



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

**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2013**

	Quarter and Year-to-date Ended	
	31 Mar 2013 RM'000 (Unaudited)	31 Mar 2012 RM'000 (Unaudited)
<b>Revenue</b>	50,515	22,146
Cost of sales	<u>(38,552)</u>	<u>(11,292)</u>
Gross profit	11,963	10,854
Other operating income	2,212	4,016
Other operating expenses	-	-
Administrative expenses	(5,727)	(5,580)
Finance expenses	(3,153)	(3,486)
Share of result of associate	<u>400</u>	<u>339</u>
<b>Profit before tax</b>	5,695	6,143
Income tax expense	(1,383)	(1,359)
<b>Profit for the period</b>	<u>4,312</u>	<u>4,784</u>
Profit attributable to:		
Owners of the Parent	<u>4,312</u>	<u>4,784</u>
	<u>4,312</u>	<u>4,784</u>
Earnings per share (sen)		
- Basic EPS	0.86	0.96
- Diluted EPS	0.86	0.96

*The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 MARCH 2013**

(CONTINUED)

	Quarter and Year-to-date Ended	
	31 Mar 2013 RM'000 (Unaudited)	31 Mar 2012 RM'000 (Audited)
<b>Profit for the period</b>	4,312	4,784
<b>Other Comprehensive Income :</b>		
Exchange differences on translation of foreign operations	158	(22)
<b>Total Comprehensive Income for the period</b>	4,470	4,762
Total comprehensive income attributable to:		
Owners of the Parent	4,470	4,762

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 MARCH 2013

	As at 31 Mar 2013 RM'000 (Unaudited)	As at 31 Dec 2012 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	437,591	444,676
Land use rights	13,397	13,550
Investment in an associate	3,949	3,526
Other receivables	34,886	37,483
	<b>489,823</b>	<b>499,235</b>
<b>Current Assets</b>		
Inventories	275,418	278,797
Trade and other receivables	67,467	62,018
Tax recoverable	2,487	2,366
Cash and cash equivalents	96,514	113,482
	<b>441,886</b>	<b>456,663</b>
<b>Total Assets</b>	<b>931,709</b>	<b>955,898</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share Capital	250,000	250,000
Share Premium	79,087	79,087
Retained earnings	105,010	100,698
Other components of equity	2,960	2,802
<b>Total Equity</b>	<b>437,057</b>	<b>432,587</b>
<b>Non-Current Liabilities</b>		
Long-term borrowings	238,143	236,918
Deferred tax liabilities	55,736	55,634
	<b>293,879</b>	<b>292,552</b>
<b>Current Liabilities</b>		
Provision	1,500	3,199
Short-term borrowings	161,262	164,285
Trade and other payables	36,241	62,399
Provision for taxation	1,770	876
	<b>200,773</b>	<b>230,759</b>
<b>Total Liabilities</b>	<b>494,652</b>	<b>523,311</b>
<b>Total Equity and Liabilities</b>	<b>931,709</b>	<b>955,898</b>
<b>Net asset per share (sen)</b>	<b>87.41</b>	<b>86.52</b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 MARCH 2013**

	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 2012	250,000	79,087	114,791	1,174	445,052	445,052
Total comprehensive income for the period	-	-	4,784	(22)	4,762	4,762
<b>Balance as at 31 March 2012</b>	<b>250,000</b>	<b>79,087</b>	<b>119,575</b>	<b>1,152</b>	<b>449,814</b>	<b>449,814</b>

	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 2013	250,000	79,087	100,698	2,802	432,587	432,587
Total comprehensive income for the period	-	-	4,312	158	4,470	4,470
<b>Balance as at 31 March 2013</b>	<b>250,000</b>	<b>79,087</b>	<b>105,010</b>	<b>2,960</b>	<b>437,057</b>	<b>437,057</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 MARCH 2013**

