



SEALINK INTERNATIONAL BERHAD (800981-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2015

	Individual 3 months ended		Cumulative 12 months ended	
	31 Dec 2015 RM'000 (Unaudited)	31 Dec 2014 RM'000 (Unaudited)	31 Dec 2015 RM'000 (Unaudited)	31 Dec 2014 RM'000 (Audited)
Revenue	25,757	28,864	141,840	128,094
Cost of sales	<u>(27,035)</u>	<u>(32,657)</u>	<u>(122,654)</u>	<u>(107,065)</u>
Gross profit/(loss)	(1,278)	(3,793)	19,186	21,029
Other operating income	8,881	14,901	12,097	24,229
Other operating expenses	(11,006)	(415)	(15,171)	(3,014)
Administrative expenses	(3,329)	(11,928)	(16,955)	(26,234)
Finance expenses	(3,873)	(3,746)	(14,243)	(15,011)
Share of result of an associate	(182)	1,043	(171)	2,375
Share of result of joint ventures	<u>652</u>	<u>(139)</u>	<u>(1,308)</u>	<u>287</u>
Profit/(Loss) before tax	(10,135)	(4,077)	(16,565)	3,661
Income tax expense	4,345	5,668	9,350	4,597
Profit/(Loss) for the period	<u>(5,790)</u>	<u>1,591</u>	<u>(7,215)</u>	<u>8,258</u>
Profit/(Loss) attributable to:				
Owners of the Parent	<u>(5,790)</u>	<u>1,591</u>	<u>(7,215)</u>	<u>8,258</u>
	<u>(5,790)</u>	<u>1,591</u>	<u>(7,215)</u>	<u>8,258</u>
Earnings per share (sen)				
- Basic EPS	(1.16)	0.32	(1.44)	1.65
- Diluted EPS	(1.16)	0.32	(1.44)	1.65

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2015

(CONTINUED)

	Individual 3 months ended		Cumulative 12 months ended	
	31 Dec 2015 RM'000 (Unaudited)	31 Dec 2014 RM'000 (Unaudited)	31 Dec 2015 RM'000 (Unaudited)	31 Dec 2014 RM'000 (Audited)
Profit/(Loss) for the period	(5,790)	1,591	(7,215)	8,258
Other Comprehensive Income :				
Exchange differences on translation of foreign operations	(6,814)	6,349	46,469	6,176
Total Comprehensive Income for the period	<u>(12,604)</u>	<u>7,940</u>	<u>39,254</u>	<u>14,434</u>
Total comprehensive income attributable to:				
Owners of the Parent	<u>(12,604)</u>	<u>7,940</u>	<u>39,254</u>	<u>14,434</u>
	<u>(12,604)</u>	<u>7,940</u>	<u>39,254</u>	<u>14,434</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	As at 31 Dec 2015 RM'000 (Unaudited)	As at 31 Dec 2014 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	658,413	654,818
Land use rights	11,814	12,393
Investment in an associate	6,157	6,237
Investment in a joint venture	8,945	1,178
Other receivables	3,951	16,068
	689,280	690,694
Current Assets		
Inventories	83,705	80,030
Trade and other receivables	53,481	46,686
Investment securities	265	258
Tax recoverable	1,006	1,886
Cash and cash equivalents	78,721	83,695
	217,178	212,555
Total Assets	906,458	903,249
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share Capital	250,000	250,000
Share Premium	79,087	79,087
Retained earnings	110,300	117,515
Other components of equity	59,944	13,475
Total Equity	499,331	460,077
Non-Current Liabilities		
Loans and borrowings	157,424	190,862
Deferred tax liabilities	35,512	45,598
	192,936	236,460
Current Liabilities		
Loans and borrowings	166,643	158,564
Trade and other payables	47,085	46,616
Provision for taxation	463	1,532
	214,191	206,712
Total Liabilities	407,127	443,172
Total Equity and Liabilities	906,458	903,249
Net asset per share (sen)	99.87	92.02

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2015

	Attributable to Owners of the Parent					Total Equity (Unaudited) RM'000
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Foreign currency translation reserve RM'000	Total RM'000	
Balance as at 1 January 2014	250,000	79,087	114,257	7,299	450,643	450,643
Dividend	-	-	(5,000)	-	(5,000)	(5,000)
Total comprehensive income for the year	-	-	8,258	6,176	14,434	14,434
Balance as at 31 December 2014	250,000	79,087	117,515	13,475	460,077	460,077

