

Boustead Heavy Industries Corporation Berhad (11106-V)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

For the year ended 31 December 2014	Note	Current Period		Cumulative Period	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Continuing operations					
Revenue	A7	120,012	111,650	332,823	319,051
Operating cost		(129,348)	(114,849)	(313,427)	(289,596)
(Loss) / profit from operations	B18	(9,336)	(3,199)	19,396	29,455
Interest income		88	117	369	341
Finance cost		(4,444)	(5,041)	(16,927)	(19,486)
Share of results of joint ventures		(1,642)	10,869	10,282	20,334
Share of results of associates		11,614	(28,658)	7,098	(23,249)
(Loss) / profit before taxation	A7	(3,720)	(25,912)	20,218	7,395
Taxation	B19	(764)	(2,143)	(2,368)	(4,234)
(Loss) / profit for the period / year		(4,484)	(28,055)	17,850	3,161
Attributable to:					
Shareholders of the Company		(4,484)	(28,055)	17,850	3,161
Non-controlling interests		-	-	-	-
Net (loss) / profit for the period / year		(4,484)	(28,055)	17,850	3,161
Earnings per share - sen					
Basic	B27	(1.80)	(11.29)	7.18	1.27

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Boustead Heavy Industries Corporation Berhad (11106-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2014	Current Period		Cumulative Period	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
(Loss) / profit for the period	(4,484)	(28,055)	17,850	3,161
Foreign currency translation	-	-	-	-
Total comprehensive (loss) / income for the period / year	(4,484)	(28,055)	17,850	3,161
Total comprehensive income attributable to:				
Shareholders of the Company	(4,484)	(28,055)	17,850	3,161
Non-controlling interests	-	-	-	-
Net (loss) / profit for the period / year	(4,484)	(28,055)	17,850	3,161

The Unaudited Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Boustead Heavy Industries Corporation Berhad (11106-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As at 31 December	As at 31 December
		2014 RM'000	2013 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		170,884	145,555
Design rights		2,097	390
Deferred tax assets		18,891	18,891
Joint ventures		70,542	91,115
Associates		183,700	176,602
		<u>446,114</u>	<u>432,553</u>
Current assets			
Inventories		2,216	3,001
Receivables		230,272	246,246
Tax recoverable		9,552	9,227
Cash and bank balances		63,993	42,149
		<u>306,033</u>	<u>300,623</u>
TOTAL ASSETS		<u>752,147</u>	<u>733,176</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		248,458	248,458
Reserves		52,099	34,249
Shareholders' funds		<u>300,557</u>	<u>282,707</u>
Non-controlling interests		36	36
Total equity		<u>300,593</u>	<u>282,743</u>
Non-current liabilities			
Long term borrowings	B21	13,998	15,942
Deferred tax liabilities		76	76
		<u>14,074</u>	<u>16,018</u>
Current liabilities			
Borrowings	B21	342,170	343,273
Trade and other payables		94,284	88,500
Tax payables		1,026	2,642
		<u>437,480</u>	<u>434,415</u>
Total liabilities		<u>451,554</u>	<u>450,433</u>
TOTAL EQUITY AND LIABILITIES		<u>752,147</u>	<u>733,176</u>
Net assets per share attributable to ordinary equity holders of the Company - RM		<u>1.21</u>	<u>1.14</u>

The Unaudited Condensed Consolidated Statements Of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Boustead Heavy Industries Corporation Berhad (11106-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2014	Attributable to equity holders of the Company					Total Equity
	Share Capital	*Exchange Fluctuation Reserves	Distributable Retained Earnings	Total	Non- controlling Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2014	248,458	-	34,249	282,707	36	282,743
Total comprehensive income for the year	-	-	17,850	17,850	-	17,850
Balance at 31 December 2014	248,458	-	52,099	300,557	36	300,593
At 1 January 2013	248,458	-	32,801	281,259	3,323	284,582
Total comprehensive income for the year	-	-	3,161	3,161	-	3,161
Transactions with owners:						
Dividends paid by a subsidiary to a non-controlling interest	-	-	-	-	(1,500)	(1,500)
Additional investment in subsidiary	-	-	(1,713)	(1,713)	(1,787)	(3,500)
Balance at 31 December 2013	248,458	-	34,249	282,707	36	282,743

NOTES

* Denotes non-distributable reserves.

