



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

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2014

	Individual 3 months ended		Cumulative 12 months ended	
	31 Dec 2014 RM'000 (Unaudited)	31 Dec 2013 RM'000 (Unaudited)	31 Dec 2014 RM'000 (Unaudited)	31 Dec 2013 RM'000 (Audited)
Revenue	29,525	74,310	128,755	208,750
Cost of sales	(24,172)	(51,675)	(98,580)	(151,780)
Gross profit	5,353	22,635	30,175	56,970
Other operating income	5,368	17,147	14,696	22,234
Other operating expenses	(5,374)	(22,243)	(7,973)	(23,324)
Administrative expenses	(354)	(11,620)	(14,660)	(25,350)
Finance expenses	(3,371)	(5,049)	(14,636)	(14,900)
Share of result of an associate	507	131	1,839	1,333
Share of result of a jointly controlled entity	(259)	(71)	167	(52)
Profit before tax	1,870	930	9,608	16,911
Income tax expense	(895)	1,463	(1,966)	(3,353)
Profit for the period	975	2,393	7,642	13,558
Profit attributable to: Owners of the Parent	975	2,393	7,642	13,558
	975	2,393	7,642	13,558
Earnings per share (sen)				
- Basic EPS	0.20	0.48	1.53	2.71
- Diluted EPS	0.20	0.48	1.53	2.71

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2014

(CONTINUED)

	Individual 3 months ended		Cumulative 12 months ended	
	31 Dec 2014 RM'000 (Unaudited)	31 Dec 2013 RM'000 (Unaudited)	31 Dec 2014 RM'000 (Unaudited)	31 Dec 2013 RM'000 (Audited)
Profit for the period	975	2,393	7,642	13,558
Other Comprehensive Income :				
Exchange differences on translation of foreign operations	6,348	104	6,177	4,497
Total Comprehensive Income for the period	<u>7,323</u>	<u>2,497</u>	<u>13,819</u>	<u>18,055</u>
Total comprehensive income attributable to:				
Owners of the Parent	<u>7,323</u>	<u>2,497</u>	<u>13,819</u>	<u>18,055</u>
	<u>7,323</u>	<u>2,497</u>	<u>13,819</u>	<u>18,055</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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 2014

	As at 31 Dec 2014 RM'000 (Unaudited)	As at 31 Dec 2013 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	657,064	668,274
Land use rights	12,393	12,972
Investment in an associate	6,334	4,702
Investment in a joint venture	1,253	813
Other receivables	15,068	26,734
	692,112	713,495
Current Assets		
Inventories	88,511	72,979
Trade and other receivables	48,639	105,373
Tax recoverable	687	2,645
Cash and cash equivalents	83,951	77,775
	221,788	258,772
Total Assets	913,900	972,267
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share Capital	250,000	250,000
Share Premium	79,087	79,087
Retained earnings	116,898	114,256
Other components of equity	13,476	7,299
Total Equity	459,461	450,642
Non-Current Liabilities		
Loans and borrowings	191,315	250,419
Deferred tax liabilities	53,160	56,563
	244,475	306,982
Current Liabilities		
Provision	-	1,500
Loans and borrowings	158,072	165,737
Trade and other payables	49,273	47,115
Provision for taxation	2,619	291
	209,964	214,643
Total Liabilities	454,439	521,625
Total Equity and Liabilities	913,900	972,267
Net asset per share (sen)	91.89	90.13

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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 2014

	Attributable to Owners of the Parent					Total Equity (Audited) 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	-	-	13,558	4,497	18,055	18,055
Balance as at 31 December 2013	250,000	79,087	114,256	7,299	450,642	450,642

	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	114,256	7,299	450,642	450,642
Dividend	-	-	(5,000)	-	(5,000)	(5,000)
Total comprehensive income for the period	-	-	7,642	6,177	13,819	13,819
Balance as at 31 December 2014	250,000	79,087	116,898	13,476	459,461	459,461

