

ALAM MARITIM RESOURCES BERHAD
(700849 - K)
(Incorporated in Malaysia)

Directors' Report and Audited Financial Statements
31 December 2009

Ernst & Young
AF : 0039

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**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

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**Alam Maritim Resources Berhad
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Directors' report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2009.

Principal activities

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Group and of the Company during the financial year.

Results

	Group RM	Company RM
Profit for the year	<u>95,366,752</u>	<u>1,637,047</u>
Attributable to:		
Equity holders of the Company	91,279,940	1,637,047
Minority interests	<u>4,086,812</u>	<u>-</u>
	<u>95,366,752</u>	<u>1,637,047</u>

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statements of changes in equity.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

Dividends

The amount of dividends paid by the Company since 31 December 2008 were as follows:

RM

In respect of the financial year ended 31 December 2008, as reported in the directors' report of that year:

First and final dividend of 0.50 sen per share less 26% taxation
on 500,127,273 shares, paid on 11 September 2009

1,875,480

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Dividends (cont'd.)

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2009, of 0.75% less 25% taxation (0.56 sen net per ordinary share) on 506,987,098 ordinary shares, amounting to a dividend payable of RM2,851,802 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2010.

Directors

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Captain Ahmad Sufian @ Qurnain bin Abdul Rashid
Dato' Mohamad Idris bin Mansor
Dato' Haji Ab Wahab bin Haji Ibrahim
Azmi bin Ahmad
Shaharuddin bin Warno @ Rahmad
Mohd Abd Rahman bin Mohd Hashim
Ab Razak bin Hashim
Ahmad Hassanudin bin Ahmad Kamaluddin

Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate other than those arising from the share options granted under the Company's Employee Share Options Scheme.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company, as shown in Note 5 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over shares in the Company and its related corporations during the financial year were as follows:

← **Number of Ordinary Shares of RM0.25 Each** →
At 1.1.2009 Acquired Sold At 31.12.2009

The Company

Direct interest:

Dato' Captain Ahmad Sufian @ Qurnain bin Abdul Rashid	500,000	687,500	(987,500)	200,000
Dato' Mohamad Idris bin Mansor	275,000	550,000	(275,000)	550,000
Dato' Haji Ab Wahab bin Haji Ibrahim	396,000	550,000	(945,000)	1,000
Azmi bin Ahmad	1,179,474	-	(1,000,000)	179,474
Shaharuddin bin Warno @ Rahmad	2,524,674	3,152,325	(2,000,000)	3,676,999
Mohd Abd Rahman bin Mohd Hashim	1,305,424	-	(1,305,424)	-
Ab Razak bin Hashim	1,559,600	2,152,324	(3,711,924)	-
Ahmad Hassanudin bin Ahmad Kamaluddin	1,250	990,000	(991,250)	-

Indirect interest:

Azmi bin Ahmad	261,778,090	-	(7,000,000)	254,778,090
Shaharuddin bin Warno @ Rahmad	261,778,090	-	(7,000,000)	254,778,090
Mohd Abd Rahman bin Mohd Hashim	261,778,090	-	(7,000,000)	254,778,090
Ab Razak bin Hashim	261,778,090	-	(7,000,000)	254,778,090

← **Number of Options Over Ordinary
Shares of RM0.25 Each** →
At 1.1.2009 Acquired Sold At 31.12.2009

The Company

Dato' Captain Ahmad Sufian @ Qurnain bin Abdul Rashid	1,618,750	-	(687,500)	931,250
Dato' Mohamad Idris bin Mansor	935,000	-	(550,000)	385,000
Dato' Haji Ab Wahab bin Haji Ibrahim	935,000	-	(550,000)	385,000
Azmi bin Ahmad	5,358,925	-	-	5,358,925
Shaharuddin bin Warno @ Rahmad	5,358,925	-	(3,152,325)	2,206,600
Mohd Abd Rahman bin Mohd Hashim	4,098,051	-	-	4,098,051
Ab Razak bin Hashim	4,358,925	-	(2,152,324)	2,206,601
Ahmad Hassanudin bin Ahmad Kamaluddin	2,145,000	-	(990,000)	1,155,000

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Issue of shares

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM123,211,497 to RM126,746,775 by way of the issuance of 14,141,112 ordinary shares of RM0.25 each for cash pursuant to the Company's Employee Share Options Scheme at the exercise prices ranging from RM0.60 to RM1.59 per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

Employee share options scheme

The Alam Maritim Employee Share Options Scheme ("ESOS") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 5 June 2006. The ESOS was implemented on 20 July 2006 and is to be in force for a period of 5 years from date of implementation.