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Boustead Heavy Industries Corporation Berhad (11106-V)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	As at 31 December	As at 31 December
	2014	2013
	RM'000	RM'000
Operating Activities		
Receipts from customers	198,836	323,054
Cash paid to suppliers and employees	(165,282)	(220,076)
Cash generated from operations	33,554	102,978
Tax paid less refund	(4,309)	(1,372)
Net cash generated from operating activities	29,245	101,606
Investing Activities		
Capital expenditure	(18,675)	(4,279)
Dividends received	30,855	8,715
Additional investment in a subsidiary	-	(3,500)
Additional investment in a joint venture	-	(255)
Proceed from disposal of property, plant and equipment	3,772	-
Others	369	341
Net cash generated from investing activities	16,321	1,022
Financing Activities		
Net repayment of borrowings	(7,228)	(62,347)
Dividends paid by a subsidiary to a non-controlling interest	-	(1,500)
Interest paid	(16,816)	(18,425)
Net cash used in financing activities	(24,044)	(82,272)
Net increase in cash and cash equivalents	21,522	20,356
Effect of foreign exchange rate changes	322	441
Cash and cash equivalents at beginning of period	42,149	21,352
Cash and Cash Equivalents at End of Year	63,993	42,149
Analysis of Cash and Cash Equivalents		
Deposits, cash and bank balances	63,993	42,149
Overdraft	-	-
Cash and Cash Equivalents at End of Year	63,993	42,149

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Boustead Heavy Industries Corporation Berhad (11106-V)
Notes to the Interim Financial Report for the Quarter Ended 31 December 2014

Part A Explanatory Notes Pursuant to MFRS 134

A1. Basis of Preparation

These condensed consolidated interim financial statements, for the financial year ended 31 December 2014, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2013. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

A2. Changes in Accounting Policies

The significant accounting policies adopted in preparing these condensed consolidated financial statements are consistent with those in the audited financial statements for the year ended 31 December 2013 except as follows:

MFRS and Amendments to MFRSs		Effective for annual periods beginning on or after
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities	1 January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014

The adoption of the above does not have material impact on the financial statements of the Group in the period of initial application, except as discussed below:

Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets

The amendments to MFRS 136 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives has been allocated when there has been no impairment or reversal of impairment of the related CGU. In addition, the amendments introduce additional disclosure requirements when the recoverable amount is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by MFRS 13 Fair Value Measurements.

This standard affects disclosures only and has no impact on the Group's financial position and performance.

A2. Changes in Accounting Policies (cont'd)

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective:

MFRS and Amendments to MFRSs		Effective for annual periods beginning on or after
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions	1 July 2014
Annual improvements	MFRSs 2010-2012 Cycle	1 July 2014
Annual improvements	MFRSs 2011-2013 Cycle	1 July 2014
Annual improvements	MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 10	Sale or Contribution of Assets between an Investor and its Associates or Joint Venture	1 January 2016
	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 12	Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 116	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 128	Sale or Contribution of Assets between an Investor and its Associates or Joint Venture	1 January 2016
	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 141	Agriculture: Bearer Plants	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments	1 January 2018

A2. Changes in Accounting Policies (cont'd)

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material impact to the financial statements of the Group upon initial application, except as discussed below:

MFRS 15: Revenue from Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Directors anticipate that the application of MFRS 15 will have a material impact on the amounts reported and disclosures made in the Group’s financial statements. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

MFRS 9: Financial Instruments

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9 will have an effect on the classification and measurement of the Group’s financial assets, but no impact on the classification and measurement of the Group’s financial liabilities.

A3. Comments about Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

A4. Unusual Items Due to Their Nature, Size or Incidence

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 financial quarter ended 31 December 2014.

A5. Change in Estimates

There was no material change in estimates of amounts reported in the prior interim periods of the current or in the previous financial year.

A6. Dividends Paid

There was no dividend paid during the current financial quarter ended 31 December 2014.