	Attributable to Owners of the Parent					Total Equity (Unaudited) RM'000
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Foreign currency translation reserve RM'000	Total RM'000	
Balance as at 1 January 2015	250,000	79,087	117,515	13,475	460,077	460,077
Total comprehensive income for the year	-	-	(7,215)	46,469	39,254	39,254
Balance as at 31 December 2015	250,000	79,087	110,300	59,944	499,331	499,331

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2015

	Year-to-date Ended	
	31 Dec 2015 RM'000 (Unaudited)	31 Dec 2014 RM'000 (Audited)
Cash Flows From Operating Activities		
Profit/(Loss) before tax	(16,565)	3,661
Adjustments for:		
Interest income	(2,555)	(2,642)
Interest expenses	14,242	14,586
Amortisation of land use rights	579	579
Bad debts written off	5,090	-
Deposit written off	671	42
Depreciation of property, plant and equipment	47,749	40,749
Dividend income from investment securities	-	(6)
Fair value gain on investment securities	-	(2)
Net gain on disposal of property, plant and equipment	(131)	(4,666)
Impairment loss on trade and other receivables	750	1,235
Impairment loss on other current assets	-	58
Impairment loss on property, plant and equipment	6,975	-
Inventories written down	-	12,635
Inventories written off	717	8
Property, plant and equipment written off	-	1,204
Reversal of inventories written down	(1,570)	-
Reversal of impairment loss on trade and other receivables	(5,612)	(679)
Reversal of provision for maintenance warranties	-	(1,500)
Share of result of an associate	171	(2,375)
Share of result of joint controlled entities	1,308	(287)
Reversal of unrealised foreign exchange gain in previous year	11,985	-
Unrealised loss/(gain) on foreign exchange	2,698	(8,963)
Loss on disposal of investment	594	-
Total adjustments	<u>83,661</u>	<u>49,976</u>
Operating profit before working capital changes	67,097	53,637
Changes in working capital		
Increase in inventories	(4,390)	(12,131)
(Increase)/Decrease in trade and other receivables	986	53,451
Decrease in trade and other payables	(14,216)	14,269
Net change in associate balances	4,191	208
Total changes in working capital	<u>(13,429)</u>	<u>55,797</u>
Cash flows from operations	53,668	109,434
Interest paid	(16,761)	(17,670)
Interest received	2,555	2,770
Income tax refunded	1,029	1,126
Income tax paid	(2,488)	(4,715)
Net Cash Flows From Operating Activities	<u>38,003</u>	<u>90,945</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2015

	Year-to-date Ended	
	31 Dec 2015	31 Dec 2014
	RM'000	RM'000
	(Unaudited)	(Audited)
Cash Flows From Investing Activities		
Acquisition of investment in a joint venture	(11,000)	(220)
Purchase of property, plant and equipment	(2,887)	(52,646)
Proceeds from disposal of property, plant and equipment	17,863	44,702
Proceeds from disposal of investment	1,500	
Net Cash Flows From Investing Activities	5,476	(8,164)
Cash Flows From Financing Activities		
Net movement in fixed deposits pledged	4,805	(3,406)
Net movement in cash at bank restricted in use	(28)	702
Net movements in trade financing	(22,300)	11,279
Purchase of investment securities	-	(250)
Proceeds from term loans	20,808	11,600
Proceeds from finance lease	107	-
Repayments of obligations under finance leases	(31)	(30)
Repayments of term loans	(74,212)	(80,451)
Dividends paid to shareholders	-	(5,000)
Net Cash Flows used in Financing Activities	(70,851)	(65,556)
Net (Decrease)/Increase in Cash and Cash Equivalents	(27,370)	17,225
Effect of changes in foreign exchange rates	5,265	1,890
Cash and Cash Equivalents at the beginning of financial year	52,775	33,660
Cash and Cash Equivalents at the end of financial period	30,670	52,775

Cash and cash equivalents at the end of the period comprised the following:

Cash and bank balances	78,721	83,695
Bank overdraft	(29,600)	(8,373)
	49,121	75,322
Less: Fixed deposits pledged and cash at bank restricted in use	(18,451)	(22,547)
	30,670	52,775

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

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

A1. Basis of Preparation

The interim financial statements has been prepared on the historical cost basis, unless otherwise stated.

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by Malaysian Accounting Standards Boards ("MFRS") and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

On 1 January 2015, the Group adopted the following new and amended MFRS and IC interpretations mandatory for annual financial period beginning on or after 1 January 2015.

- Amendments to MFRS 119: Defined Benefit Plan- Employee Contributions
- Annual Improvements to MFRSs 2010 - 2012 Cycle
- Annual Improvements to MFRSs 2011 - 2013 Cycle

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group.