	Year-to-date Ended	
	31 Mar 2013 RM'000 (Unaudited)	31 Mar 2012 RM'000 (Unaudited)
<b>Cash Flows From Operating Activities</b>		
<b>Profit before tax</b>	5,695	6,143
Adjustments for:		
Interest income	(1,496)	(996)
Interest expenses	3,153	3,486
Amortisation of land use rights	154	318
Depreciation of property, plant and equipment	8,413	7,580
Reversal of provision for maintenance warranties	(1,699)	-
Reversal of impairment loss on trade receivables	-	(2,673)
Share of profit of associate	(400)	(339)
Unrealised gain on foreign exchange	(849)	(1,413)
Total adjustments	<u>7,276</u>	<u>5,963</u>
Operating profit before working capital changes	12,971	12,106
Changes in working capital		
Decrease/(increase) in inventories	6,162	(14,678)
(Increase)/decrease in trade and other receivables	(3,236)	31,293
Decrease in trade and other payables	(26,092)	(23,347)
Net change in associate balances	1,384	681
Total changes in working capital	<u>(21,782)</u>	<u>(6,051)</u>
Cash Flows (used in)/ from operations	(8,811)	6,055
Interest paid	(4,670)	(5,095)
Income tax refund	15	-
Income tax paid	(850)	(955)
<b>Net Cash (Used In)/From Operating Activities</b>	<u><b>(14,316)</b></u>	<u><b>5</b></u>
<b>Cash Flows From Investing Activities</b>		
Increase in non current asset held for sale	-	(10,449)
Purchase of property, plant and equipment	(717)	(1,969)
Interest received	1,499	1,259
<b>Net Cash From/(Used In) Investing Activities</b>	<u><b>782</b></u>	<u><b>(11,159)</b></u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2013

	Year-to-date Ended	
	31 Mar 2013 RM'000 (Unaudited)	31 Mar 2012 RM'000 (Audited)
<b>Cash Flows From Financing Activities</b>		
Net movement in fixed deposits pledged	1,388	14,125
Net movement in cash at bank restricted in use	23,978	-
Net movements in trade financing	2,665	(7,054)
Proceeds from term loans	22,295	45,000
Repayments of term loans	(14,718)	(12,331)
Repayments of hire purchase payables	-	(15)
<b>Net Cash From Financing Activities</b>	<b>35,608</b>	<b>39,725</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>22,074</b>	<b>28,571</b>
Effect of changes in foreign exchange rates	186	(14)
Cash and Cash Equivalents at the beginning of financial year	53,928	38,419
<b>Cash and Cash Equivalents at the end of financial period</b>	<b>76,188</b>	<b>66,976</b>

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

Cash and bank balances	96,514	107,225
Bank overdraft	(6,217)	(17,781)
	90,297	89,444
Less: Fixed deposits pledged and cash at bank restricted in use	(14,109)	(22,468)
	<b>76,188</b>	<b>66,976</b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.*

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

**(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 2012. 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 2012.

On 1 January 2013, the Group adopted the following new and amended MFRS and IC interpretations mandatory for annual financial period beginning on or after 1 January 2013.

Amendment to MFRS 101	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
MFRS 3	Business Combinations (IFRS 3 <i>Business Combinations</i> issued by IASB in March 2004)
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investment in Associate and Joint Ventures
MFRS 127	Consolidated and Separate Financial Statements (IAS27 as revised by IASB in December 2003)
Amendments to MFRS 7	Disclosures- Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvement 2009-2011 Cycle)
Amendment to MFRS 132	Financial Instruments: Presentation (Annual Improvement 2009 -2011 Cycle)
Amendments to MFRS 134	Interim Financial reporting (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance

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

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

**A1. Basis of Preparation (*Continued*)**

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

**MFRS effective for annual periods beginning on or after 1 January 2014**

Amendments to MFRS 132      Offsetting Financial Assets and Financial Liabilities  
Amendments to MFRS 10,      Investment Entities  
MFRS12 and MRS127

**MFRS effective for annual periods beginning on or after 1 January 2015**

MFRS 9                              Financial Instruments

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 2012 were not qualified.

**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.



## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

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

**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 March 2013 are as follows:

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>Revenue</b>					
External sales	29,004	21,511	-	-	50,515
Inter-segment sales	5,205	1,398	-	(6,603)	-
Total revenue	<u>34,209</u>	<u>22,909</u>	<u>-</u>	<u>(6,603)</u>	<u>50,515</u>
Segment profit/(loss) (Note A)	<u>1,219</u>	<u>5,841</u>	<u>(471)</u>	<u>(894)</u>	<u>5,695</u>

## Note A

Segment profit is reconciled to profit before tax presented in the condensed consolidated statement of comprehensive income as follows:

Segment profit	6,589
Loss from inter-segment sales	(748)
Share of profit of an associate	400
Finance costs	796
Unallocated corporate expenses	<u>(1,342)</u>
Profit before tax	<u>5,695</u>

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

**(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
<b>Assets and liabilities</b>					
Segment assets	303,506	592,631	632,205	(596,633)	931,709
Segment liabilities	230,290	312,684	293,137	(341,459)	494,652
Net assets	<u>73,216</u>	<u>279,947</u>	<u>339,068</u>	<u>(255,174)</u>	<u>437,057</u>
<b>Other segmental information</b>					
Depreciation	1,945	6,970	12	(514)	8,413
Amortisation of land use rights	27	115	12	-	154

**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	<u>3,866</u>	<u>248,766</u>

**A10. Material events subsequent to the end of period reported**

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the current quarter and financial year to date.