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2014

	Year-to-date Ended	
	31 Dec 2014	31 Dec 2013
	RM'000	RM'000
	(Unaudited)	(Audited)
Cash Flows From Operating Activities		
Profit before tax	9,608	16,911
Adjustments for:		
Interest income	(2,843)	(3,908)
Interest expenses	14,636	13,908
Amortisation of land use rights	579	579
Bad debts written off	2,501	-
Deposit written off	42	-
Depreciation of property, plant and equipment	44,647	37,529
Gain on disposal of property, plant and equipment	(4,186)	(5,214)
Impairment loss on trade and other receivables	238	4,306
Impairment loss on capital work-in-progress	-	12,879
Impairment loss on property, plant and equipment	1,168	-
Inventories written off	2,518	1,243
Property, plant and equipment written off	1,472	2
Inventories written down	3,110	-
Reversal of deposit written off in previous year	-	(1,323)
Reversal of provision for maintenance warranties	(1,500)	(1,311)
Reversal of impairment loss on trade receivables	(3,180)	-
Share of result of an associate	(1,839)	(1,334)
Share of result of a joint controlled entity	(167)	52
Unrealised gain on foreign exchange	(8,766)	(2,450)
Total adjustments	<u>48,430</u>	<u>54,958</u>
Operating profit before working capital changes	58,038	71,869
Changes in working capital		
(Increase)/Decrease in inventories	(15,009)	320
Decrease/(Increase) in trade and other receivables	59,048	(44,043)
(Decrease)/Increase in trade and other payables	(951)	(17,158)
Net change in associate balances	10,664	10,134
Total changes in working capital	<u>53,752</u>	<u>(50,747)</u>
Cash flows from operations	111,790	21,122
Interest paid	(17,749)	(18,791)
Income tax refund	1,126	2,446
Income tax paid	(4,711)	(5,413)
Net Cash Flows From/(Used in) Operating Activities	<u>90,456</u>	<u>(636)</u>
Cash Flows From Investing Activities		
Acquisition of investment in a joint venture	(220)	(2,780)
Purchase of property, plant and equipment	(54,991)	(61,459)
Proceeds from disposal of property, plant and equipment	44,891	17,515
Interest received	2,843	4,230
Net Cash Flows Used in Investing Activities	<u>(7,477)</u>	<u>(42,494)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2014

	Year-to-date Ended	
	31 Dec 2014 RM'000 (Unaudited)	31 Dec 2013 RM'000 (Audited)
Cash Flows From Financing Activities		
Net movement in fixed deposits pledged	(2,812)	(3,371)
Net movement in cash at bank restricted in use	1	23,294
Net movements in trade financing	11,279	(12,854)
Proceeds from term loans	11,600	80,519
Proceeds from finance lease	(30)	(14)
Repayments of term loans	(80,489)	(66,628)
Dividends paid to shareholders	(5,000)	-
Net Cash Flows (Used in)/From Financing Activities	(65,451)	20,946
Net Increase/(Decrease) in Cash and Cash Equivalents	17,528	(22,184)
Effect of changes in foreign exchange rates	1,842	1,917
Cash and Cash Equivalents at the beginning of financial year	33,661	53,928
Cash and Cash Equivalents at the end of financial period	53,031	33,661

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

Cash and bank balances	83,951	77,775
Bank overdraft	(8,373)	(24,669)
	75,578	53,106
Less: Fixed deposits pledged and cash at bank restricted in use	(22,547)	(19,445)
	53,031	33,661

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

**(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 2013. 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 2013.

On 1 January 2014, the Group adopted the following new and amended MFRS and IC interpretations mandatory for annual financial period beginning on or after 1 January 2014.

Amendments to MFRS 10, MFRS12 and MRS127	Investment Entities
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Recoverable Amount Disclosures for Non- Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

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 periods beginning on or after 1 July 2014

Amendments to MFRS 2, MFRS 3, MFRS 8, MFRS 116, MFRS 124 and MFRS 138, Annual Improvements 2010-2012 Cycle
Amendments to MFRS 3, MFRS 13 and MFRS 140, Annual Improvements 2011 -2013 Cycle
Amendments to MFRS 119, Defined Benefit Plan: Employee Contributions

MFRS effective for annual periods beginning on or after 1 January 2017

MFRS 15 Revenue from Contracts with Customers

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

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.