The salient features and other terms of the ESOS are disclosed in Note 23 to the financial statements.

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of the option holders, who have been granted options to subscribe for less than 5,000,000 ordinary shares of RM0.25 each. Other than the interests of the directors as disclosed above, there are no other holders of 5,000,000 or more options as at 31 December 2009.

Other statutory information

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

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Other statutory information (Cont'd.)

- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

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Significant events

The were no significant events during the financial year.

Subsequent events

There were no material events subsequent to the end of the current financial year.

Auditors

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 March 2010.



Dato' Captain Ahmad Sufian @ Qurnain
bin Abdul Rashid



Azmi bin Ahmad

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**Alam Maritim Resources Berhad
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Statement by directors

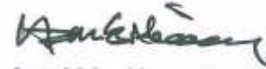
Pursuant to Section 169(15) of the Companies Act, 1965

We, Dato' Captain Ahmad Sufian @ Qurnain bin Abdul Rashid and Azmi bin Ahmad, being two of the directors of Alam Maritim Resources Berhad, do hereby state that, in our opinion, the accompanying financial statements set out on pages 10 to 85 are drawn up in accordance with the applicable Financial Reporting Standards and provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2009 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 March 2010.



Dato' Captain Ahmad Sufian @ Qurnain
bin Abdul Rashid



Azmi bin Ahmad

Statutory declaration

Pursuant to Section 169(16) of the Companies Act, 1965

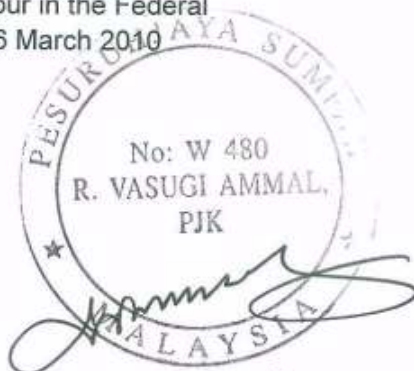
I, Md Nasir bin Noh, being the officer primarily responsible for the financial management of Alam Maritim Resources Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 10 to 85 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed, Md Nasir bin Noh
at Kuala Lumpur in the Federal
Territory on 26 March 2010



Md Nasir bin Noh

Before me,



No: 72, Tkt. 3,
Jalan Mega Mendung,
Bandar Kompleks,
58200 Kuala Lumpur.

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**Independent auditors' report to the members of
Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

Report on the financial statements

We have audited the financial statements of Alam Maritim Resources Berhad, which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 85.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**Independent auditors' report to the members of
Alam Maritim Resources Berhad (cont'd.)
(Incorporated in Malaysia)**

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2009 and of their financial performance and cash flows for the year then ended.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the accounts and the auditors' report of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 14 to the financial statements.
- (c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the accounts of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



Ernst & Young
AF: 0039
Chartered Accountants

Kuala Lumpur, Malaysia
26 March 2010



Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/10(J)
Chartered Accountant

Alam Maritim Resources Berhad
(Incorporated in Malaysia)

Income statements
For the year ended 31 December 2009

	Note	Group		Company	
		2009 RM	2008 RM	2009 RM	2008 RM
Revenue	3	348,917,132	322,854,213	1,713,250	9,007,750
Cost of sales		(194,929,687)	(176,021,239)	-	-
Gross profit		153,987,445	146,832,974	1,713,250	9,007,750
Other income		7,631,583	15,535,125	988,642	2,718,481
Employee benefits expense	4	(24,646,486)	(22,637,194)	(242,828)	(4,712,702)
Other expenses		(25,068,072)	(20,009,797)	(520,073)	(725,863)
Operating profit		111,904,470	119,721,108	1,938,991	6,287,666
Finance costs	6	(25,874,837)	(23,498,557)	(9,466)	(10,991)
Share of profit of jointly controlled entities		23,211,091	4,911,778	-	-
Share of profit/(loss) of associates		3,283,674	(422,837)	-	-
Profit before tax	7	112,524,398	100,711,492	1,929,525	6,276,675
Income tax expense	8	(17,157,646)	(20,403,778)	(292,478)	(906,568)
Profit for the year		95,366,752	80,307,714	1,637,047	5,370,107

Attributable to:

Equity holders of the Company		91,279,940	78,237,395	1,637,047	5,370,107
Minority interests		4,086,812	2,070,319	-	-
		95,366,752	80,307,714	1,637,047	5,370,107

Earnings per share attributable to equity holders of the Company:

Basic (Sen)	9	18.3	16.0
Diluted (Sen)	9	17.6	15.1

The accompanying notes form an integral part of the financial statements.