**A11. Changes in composition of the Group**

There were no changes in composition of the Group for the current quarter ended 31 March 2013.

**A12. Contingent liabilities**

There are no additional contingent liabilities since the last annual balance sheet date.

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

**(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 Mar 2013 RM	Current Year-to-date 31 Mar 2013 RM
<b>(i) Transactions with companies in which certain Directors of the Company have substantial interest :</b>		
Ming Kiong Agencies (Singapore) Pte Ltd		
- Rental of office at Far East shopping centre, Singapore	33,781	33,781
Manmohan's (Labuan) Sdn Bhd		
- Rental of office at Lot 20, Labuan	3,000	3,000
Syarikat Guan Teck Enterprise (Sarawak) Sdn Bhd		
- Lease of office at Lot 1035, Piasau	26,250	26,250
Syarikat Lambir Timber Sdn Bhd		
- Chartering of vessels	52,500	52,500
Rajah & Tann		
- Provision of legal services	-	-
Khoo & Co, Advocates and Solicitors		
- Provision of legal services	16,000	16,000
<b>(ii) Transactions with Director :</b>		
Yong Foh Choi		
- Rental of staff quarter at Lot 334, Jalan Lutong-Pujut	1,500	1,500
	133,031	133,031

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.

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

**(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S 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:

	<b>Shipbuilding RM'000</b>	<b>Chartering RM'000</b>	<b>Consolidated Total RM'000</b>
Revenue (1Q 2013)	29,004	21,511	50,515
Revenue (1Q 2012)	521	21,625	22,146
Variance	<u>28,483</u>	<u>(114)</u>	<u>28,369</u>
<i>Variance (%)</i>			<i>128%</i>

The Group recorded revenue of RM50.51 million for current quarter as compared to RM22.15 million achieved in preceding quarter, resulted in a favourable variance of RM28.37 million or 128%. Revenue from shipbuilding division increase substantially on the sale of two vessels during the quarter. One vessel delivered in March 2013 while another vessel still in progress.

The chartering segment revenue achieved at RM 21.51 million drop marginally compared to RM21.62 million in the 1Q 2012.

	<b>Shipbuilding RM'000</b>	<b>Chartering RM'000</b>	<b>Others/ Elimination RM'000</b>	<b>Consolidated Total RM'000</b>
Profit before tax (1Q 2013)	1,219	5,841	(1,365)	5,695
(Loss)/profit before tax (1Q 2012)	(6,956)	8,314	4,785	6,143
<i>Variance (%)</i>				<i>7%</i>

The Group recorded profit before tax of RM5.69 million for the current quarter which is 7% lower than corresponding period in the preceding year due to reversal of impairment on receivable in shipcharter division in 1Q 2012.

The shipcharter segment profit for current quarter recorded at RM5.84 million drop 30% compared to 1Q 2012 mainly due to reason stated above.

Shipbuilding segment registered profit of RM1.2 million in 1Q 2013 against loss of RM6.9 million in the 1Q 2012 due to increased revenue.

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

**(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 Mar 2013 RM'000	Preceding Quarter ended 31 Dec 2012 RM'000	Variance RM'000	%
Revenue	50,515	27,335	23,180	85%
Profit/(loss) before tax	<u>5,695</u>	<u>(21,534)</u>	27,229	-126%

The Group recorded revenue of RM50.51 million, higher than preceding quarter by 85% mainly due to increased revenue from shipbuilding division.

The Group reported profit before tax of RM5.69 million for the current quarter in contrast with the loss before tax of RM21.53 registered for the preceding quarter. The adverse results in preceding quarter was mainly due to impairment loss and deposits written off.

**B3. Commentary on prospects**

The global economy is now recovering from the 2009 crisis but there are still some surprises and uncertainties. Nevertheless, the oil and gas industry has improved from the lows experienced in the last 3 years and the crude oil price have maintained above USD 90 per barrel. We maintain our expectation for more awards by PETRONAS and other regional oil majors in the wake of the recent oil discoveries in 2012. The oil and gas industry in Malaysia is also expecting more contracts to be awarded for the marginal oil fields as well as the enhanced oil recovery projects in 2013.