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

MFRS effective for annual period beginning on or after 1 January 2016

- Annual Improvement to MFRSs 2012 - 2014 Cycle
- Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities - Applying the Consolidation Exception
- Amendments to MFRS 11: Accounting for Acquisition of Interest in Joint Operations
- Amendments to MFRS 101: Disclosure Initiatives
- Amendments to MFRS 127: Equity Method in Separate Financial Statements.
- MFRS 14 Regulatory Deferral Accounts

MFRS effective for annual period beginning on or after 1 January 2018

- MFRS 9: Financial Instruments
- MFRS 15: Revenue from Contract with Customers

The adoption of above standards and amendments are expected to have no significant impact on the financial statements of the Group upon their initial application.

A2. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Company ("Sealink International Berhad") and its subsidiaries for the year ended 31 December 2014 were not qualified.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

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

A3. Seasonal or cyclical factors

The Group's performance is affected by the oil and gas industry. The demand for our vessels are closely associated with the cyclical fluctuations of the oil and gas industry.

A4. Items of unusual nature and amount

There was no item that affect assets, liabilities, equity, net income, or cash flows that are unusual in nature, size, or incidence during the current quarter under review.

A5. Material changes in estimates

There were no changes in the estimates that have had a material effect in the current quarter under review.

A6. 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 financial quarter.

A7. Dividends Paid

No dividend was paid in the current financial quarter under review.

A8. Segmental information

The results and other information of the Group as at 31 December 2015 are as follows:

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue					
External sales	22,715	119,125	-	-	141,840
Inter-segment sales	9,959	47,867	-	(57,826)	-
Total revenue	<u>32,674</u>	<u>166,992</u>	<u>-</u>	<u>(57,826)</u>	<u>141,840</u>
Segment profit/(loss) (Note A)	<u>(15,811)</u>	<u>(331)</u>	<u>40,363</u>	<u>(40,786)</u>	<u>(16,565)</u>

Note A

The following items are added to/(deducted from) segment profit to arrive at "Profit before tax from continuing operations" presented in the condensed consolidated income statements:

Segment profit	24,221
Dividend from subsidiaries	(40,000)
Profit from inter-segment sales	(194)
Share of result of an associate	(171)
Share of result of joint venture entities	(1,308)
Finance costs	7,121
Unallocated corporate expenses	(6,234)
Loss before tax	<u>(16,565)</u>

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

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

A8. Segmental information (continued)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Assets and liabilities					
Segment assets	221,754	867,768	157,208	(340,272)	906,458
Segment liabilities	147,195	436,309	127,656	(304,033)	407,127
Net assets	74,559	431,459	29,552	(36,239)	499,331
Other segmental information					
Depreciation	6,235	29,741	14,333	(2,560)	47,749
Amortisation of land use rights	105	425	49	-	579

A9. Capital commitments

Capital commitments are as follows:

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Property, plant and equipment	-	126,969

A10. Material events subsequent to the end of period reported

There were no material event subsequent to the end of the interim period reported which has not been reflected under the current quarter.

A11. Changes in composition of the Group

There were no changes in composition of the Group for the current quarter ended 31 December 2015.

A12. Contingent liabilities

The following is the additional contingent liabilities since the last annual balance sheet date:

	Year-to-date 31 Dec 2015 RM'000
Corporate guarantees given to financial institutions in consideration of credit facilities granted to jointly controlled entity	7,903

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

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

A13. Related party transactions

Transactions between the Group and related parties are as follows:

	Transaction value for 3 months ended 31 Dec 2015 RM	Current Year-to-date 31 Dec 2015 RM
(i) Transactions with companies in which certain Directors of the Company have substantial interest :		
Ming Kiong Agencies (Singapore) Pte Ltd - Rental of office at Far East shopping centre, Singapore	39,210	148,544
Manmohan's (Labuan) Sdn Bhd - Rental of office at Lot 20, Labuan	3,000	12,000
Syarikat Guan Teck Enterprise (Sarawak) Sdn Bhd - Lease of office at Lot 1035, Piasau	26,250	105,000
Syarikat Lambir Timber Sdn Bhd - Chartering of vessels	52,500	210,000
Rajah & Tann - Provision of legal services	(59,273)	164,378
Khoo & Co, Advocates and Solicitors - Provision of legal services	1,225	8,165
Crowe Horwath - Provision of consultancy services	-	38,000
(ii) Transactions with Director :		
Yong Foh Choi - Rental of staff quarter at Lot 334, Jalan Lutong-Pujut	1,500	6,000
	<u>64,412</u>	<u>692,087</u>

