. 57% 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.

The Group's associate, Perdana Petroleum Berhad contributed a profit of approximately RM5.9 million in the current quarter ie an increase of 8% from the preceding quarter.

B3. Prospects for the 2014 financial year

The Board of Directors remain positive of the Group's prospects for the remaining quarters of 2014 as the Group has call out contracts estimated at about RM4.5 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 as the Group currently has an outstanding tender book of approximately RM400.0 million. 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 steady earnings.

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 30-Jun-14 RM'000	Current year-to-date 30-Jun-14 RM'000
Malaysian income tax	11,767	21,002
Income tax expense	<u>11,767</u>	<u>21,002</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 30-Jun-14 RM'000	Cummulative Year-to-date 30-Jun-14 RM'000
At beginning of the period	15,749	15,645
Addition	<u>105</u>	<u>209</u>
At end of the period	<u>15,854</u>	<u>15,854</u>
Market value	<u>15,854</u>	<u>15,854</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 15 August 2014.



B9. Group borrowings and debt securities

Total Group's borrowings as at 30 June 2014 were as follows:

	RM'000
Short term borrowings-secured	
Revolving credit	90,000
Term loan	22,000
	112,000
Long term borrowings-secured	
Term loan	50,372
	50,372
Total	162,372

There are no foreign currency borrowings.

B10. Material litigation

As at 15 August 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 first interim dividend of 3.5 sen per ordinary share tax exempt totaling RM28,874,997.75 in respect of the financial year ending 31 December 2014 to be paid on 10 October 2014. The entitlement date shall be 12 September 2014.

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

	Sen per share(net)	Total amount RM'000	Date of payment
<u>2014</u>			
Second interim 2013 ordinary (single-tier)	3.50	28,875	16-Apr-14
<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
		54,970	

**B12. Earnings per share**

Basic Earnings Per Share	Current Quarter Ended 30-Jun-14	Corresponding Quarter Ended 30-Jun-13	Cumulative Period Ended 30-Jun-14	Corresponding Period Ended 30-Jun-13
Profit for the period attributable to Owners of the Company (RM'000)	54,632	35,279	89,359	93,674
Weighted average number of ordinary shares in issue ('000)	825,000	824,587	825,000	824,587
Basic earnings per share (sen)	6.62	4.28	10.83	11.36

B13. Retained earnings

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

	As at 30-Jun-14 RM'000	As at 31-Dec-13 RM'000
Total retained earnings of the Company and its subsidiaries		
Realised	316,696	284,817
Unrealised	(6,458)	(6,458)
Total retained earnings as per consolidated accounts	<hr/> 310,238	<hr/> 278,359

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 22 August 2014.