We believe that this would increase the demand for charter and sale of our marine offshore support vessels ("OSV"). Apart from new contracts, the Group's chartering division was also awarded extensions to several long-term charter contracts. Sealink is taking delivery of an ultra-sophisticated hybrid multipurpose platform supply vessel cum anchor handling tug in the next financial quarter. With the increased oil and gas activities in Malaysia, Sealink is optimistic that the ship charter division would perform reasonably well in the next 12 months. The oil and gas industry has been getting more competitive and Sealink is committed to maintain its position and market share in the oil and gas industry.

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

**(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS****B4. Variance between actual profit from forecast profit**

Not applicable as no profit forecast was published.

**B5. Profit before tax**

Included in the profit before tax are the following item:

	Year-to-date Ended	
	31 Mar 2013 RM'000	31 Mar 2012 RM'000
Interest income	(1,496)	(996)
Other income	(716)	(347)
Interest expense	3,153	3,486
Depreciation of property, plant and equipment	8,413	7,580
Amortisation of land use rights	154	318
Impairment loss on trade receivables	-	-
Impairment loss on property, plant and equipment	-	-
Property, plant and equipment written off	-	-
Gain or loss on disposal of property, plant and equipment	-	-
Reversal of provision for maintenance warranties	(1,699)	-
Reversal of impairment loss on trade receivables	-	(2,673)
(Gain)/loss on foreign exchange		
- Realised	915	553
- Unrealised	(849)	(1,413)

**B6. Taxation**

	Current Quarter 31 Mar 2013 RM'000	Current Year-to-date 31 Mar 2013 RM'000
Malaysian income tax	1,281	1,281
Deferred income tax	102	102
<b>Total tax expenses</b>	<b>1,383</b>	<b>1,383</b>

The effective tax rate for the current quarter is 24%, slightly lower than statutory tax rate of 25%.

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

**(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**

The company announced on 31 May 2010 on the proposed feasibility study on the shipbuilding division.

The Board are still considering several locations for the listing and further details on the findings of the feasibility study will be announced in due course.

**B10. Group borrowings and debt securities**

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

<b>1. <u>Total Borrowings</u></b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Short-term borrowings	130,359	30,903	161,262
Long-term borrowings	238,143	-	238,143
	<u>368,502</u>	<u>30,903</u>	<u>399,405</u>
<b>2. <u>Borrowings denominated in US Dollars</u></b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>USD'000</b>	<b>USD'000</b>	<b>USD'000</b>
Short-term borrowings	9,351	-	9,351
Long-term borrowings	28,738	-	28,738
	<u>38,089</u>	<u>-</u>	<u>38,089</u>

**B11. Derivative Financial Instruments**

There are no outstanding derivatives as at the reporting period.

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

**B12. Material litigation**

On 7 December 2012, Sealink Sdn Bhd ("SSB") initiated arbitration before the Kuala Lumpur Centre for Arbitration ("KLRCA") against Boustead Penang Shipyard Sdn Bhd ("BPS") under a shipbuilding contract dated 3 April 2008 to build two (2) units of 7,000 dwt oil carriers/chemical carriers.

SSB claims against BPS, inter alia, the sum of USD4,935,000 which is to be refunded and/or paid to SSB by BPS under the Contract and/or for interest payable by BPS to SSB under the terms of the Contract and/or for damages and/or expenses incurred by SSB pursuant to BPS breaches of the Contract. BPS has indicated to KLRCA that it may lodge a counterclaim.

On the existing evidence, the solicitors are of the view that there are reasonably good prospects of recovering the disputed sum. SSB has provided for impairment loss of RM994,000 for equipment deposits and interest capitalised.

**B13. Dividend payable**

No interim dividend has been declared for the current quarter ended 31 March 2013.

**B14. Earnings per Share**

	<b>3 months ended</b>	
	<b>31 Mar 2013</b>	<b>31 Mar 2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to Owners of the Parent (RM'000)	<u>4,312</u>	<u>4,784</u>
Weighted average number of shares in issue ('000)	<u>500,000</u>	<u>500,000</u>
Basic earnings per share (sen)	<u>0.86</u>	<u>0.96</u>
Diluted earnings per share (sen)	<u>0.86</u>	<u>0.96</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.



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013****(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS****B15. Disclosure of Realised and Unrealised Profits**

The retained profits as at 31 March 2013 and 31 December 2012 are analysed as follows:

	<b>As at 31 Mar 2013 RM'000</b>	<b>As at 31 Dec 2012 RM'000</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	383,580	373,770
- Unrealised	<u>(53,630)</u>	<u>(47,593)</u>
	329,950	326,177
Consolidation adjustments	<u>(224,940)</u>	<u>(225,479)</u>
Total Group retained profits as per consolidated accounts	<u><u>105,010</u></u>	<u><u>100,698</u></u>