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

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 2013 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.

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 2014 are as follows:

	Shipbuilding	Chartering	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	7,050	121,705	-	-	128,755
Inter-segment sales	36,292	41,147	-	(77,439)	-
Total revenue	<u>43,342</u>	<u>162,852</u>	<u>-</u>	<u>(77,439)</u>	<u>128,755</u>
Segment profit/(loss) (Note A)	<u>(12,596)</u>	<u>23,473</u>	<u>17,767</u>	<u>(19,036)</u>	<u>9,608</u>

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

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

A8. Segmental information (continued)

Note A

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

Segment profit	28,644
Dividend from subsidiaries	(15,101)
Dividend from an associate	(300)
Profit from inter-segment sales	(5,740)
Share of result of an associate	1,839
Share of result of a joint venture entity	167
Finance costs	4,807
Unallocated corporate expenses	(4,708)
Profit before tax	<u>9,608</u>

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Assets and liabilities					
Segment assets	278,081	906,193	222,640	(493,014)	913,900
Segment liabilities	215,781	603,142	123,107	(487,591)	454,439
Net assets	<u>62,300</u>	<u>303,051</u>	<u>99,533</u>	<u>(5,423)</u>	<u>459,461</u>
Other segmental information					
Depreciation	6,781	28,593	11,611	(2,338)	44,647
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	<u>164</u>	<u>126,969</u>

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 2014.

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

A12. Contingent liabilities

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

	Year-to-date 31 Dec 2014 RM'000
Corporate guarantees given to financial institutions in consideration of credit facilities granted to jointly controlled entity	9,403

A13. Related party transactions

Transactions between the Group and related parties are as follows:

	Transaction value for 3 months ended 31 Dec 2014 RM	Current Year-to-date 31 Dec 2014 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	35,130	139,514
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	342,780	810,873
Khoo & Co, Advocates and Solicitors - Provision of legal services	24,728	212,953
Crowe Horwath - Provision of consultancy services	84,000	177,000
(ii) Transactions with Director :		
Yong Foh Choi - Rental of staff quarter at Lot 334, Jalan Lutong-Pujut	1,500	6,000
	569,888	1,673,340

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 2014

(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 2014 Vs. 4Q 2013)

The Group's performance for the current quarter under review compared to 4Q 2013 is as follow:

	Shipbuilding RM'000	Ship charter RM'000	Consolidated Total RM'000
Revenue (4Q 2014)	1,932	27,593	29,525
Revenue (4Q 2013)	40,364	33,946	74,310
Variance	<u>(38,432)</u>	<u>(6,353)</u>	<u>(44,785)</u>
<i>Variance (%)</i>	<i>-95%</i>	<i>-19%</i>	<i>-60%</i>

The Group's revenue for the current quarter achieved at RM29.5 million, decreased by RM44.8 million or 60% compared to preceding year's quarter of RM74.3 million due to significant drop in shipbuilding revenue.

Shipbuilding Division

Shipbuilding division recorded revenue of RM1.9 million mainly derived from ship repair. 2 offshore support vessels were completed and sold to the ship charter division during the current quarter, however the intragroup transaction is eliminated.

Ship Charter Division

Revenue of ship charter division decreased 19% compared to 4Q 2013 mainly due to drop in utilisation rate as two vessels completed the long term charter contract and working on spot charter while one of the multipurpose AHTS was offhired for a short duration for installation of shark jaw and towing pin.