A7. Operating Segments

Segment information for the cumulative period is presented in respect to the Group's business segments as follows:

	Heavy engineering RM'000	Manufacturing RM'000	Chartering RM'000	Elimination RM'000	Total RM'000
2014					
Revenue					
External revenue	299,560	-	33,263	-	332,823
Results					
Segmental results – external	32,184	-	(12,788)	-	19,396
Interest income	369	-	-	-	369
Finance cost	(16,927)	-	-	-	(16,927)
Share of results in joint ventures	712	9,570	-	-	10,282
Share of results in associates	7,098	-	-	-	7,098
Profit / (Loss) before taxation	23,436	9,570	(12,788)	-	20,218
Taxation					(2,368)
Profit for the year					17,850
2013					
Revenue					
External revenue	279,447	-	39,604	-	319,051
Results					
Segmental results – external	49,065	-	(19,610)	-	29,455
Interest income	341	-	-	-	341
Finance cost	(19,267)	-	(219)	-	(19,486)
Share of results in joint ventures	9,502	10,832	-	-	20,334
Share of results in associates	(23,249)	-	-	-	(23,249)
Profit / (Loss) before taxation	16,392	10,832	(19,829)	-	7,395
Taxation					(4,234)
Profit for the year					3,161

A8. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial period.

A9. Carrying Amount of Revalued Assets

There has been no revaluation of property, plant and equipment during the current quarter.

A10. Subsequent Material Events

There were no material subsequent events up to the date of this report that will affect the financial statements of the financial period under review.

A11. Changes in Group Composition

There were no changes in the composition of the Group during the period under review.

A12. Changes in Contingent Liabilities

There has been no contingent liability arising since the financial year end.

A13. Capital Commitments

The Group has the following commitments as at 31 December 2014:

	Approved but not contracted for RM'000	Approved and contracted for RM'000	Total RM'000
Property, plant and equipment	86,082	230	86,312

B14. Analysis of Performance (FYE 2014 vs. FYE 2013)

For the current year under review, BHIC Group's total revenue rose 4.3% to RM332.8 million from RM319.1 million reported in the preceding year. The heavy engineering segment contributed positively to the Group's revenue with the progress of Belum Satellite (BE-SA) Topsides Facilities for Murphy's Sarawak SK309/311 Gas Development project.

The Group's cumulative profit after tax of RM17.9 million for the financial year ended 31 December 2014 was higher than the net profit of RM3.2 million reported last year. The increase in profit after tax recorded in the current year was mainly due to no impairment of the Group's chemical tankers, slightly lower finance cost and coupled with a profit contribution from associates.

Despite recording higher charter rates and favourable foreign exchange rate fluctuations in the current year, the chartering segment continued to report a loss mainly due to the higher operating expenses and periodic dry docking expenses incurred on all its chemical tankers.

Against last year, the Joint Venture Companies ("JV Cos") contributed a lower share of profit. This is due to revision of profit recognition from the joint venture company engaged in the In-Service Support (ISS) project.

For the associate, results were mainly driven by the steady progress of the Littoral Combat Ship (LCS) project. Losses recorded by the associate in the prior year was mainly due to upward revisions in LCS project costs, following discussions with various stakeholders including the Royal Malaysian Navy and original equipment manufacturers.

B15. Material Changes in Quarterly Results Compared with the Results of the Immediate Preceding Quarter (Q4 2014 vs. Q3 2014)

For the last quarter of 2014, the Group recorded a loss before taxation of RM4.5 million, which represents a RM16.0 million decrease from the RM11.5 million profit recorded in the previous quarter. This was mainly attributable to negative share of results from JV Cos engaged in the ISS contract and higher losses reported from the chartering segment. The Group also recorded an impairment loss on its receivables of RM4.8 million.

The chartering segment recorded higher loss in the last quarter of 2014 mainly due to its chemical tankers underwent periodic dry docking work.

The increase share of profit in the associates was from the LCS project as a result from certain activities reaching its milestone progress during the quarter.

B16. Commentary on Prospects

The Group intends to expand cautiously into the oil and gas business which are sustainable. The current Belum Satellite (BE-SA) Topsides Facilities for Murphy's Sarawak SK309/311 Gas Development project is expected to be delivered in the first half of 2015.

All Chulan tankers are now under bareboat charter arrangement. By placing the tankers under bareboat charter, the costs of managing and operating the vessels such as crewing, bunkering, provisioning and maintaining the vessels is being borne by the Charterer. This will subsequently reduce the operating costs under the chartering segment.

The heavy engineering segment will continue to drive the BHIC Group's performance through defence related maintenance, repair and overhaul (MRO) activities.

B17. Notes on variance in actual profit and shortfall in profit guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and shortfall in profit guarantee are not applicable.