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 favorable than those transacted with unrelated parties.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B1. Review of performance of the Company and its principal subsidiaries

(a) Current quarter compared with corresponding quarter of the previous financial year (4Q 2015 Vs. 4Q 2014)

The Group's performance for the current quarter under review compared to 4Q 2014 is as follow:

<u>Revenue</u>	<u>Shipbuilding</u> RM'000	<u>Ship charter</u> RM'000	<u>Consolidated</u> Total RM'000
Revenue (4Q 2015)	2,228	23,529	25,757
Revenue (4Q 2014)	1,586	27,278	28,864
Variance	642	(3,749)	(3,107)
Variance (%)	40%	-14%	-11%

The Group's revenue for the current quarter achieved at RM25.7 million, decreased by RM3.1 million or 11% compared to preceding year's quarter of RM28.9 million due to drop in ship charter revenue.

Shipbuilding Division

Shipbuilding division recorded revenue of RM2.2 million mainly derived from ship repair services.

Ship Charter Division

Revenue of ship charter division decreased 14% compared to 4Q 2014. The unfavourable variance was due to more vessels on short term contracts were off-hired during the quarter under review.

Overall, the group suffered loss before tax of RM10.1 million for the quarter under review after taken up net impairment charge of RM1.67 million. Net impairment charge included impairment on capital work in progress amounted to RM3.8 million which was impaired due to amount still not recovered after several years of pursuing on the refund. This partially offset by the reversal of impairment on inventory and work in progress due to higher selling price based on signed contract. On the other hand, lower loss suffered in the preceding year corresponding period due to better contribution from ship chartering segment and favourable results in associate.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

(b) YTD 2015 compared with YTD 2014

The Group's performance for year 2015 compared with corresponding period in 2014 is as follows:-

<u>Revenue</u>	<u>Shipbuilding</u> RM'000	<u>Ship charter</u> RM'000	<u>Consolidated</u> Total RM'000
Revenue (YTD 2015)	22,715	119,125	141,840
Revenue (YTD 2014)	6,704	121,390	128,094
Variance	16,011	(2,265)	13,746
Variance (%)	239%	-2%	11%

The Group's revenue for the current financial year achieved at RM141.8 million, increased RM13.7 million compared to RM128.1 million in the corresponding financial period last year.

Shipbuilding

Shipbuilding segment recorded revenue of RM22.7 million for current financial year higher than corresponding financial year. The increase mainly due to one external sale of offshore support vessel to external party in Quarter 3 2015. Whereas in year 2014, 3 vessels valued about RM65.5 million were sold to the ship charter division and the revenue was eliminated at group level.

Ship Charter

Ship charter segment recorded revenue of RM119.1 million slightly lower than corresponding financial year by RM2.3 million or 3%. The drop in revenue mainly due to more short term vessels were offhired in 4Q 2015.

The Group recorded loss before tax of RM16.6 million in the current financial year against profit of RM3.6 million in the corresponding period of preceding year due to drop in utilisation and charter rate of some of the vessels and losses in joint venture companies. On the other hand, preceding year profit was attributed to higher profit margin, share of profit from associate and higher gain on disposal of vessels from the fleet.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

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

	Current Quarter ended 31 Dec 2015 RM'000	Preceding Quarter ended 30 Sept 2015 RM'000	Variance RM'000	%
Revenue	25,757	46,195	(20,438)	-44%
Loss before tax	<u>(10,135)</u>	<u>(11,186)</u>	1,051	-9%

Consolidated group revenue for the current quarter decreased by RM20.4 million or 44% compared to preceding quarter mainly attributed to sale of one offshore support vessel in preceding quarter.

Loss for the quarter reduced by RM1.1 million partly due to gain on foreign exchange whereas loss before tax of RM11.2 million in preceding quarter mainly due to loss on foreign exchange, share of losses in joint venture companies, impairment charge on property, plant and equipment and inventory (work in progress).

B3. Commentary on prospects

The oil and gas industry slowed down since 2014 in tandem with the drop in the crude oil price and has remained at the USD30 per barrel range. The marine offshore support vessels sector slow down with the impending CAPEX cuts by Petronas.

We are continuing our internal cost cutting measures and will strive to maintain the utilisation of our fleet. The long-term prospects are still intact as the demand for fossil fuel are still required in the long-term.