	Shipbuilding RM'000	Ship charter RM'000	Others/ Elimination RM'000	Consolidated Total RM'000
Profit before tax (4Q 2014)	1,400	4,057	(3,587)	1,870
Profit before tax (4Q 2013)	8,685	(4,491)	(3,264)	930
<i>Variance (%)</i>				<i>101%</i>

Despite additional impairment charge, inventories written down and property plant and equipment written off of RM6.1 million in total was taken up in the current quarter, the Group recorded profit before tax of RM1.8 million for the current quarter compared profit of RM930,000 in Q4 2013 previous year. The cost was offset by the gain on unrealised foreign exchange and gain on disposal of 2 used offshore support vessels.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

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

B1. Review of performance of the Company and its principal subsidiaries (continued)

(b) YTD 2014 compared with YTD 2013

The Group's performance for the year 2013 compared with corresponding period in 2013 is as follow:-

	Shipbuilding	Chartering	Consolidated
	RM'000	RM'000	Total
			RM'000
Revenue (YTD 2014)	7,050	121,705	128,755
Revenue (YTD 2013)	92,902	115,848	208,750
Variance	<u>(85,852)</u>	<u>5,857</u>	<u>(79,995)</u>
Variance (%)	-92%	5%	-38%

Revenue for the current financial year achieved at RM128.7 million drop by RM80 million compared to RM208.7 million in the corresponding financial period last year. Ship charter revenue increased by 5% while revenue from shipbuilding decreased 92% partly due to 3 vessels were sold to the ship charter division which is eliminated.

Shipbuilding

Shipbuilding segment only recorded revenue of RM7.0 million for the year to date. One external sale, an offshore support vessel was delivered in the 1st quarter of 2014 and the revenue was recognised based on stage of completion method.

Ship charter

Ship charter segment recorded 5% increase in revenue compared to corresponding financial period last year mainly due to increase in revenue generated from the two multipurpose AHTS compared to previous financial year.

	Shipbuilding	Chartering	Others/ Elimination	Consolidated
	RM'000	RM'000	RM'000	Total
				RM'000
(Loss)/profit before tax (YTD 2014)	(12,596)	23,473	(1,269)	9,608
Profit before tax (YTD2013)	150	20,371	(3,610)	16,911
Variance (%)				43%

Profit before tax for the current financial period drop by RM7.3 million compared to the corresponding period in preceding year attributed to significant drop in shipbuilding revenue. The drop was further exacerbated by the impairment charge, inventories written down and property plant and equipment written off in total RM8.5 million. Administrative expenses was lower due to unrealised foreign exchange gain recognised. Overall drop in profit before tax was offset by unrealised foreign exchange gain and gain on disposal of 4 used offshore support vessels.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(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	Preceding		
	Quarter ended	Quarter ended		
	31 Dec 2014	30 Sept 2014	Variance	%
	RM'000	RM'000	RM'000	
Revenue	29,525	31,330	(1,805)	-6%
Profit before tax	<u>1,870</u>	<u>211</u>	1,659	786%

The Group recorded lower revenue of RM29.5 million compared to RM31.3 million in preceding quarter mainly due to reason stated in part (B1) review of performance of the company and its subsidiaries.

Despite slight drop in revenue, overall the group recorded higher profit before tax of RM1.8 million due to unrealised foreign exchange gain recognised and gain on disposal of 2 used offshore support vessels in current quarter which offset the impairment charge taken up in the current quarter.

B3. Commentary on prospects

The oil and gas industry experienced a sharp downtrend since the second half of 2014 and the crude oil price ended 2014 at USD75 per barrel. The crude oil price weakened further and settled at around USD50 per barrel at the time of this report. PETRONAS had announced that they will reduce and scale down its expected capital expenditure which is also in line with the recently revised budget by the Prime Minister of Malaysia for 2015. The drop in the crude oil price may be prolonged due to the ongoing issues between United States of America, Russia and the Middle East. Currently the supply of crude oil is more than the demand thereof. Until the world supply of crude oil is reduced or the demand thereof increases, the price of crude oil may remain in the current price range. Contracts awarded for hook-up construction and commissioning jobs, Pan Malaysia integrated offshore installation contracts and Risk Sharing Contracts will not be affected by the drop in oil prices as the long term price for oil is expected to be above the production costs of USD60 per barrel for newer fields.

Although new projects have been downsized, the long term prospects for oil and gas is still bright and the demand for OSVs supporting the existing projects, enhanced oil recovery and deep water projects will still be required when the oil price improves to above USD60. SIB Group expects that the next 2 years will be challenging for the oil and gas industry in view of the current weak crude oil price.