B18. Notes to the Consolidated Income Statements

Save as disclosed below and included in the consolidated income statements, there were no other items applicable to be disclosed pursuant to item 16 of Appendix 9B of the Listing Requirements of Bursa Malaysia:

	Current Period 2014 RM'000	Cumulative Period 2014 RM'000
Other income	(80)	(795)
Depreciation of property, plant and equipment	2,192	9,851
Gain on disposal of property, plant and equipment	(2,152)	(2,160)
Stock written off	191	191
Impairment of receivables	4,847	4,847
Net loss on foreign currency exchange	4,069	5,254

B19. Taxation

	Current Period 2014 RM'000	Cumulative Period 2014 RM'000
Malaysian taxation based on profit for the period:		
- Current corporate tax	884	2,607
Less: Overprovision in prior year	(120)	(239)
	<u>764</u>	<u>2,368</u>

The Group's effective tax rate for the current and cumulative period are lower than the statutory rate of tax applicable mainly due to certain incomes were granted a tax exemption and availability of tax losses brought forward from prior years to be offset against current profit.

B20. Status of Corporate Proposal

There were no corporate proposals announced and there are none pending completion.

B21. Group Borrowings and Debt Securities

Total group borrowings as at 31 December 2014 are as follows:

	31.12.2014 RM'000	31.12.2013 RM'000
Long term borrowings:		
Unsecured		
- Term loans	8,565	3,447
Secured		
- Term loans	5,372	12,421
- Hire purchase and finance lease liabilities	61	74
	<u>13,998</u>	<u>15,942</u>
Short term borrowings		
Unsecured		
- Term loans	4,287	6,392
- Revolving credits	290,000	290,000
- Banker's acceptance	-	-
Secured		
- Term loans	7,837	9,378
- Revolving credits	39,956	37,445
- Hire purchase and finance lease liabilities	90	58
	<u>342,170</u>	<u>343,273</u>

Included above is a secured revolving credit of RM40.0 million (US Dollar: 11.4 million) and a secured term loan of RM12.5 million (US Dollar: 3.6 million) which are denominated in US Dollar. All other borrowings are denominated in Ringgit Malaysia.

B22. Disclosure of Derivatives

There were no outstanding derivatives as at 31 December 2014.

B23. Gains/Losses Arising From Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of the financial liabilities for the current quarter ended 31 December 2014.

B24. Realised and Unrealised Unappropriated Profits

	As at 31 December 2014 RM'000	As at 31 December 2013 RM'000
Total retained profits of Company and its subsidiaries:		
- Realised	(314,801)	(313,917)
- Unrealised	23,260	15,722
Total share of retained profits from joint ventures:		
- Realised	55,675	65,065
- Unrealised	8,843	(547)
Total share of retained profits from associates:		
- Realised	128,859	127,566
- Unrealised	-	-
	<u>(98,164)</u>	<u>(106,111)</u>
Consolidated adjustments	150,263	140,360
Total Group retained profits as per consolidated financial statements	<u>52,099</u>	<u>34,249</u>

The determination of realised and unrealised profits is compiled based on Guidance on 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. The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

B25. Changes in Material Litigations

There were no changes in material litigation, including the status of pending material litigation since the last annual statement of financial position as at 31 December 2013, except for the following cases:

Company	Claimant Company	Amount RM'000	Status
Boustead Naval Shipyard Sdn Bhd ("BN Shipyard")	Maraputra Sdn Bhd ("Maraputra")	7,199	<p>On 2 September 2013, the Ipoh High Court had allowed Maraputra's claims amounting to RM6,337,902.58, together with interest accruing thereon calculated on a daily basis at the rate of 4% per annum from 14 July 2010 (date of filing of the Writ of Summons) to 2 September 2013 (date of Judgment) and 5% per annum from 2 September 2013 until full settlement, and costs of RM150,000.00 to Maraputra. The Court also dismissed BN Shipyard's counterclaim.</p> <p>BN Shipyard, in consultation with its lawyers, is of the view it has good grounds to appeal against the High Court's decision. BN Shipyard has subsequently filed a Notice of Appeal to the Court of Appeal on 24 September 2013.</p> <p>On the advice of its solicitors, BN Shipyard had paid RM7,198,631.57 into a joint stakeholders account pending the disposal of the appeal in the Court of Appeal. The amount included the judgment sum, interest and costs of RM150,000.00.</p> <p>The Court has fixed the appeal for final case management on 27 March 2015.</p>
Boustead Naval Shipyard Sdn Bhd ("BN Shipyard")	Ingat Kawan (M) Sdn Bhd ("Plaintiff")	50,000	<p>On 14 March 2013, the Court had allowed the application to strike out the Plaintiff's claim with costs of RM5,000.00 to be paid by the Plaintiff to BN Shipyard.</p> <p>BN Shipyard, as instructed by the High Court, had on 1 April 2013 withdrawn its counterclaim with liberty to file afresh with no order as to costs. Ingat Kawan had, on 22 March 2013, filed a Notice of Appeal to the Court of Appeal. Hearing on the appeal was heard on 11 November 2013, where the Court of Appeal had allowed Ingat Kawan's appeal and ordered the matter to be tried at the High Court.</p> <p>BN Shipyard has filed a leave application to appeal to the Federal Court. This matter was originally fixed for hearing on 23 June 2014 but later adjourned by the Court to 15 October 2014.</p> <p>The Court heard the application on 15 October 2014 and then adjourned the matter for Case Management on 3 November 2014 pending issuance of the Grounds of Judgment by the Court of Appeal.</p> <p>Pursuant to the Case Management before the Deputy Registrar of the Federal Court on 3 November 2014, the Court has fixed the next case management on 4 February 2015 pending availability of the Court of Appeal's Ground of Judgement and the filing of the Supplementary Affidavit containing the Grounds of Judgement.</p>

Company	Claimant Company	Amount RM'000	Status
			<p>The Court has fixed the next Case Management date on 6 May 2015 pending the availability of the Court of Appeal's Ground of Judgement and filing of the Supplementary Affidavit containing the Grounds of Judgement. The Court has further allowed BN Shipyard to add or alter the question of law for the leave application upon obtaining the Grounds of Judgement.</p>
<p>Boustead Penang Shipyard Sdn Bhd ("BP Shipyard")</p>	<p>Sealink Shipyard Sdn Bhd ("Plaintiff")</p>	<p>18,565</p>	<p>BP Shipyard was served with a Statement of Claim dated 6 June 2013. Sealink is claiming for damages totaling RM18,565,374.12, plus interest, costs and other reliefs that the Court deems just and fit arising from an alleged breach of two contracts, both dated 3 September 2008, by BP Shipyard, with regard to the work done and/or goods supplied for the construction of the accommodation work barges for Hull No. 131 (first contract) and Hull No. 132 (second contract).</p> <p>BP Shipyard had on 12th August 2013 filed its Amended Defence and Amended Counterclaim. The total amount of BP Shipyard's counterclaim against Sealink is RM17,305,907.27. Subsequently, Sealink filed its Reply and Defence to BP Shipyard's Amended Counterclaim on 12th February 2014.</p> <p>Sealink filed an application for a Summary Judgement against BP Shipyard on 12th July 2013 and served the same to BP Shipyard on 15th July 2013. BP Shipyard has filed its Affidavit in Reply on 28th February 2014. During the Case Management before the Judge on 16 May 2014, Sealink withdrew its application for a Summary Judgment against BP Shipyard.</p> <p>On 2 December 2014, both parties have mutually agreed to settle this matter amicably. On 18 December 2014, BP Shipyard has paid the sum of RM3,650,000.00 to Sealink Shipyard, being full and final settlement of this matter. During the Case Management on 6 January 2015, both parties have informed the Court that parties have reached amicable settlement and parties have jointly applied to discontinue its claims and counterclaims respectively, without liberty to file afresh and with no order as to costs. The Court has accordingly recorded the same. Except for payment of BP Shipyard's solicitors' professional legal fees, which is only administrative, the matter is considered closed.</p>

B26. Dividend Payable

The Board does not recommend any dividend for the financial year ended 31 December 2014 (previous year ended 31 December 2013: Nil).

B27. Earnings per Share

	2014	Current Period 2013	2014	Cumulative Period 2013
Net (loss) / profit for the period – RM'000	(4,484)	(28,055)	17,850	3,161
Number of ordinary shares in issue – '000	248,458	248,458	248,458	248,458
Basic earnings per share – sen	(1.80)	(11.29)	7.18	1.27

By Order of the Board**LILYROHAYU BINTI AB. HAMID @ KASSIM (MAICSA 7044674)****SUZANA BINTI SANUDIN (LS 008028)**

Secretaries

Kuala Lumpur

Date: 26 February 2015