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Alam Maritim Resources Berhad
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Balance sheets as at 31 December 2009

	Note	Group		Company	
		2009	2008	2009	2008
		RM	RM	RM	RM
Assets					
Non-current assets					
Property, vessels and equipment	11	778,763,399	817,699,175	92,642	148,228
Prepaid land lease payments	12	10,052,363	-	-	-
Intangible assets	13	1,850,173	1,949,538	-	-
Investments in subsidiaries	14	-	-	100,302,070	100,302,070
Investments in associates	15	22,225,947	21,667,949	-	-
Investments in jointly controlled entities	16	45,600,714	25,547,737	-	-
		<u>858,492,596</u>	<u>866,864,399</u>	<u>100,394,712</u>	<u>100,450,298</u>
Current assets					
Amount due from subsidiaries	17	-	-	623,912,236	653,647,552
Inventories	18	23,362,915	19,985,209	-	-
Trade receivables	19	150,689,419	199,584,982	-	-
Other receivables	21	115,547,226	46,568,165	-	-
Tax recoverable		3,183,093	2,688,782	2,468,139	1,166,447
Cash and bank balances	22	203,140,231	121,588,656	77,001,774	56,364,909
		<u>495,922,884</u>	<u>390,415,794</u>	<u>703,382,149</u>	<u>711,178,908</u>
Total assets		<u>1,354,415,480</u>	<u>1,257,280,193</u>	<u>803,776,861</u>	<u>811,629,206</u>
Equity and liabilities					
Equity attributable to equity holders of the company					
Share capital	24	126,746,775	123,211,497	126,746,775	123,211,497
Share premium	24	78,470,938	68,689,027	78,470,938	68,689,027
Other reserves	25	6,785,533	7,968,503	6,613,126	7,897,646
Retained profits	26	264,469,513	174,996,808	8,292,902	8,531,335
		<u>476,472,759</u>	<u>374,865,835</u>	<u>220,123,741</u>	<u>208,329,505</u>
Minority interests		<u>7,289,480</u>	<u>5,329,854</u>	-	-
Total equity		<u>483,762,239</u>	<u>380,195,689</u>	<u>220,123,741</u>	<u>208,329,505</u>

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Alam Maritim Resources Berhad
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Balance sheets as at 31 December 2009 (cont'd.)

		Group		Company	
	Note	2009	2008	2009	2008
		RM	RM	RM	RM
Non-current liabilities					
Borrowings	27	486,316,442	487,982,161	445,145,042	475,171,804
Deferred tax liabilities	29	77,511,121	66,396,703	-	-
		<u>563,827,563</u>	<u>554,378,864</u>	<u>445,145,042</u>	<u>475,171,804</u>
Current liabilities					
Borrowings	27	157,129,155	147,091,902	126,789,886	116,495,457
Trade payables	30	28,925,886	39,045,143	-	-
Other payables	31	117,047,107	134,880,729	11,718,192	11,632,440
Tax payable		3,723,530	1,687,866	-	-
		<u>306,825,678</u>	<u>322,705,640</u>	<u>138,508,078</u>	<u>128,127,897</u>
Total liabilities		<u>870,653,241</u>	<u>877,084,504</u>	<u>583,653,120</u>	<u>603,299,701</u>
Total equity and liabilities		<u>1,354,415,480</u>	<u>1,257,280,193</u>	<u>803,776,861</u>	<u>811,629,206</u>

The accompanying notes form an integral part of the financial statements.

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**Alam Maritim Resources Berhad
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**Statements of changes in equity
For the year ended 31 December 2009**

	← Attributable to equity holders of the company →				Minority interests	Total equity	
	← Non-distributable →		Distributable				
Group	Share capital (Note 24) RM	Share premium (Note 24) RM	Other reserves (Note 25) RM	Retained profits (Note 26) RM	Total RM	RM	RM
At 1 January 2008	121,322,253	63,032,747	6,179,640	98,581,395	289,116,035	3,062,516	292,178,551
Issue of ordinary shares:							
Pursuant to ESOS	1,889,244	3,563,617	-	-	5,452,861	-	5,452,861
Acquisition of a subsidiary (Note 14(a))	-	-	-	-	-	190,832	190,832
Share issued to minority interests	-	-	-	-	-	98,000	98,000
Share options granted under ESOS:							
- recognised in income statement	-	-	3,809,165	-	3,809,165	-	3,809,165
- exercised during the year	-	2,092,663	(2,092,663)	-	-	-	-
Dividends (Note 10)	-	-	-	(1,821,982)	(1,821,982)	(140,053)	(1,962,035)
Foreign currency translation, representing income recognised directly in equity	-	-	72,361	-	72,361	48,240	120,601
Profit for the year	-	-	-	78,237,395	78,237,395	2,070,319	80,307,714
At 31 December 2008	123,211,497	68,689,027	7,968,503	174,996,808	374,865,835	5,329,854	380,195,689