B4. Variance between actual profit from forecast profit

Not applicable as no profit forecast was published.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B5. Profit/(Loss) before tax

Included in the profit before tax are the following item:

	Year-to-date Ended	
	31 Dec 2015 RM'000	31 Dec 2014 RM'000
Other income	(2,229)	(16,242)
Interest income	(2,555)	(2,642)
Interest expense	14,242	14,586
Bad debts written off	5,090	-
Deposit written off	671	42
Depreciation of property, plant and equipment	47,749	40,749
Amortisation of land use rights	579	579
Impairment loss on trade and other receivables	750	1,235
Impairment loss on other current assets	-	58
Impairment loss on property, plant and equipment	6,975	-
Property, plant and equipment written off	-	1,204
Inventories written down	-	12,635
Inventories written off	717	8
Reversal of inventories written down	(1,570)	-
Reversal of impairment loss on trade and other receivables	(5,612)	(679)
Net (gain) / loss on disposal of property, plant and equipment	(131)	(4,666)
Net foreign exchange (gain)/Loss	(3,550)	(9,649)

B6. Taxation

	Current Quarter 31 Dec 2015 RM'000	Current Year-to-date 31 Dec 2015 RM'000
Malaysian income tax	9	933
Deferred tax reversal	(4,354)	(10,283)
Total tax credit	(4,345)	(9,350)

The Group booked in tax credit of RM9.3 million for the year due to reversal of deferred tax liability.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B7. Profit from sale of unquoted investments and/or properties

There were no disposal of unquoted investment and properties for the current quarter and financial year to date.

B8. Quoted securities

There was no purchase or disposal of quoted securities for the current quarter and financial year to date.

B9. Status of corporate proposal

There is no corporate proposal announced but not completed as at end of the financial period under review.

B10. Group borrowings and debt securities

Total Group's borrowings as at 31 December 2015 were as follows:

1. Total Borrowings

Short-term borrowings
Long-term borrowings

**Secured
RM'000**

166,643

157,424

324,067

2. Borrowings denominated in US Dollars

Short-term borrowings
Long-term borrowings

**Secured
USD'000**

10,053

25,254

35,307

B11. Derivative Financial Instruments

There are no outstanding derivatives as at the reporting period.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B12. Material litigation

On 7 December 2012, one of the subsidiaries of the Group initiated arbitration before the Kuala Lumpur Regional Centre for Arbitration (KLRCA) against Boustead Penang Shipyard Sdn Bhd (BPS) under a shipbuilding contract dated 3 April 2008 to build two units of 7,000 DWT oil carriers/chemical carriers.

The subsidiary filed its statement of claim against BPS on 8 May 2013 for interest, damages, costs and expenses incurred by the company for breaches of the contract by BPS. BPS has filed a statement of defence and counterclaim on 7 June 2013. The arbitration is ongoing as parties exchange requests for disclosure.

The Group has made adequate provisions for potential impairment pending the settlement of the case.

B13. Dividend payable

No interim dividend has been declared for the current quarter ended 31 December 2015.

B14. Earnings per Share

	3 months ended		12 months ended	
	31 Dec 2015 RM'000	31 Dec 2014 RM'000	31 Dec 2015 RM'000	31 Dec 2014 RM'000
Profit attributable to Owners of the Parent (RM'000)	<u>(5,790)</u>	<u>1,591</u>	<u>(7,215)</u>	<u>8,258</u>
Weighted average number of shares in issue ('000)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Basic earnings per share (sen)	<u>- 1.16</u>	<u>0.32</u>	<u>- 1.44</u>	<u>1.65</u>
Diluted earnings per share (sen)	<u>- 1.16</u>	<u>0.32</u>	<u>- 1.44</u>	<u>1.65</u>

Basic earnings per share of the Company is calculated by dividing net profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

The computation of diluted earnings per share is the same as basic earnings per share as there were no new shares issued during the reporting period.

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(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B15. Disclosure of Realised and Unrealised Profits

The retained profits as at 31 December 2015 and 31 December 2014 are analysed as follows:

	As at 31 Dec 2015 RM'000	As at 31 Dec 2014 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	392,189	389,084
- Unrealised	<u>(41,527)</u>	<u>(35,401)</u>
	350,662	353,683
Consolidation adjustments	<u>(240,362)</u>	<u>(236,168)</u>
Total Group retained profits as per consolidated accounts	<u>110,300</u>	<u>117,515</u>

B16. Authorisation For Issue

The interim report for the fourth quarter ended 31 December 2015 was authorised for issue by the Board resolution of the directors dated 29th February 2016.

By Order Of The Board

Yeo Puay Huang (f)
Company Secretary
29-February-2016