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 2014

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

B5. Profit before tax

Included in the profit before tax are the following item:

	Year-to-date Ended	
	31 Dec 2014 RM'000	31 Dec 2013 RM'000
Other income	(7,667)	(13,112)
Interest income	(2,843)	(3,908)
Interest expense	14,636	13,908
Bad debts written off	2,501	-
Depreciation of property, plant and equipment	44,647	37,529
Deposit written off	42	-
Amortisation of land use rights	579	579
Impairment loss on other receivables	238	4,306
Impairment loss on property, plant and equipment	1,168	-
Impairment loss on capital work-in-progress	-	12,879
Inventories written off	2,518	1,243
Property, plant and equipment written off	1,472	2
Inventories written down	3,110	-
Gain or loss on disposal of property, plant and equipment	(4,186)	(5,214)
Reversal of deposit written off in previous year	-	(1,323)
Reversal of provision for maintenance warranties	(1,500)	(1,311)
Reversal of impairment loss on trade receivables	(3,180)	-
Loss/(Gain) on foreign exchange		
- Realised	353	(1,223)
- Unrealised	(8,766)	(2,450)

B6. Taxation

	Current Quarter 31 Dec 2014 RM'000	Current Year-to-date 31 Dec 2014 RM'000
Malaysian income tax	(2,835)	5,369
Deferred tax reversal	3,730	(3,403)
Total tax expenses	895	1,966

The effective tax rate of the Group for the financial year was lower than statutory tax rate due to reversal of deferred tax relating to temporary differences as well as the different income tax rate applicable to subsidiaries of the Group in other jurisdictions.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(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 2014 were as follows:

1. <u>Total Borrowings</u>	Secured RM'000
Short-term borrowings	158,072
Long-term borrowings	191,315
	<hr/> 349,387 <hr/>
2. <u>Borrowings denominated in US Dollars</u>	Secured USD'000
Short-term borrowings	9,161
Long-term borrowings	30,037
	<hr/> 39,198 <hr/>

B11. Derivative Financial Instruments

There are no outstanding derivatives as at the reporting period.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

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

B12. Material litigation

On 7 December 2012, one of the subsidiaries of the Group commenced arbitration in the Kuala Lumpur Centre for Arbitration (KLRC) 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 a claim against BPS on 8 May 2013 under the KLRC arbitration for interest, damages 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 arbitral proceedings are presently at the disclosure stage.

The Group has made adequate provisions for potential impairment and allowance for doubtful debts pending the settlement of the disputes arising out of the shipbuilding contract.

B13. Dividend payable

No interim dividend has been declared for the current quarter ended 31 December 2014.

B14. Earnings per Share

	3 months ended		12 months ended	
	31 Dec 2014 RM'000	31 Dec 2013 RM'000	31 Dec 2014 RM'000	31 Dec 2013 RM'000
Profit attributable to Owners of the Parent (RM'000)	975	2,393	7,642	13,558
Weighted average number of shares in issue ('000)	500,000	500,000	500,000	500,000
Basic earnings per share (sen)	0.20	0.48	1.53	2.71
Diluted earnings per share (sen)	0.20	0.48	1.53	2.71

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.

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

B15. Disclosure of Realised and Unrealised Profits

The retained profits as at 31 December 2014 and 31 December 2013 are analysed as follows:

	As at 31 Dec 2014 RM'000	As at 31 Dec 2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	398,429	386,761
- Unrealised	<u>(44,394)</u>	<u>(41,568)</u>
	354,035	345,193
Consolidation adjustments	<u>(237,137)</u>	<u>(230,937)</u>
Total Group retained profits as per consolidated accounts	<u><u>116,898</u></u>	<u><u>114,256</u></u>

B16. Authorisation For Issue

The interim report for the fourth quarter ended 31 December 2014 was authorised for issue by the Board resolution of the directors dated 26 February 2015.

By Order Of The Board

Yeo Puay Huang (f)
Company Secretary
26-February-2015