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**Alam Maritim Resources Berhad
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**Statements of changes in equity
For the year ended 31 December 2009 (cont'd.)**

	← Attributable to equity holders of the company →				Minority interests	Total equity	
	← Non-distributable →		Distributable				
	Share capital (Note 24) RM	Share premium (Note 24) RM	Other reserves (Note 25) RM	Retained profits (Note 26) RM	Total RM	RM	RM
Group (cont'd.)							
At 1 January 2009	123,211,497	68,689,027	7,968,503	174,996,808	374,865,835	5,329,854	380,195,689
Issue of ordinary shares:							
Pursuant to ESOS	3,535,278	6,195,243	-	-	9,730,521	-	9,730,521
Share options granted under ESOS:							
- recognised in income statement	-	-	2,302,148	-	2,302,148	-	2,302,148
- exercised during the year	-	3,586,668	(3,586,668)	-	-	-	-
Dividends (Note 10)	-	-	-	(1,875,480)	(1,875,480)	(2,102,182)	(3,977,662)
Accretion in a subsidiary (Note 14)	-	-	-	68,245	68,245	(68,245)	-
Foreign currency translation	-	-	101,550	-	101,550	43,241	144,791
Net income recognised directly in equity	-	-	101,550	68,245	169,795	(25,004)	144,791
Profit for the year	-	-	-	91,279,940	91,279,940	4,086,812	95,366,752
At 31 December 2009	126,746,775	78,470,938	6,785,533	264,469,513	476,472,759	7,289,480	483,762,239

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Alam Maritim Resources Berhad
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Statements of changes in equity
For the year ended 31 December 2009

	← Non-Distributable →			Distributable Retained profits (Note 26) RM	Total equity RM
	Share capital (Note 24) RM	Share premium (Note 24) RM	Other reserves (Note 25) RM		
Company					
At 1 January 2008	121,322,253	63,032,747	6,181,144	4,983,210	195,519,354
Profit for the year	-	-	-	5,370,107	5,370,107
Issue of ordinary shares:					
Pursuant to ESOS	1,889,244	3,563,617	-	-	5,452,861
Share options granted under ESOS:					
- recognised in income statement	-	-	3,809,165	-	3,809,165
- exercised during the year	-	2,092,663	(2,092,663)	-	-
Dividends (Note 10)	-	-	-	(1,821,982)	(1,821,982)
At 31 December 2008	<u>123,211,497</u>	<u>68,689,027</u>	<u>7,897,646</u>	<u>8,531,335</u>	<u>208,329,505</u>
At 1 January 2009	123,211,497	68,689,027	7,897,646	8,531,335	208,329,505
Profit for the year	-	-	-	1,637,047	1,637,047
Issue of ordinary shares:					
Pursuant to ESOS	3,535,278	6,195,243	-	-	9,730,521
Share options granted under ESOS:					
- recognised in income statement	-	-	2,302,148	-	2,302,148
- exercised during the year	-	3,586,668	(3,586,668)	-	-
Dividends (Note 10)	-	-	-	(1,875,480)	(1,875,480)
At 31 December 2009	<u>126,746,775</u>	<u>78,470,938</u>	<u>6,613,126</u>	<u>8,292,902</u>	<u>220,123,741</u>

The accompanying notes form an integral part of the financial statements.

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**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

**Cash flow statements
For the year ended 31 December 2009**

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Cash flows from operating activities				
Profit before tax	112,524,398	100,711,492	1,929,525	6,276,675
Adjustments for:				
Interest income	(2,976,348)	(3,193,404)	(988,642)	(2,718,481)
Dividend income	-	-	(1,713,250)	(9,007,750)
Depreciation of property, vessels and equipment (Note 11)	31,880,541	27,206,012	55,586	55,585
Gain on disposal of property, vessels and equipment	(5,409,340)	(3,264,731)	-	-
Unrealised profit on vessels disposed to associates	2,572,411	2,804,147	-	-
Property, vessels and equipment written off	429,696	-	-	-
Amortisation of prepaid land lease payments	9,997	-	-	-
Interest expense	25,874,837	23,498,557	9,466	10,991
Share options granted under ESOS (Note 4)	2,302,148	3,809,165	91,928	1,897,448
Provision for doubtful debts	9,035,533	426,159	-	-
Reversal of provision for doubtful debts	-	(7,790,021)	-	-
Net foreign exchange losses/(gain)	4,576,266	4,324,701	-	-
Amortisation of intangible assets	122,260	60,348	-	-
Share of (profit)/loss of associates	(3,283,674)	422,837	-	-
Share of profit of jointly controlled entities	(23,211,091)	(4,911,778)	-	-
Operating profit/(loss) before working capital changes	154,447,634	144,103,484	(615,387)	(3,485,532)

Alam Maritim Resources Berhad
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Cash flow statements
For the year ended 31 December 2009 (cont'd.)

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Changes in working capital:				
Increase in inventories	(3,377,706)	(19,153,160)	-	-
(Increase)/decrease in receivables	(30,533,684)	(103,156,535)	-	34,947
(Decrease)/increase in payables	(27,952,879)	110,732,178	85,752	3,895,224
Cash generated from operations	92,583,365	132,525,967	(529,635)	444,639
Taxes paid	(4,543,897)	(4,283,220)	(1,594,170)	(2,239,381)
Interest paid	(27,370,446)	(23,498,557)	(24,334,071)	(21,309,503)
Net cash generated from/ (used in) operating activities	60,669,022	104,744,190	(26,457,876)	(23,104,245)
Cash flows from investing activities				
Purchase of property, vessels and equipment (Note 11)	(95,042,684)	(279,728,449)	-	-
Prepayment of land lease	(10,062,360)	-	-	-
Acquisition of subsidiaries (Note 14(a))	-	(356,425)	-	-
Investment in jointly controlled entities	(352)	-	-	-
Additional investment in a jointly controlled entity (Note 16)	-	(3,410,720)	-	-
Investments in associates	-	(24,894,933)	-	-
Increase/(decrease) in amount due from subsidiaries	-	-	60,404,157	(210,700,103)
Internal development costs on diving equipment	-	(603,475)	-	-
Interest received	2,976,348	3,193,404	988,642	2,718,481
Dividends received	-	-	-	9,007,750
Net cash (used in)/generated from investing activities	(102,129,048)	(305,800,598)	61,392,799	(198,973,872)

Alam Maritim Resources Berhad
(Incorporated in Malaysia)

Cash flow statements
For the year ended 31 December 2009 (cont'd.)

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Cash flows from financing activities				
Proceeds from disposal of vessels to associates	124,646,000	50,953,000	-	-
Proceeds from issuance of ordinary shares (Note 24)	9,730,521	5,452,861	11,940,741	7,364,578
Proceeds from MCP/MMTN	95,661,918	146,815,516	95,661,918	146,815,516
Repayment of MCP/MMTN	(100,000,000)	(150,000,000)	(100,000,000)	(150,000,000)
Proceeds from Sukuk Ijarah MTN	-	200,000,000	-	200,000,000
Redemption of Sukuk Ijarah MTN	(20,000,000)	(5,000,000)	(20,000,000)	(5,000,000)
Proceeds from drawdown of term loans	22,203,376	10,285,457	-	-
Repayment of term loans	(2,030,554)	(968,364)	-	-
Proceeds from drawdown of revolving credits	-	52,352,650	-	-
Repayment of revolving credits	-	(94,885,750)	-	-
Repayment of hire purchase and lease financing (Note 28)	(749,063)	(741,959)	(25,237)	(34,704)
Shares issued to minority interest	-	98,000	-	-
Net cash released from/ (set aside) for collateral and sinking fund	(2,642,263)	(3,833,658)	-	-
Dividends paid	(3,977,662)	(1,962,035)	(1,875,480)	(1,821,982)
Net cash generated from/ (used in) financing activities	<u>122,842,273</u>	<u>208,565,718</u>	<u>(14,298,058)</u>	<u>197,323,408</u>
Net increase in cash and cash equivalents	81,382,247	7,509,310	20,636,865	(24,754,709)
Cash and cash equivalents at beginning of year	<u>105,824,857</u>	<u>98,315,547</u>	<u>56,364,909</u>	<u>81,119,618</u>
Cash and cash equivalents at end of year (Note 22)	<u>187,207,104</u>	<u>105,824,857</u>	<u>77,001,774</u>	<u>56,364,909</u>

The accompanying notes form an integral part of the financial statements.

Created with

**Alam Maritim Resources Berhad
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Notes to the financial statements - 31 December 2009

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office is located at 38E and 38F, Level 2, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur.

The immediate and ultimate holding company of the Company is SAR Venture Holdings (M) Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and of its subsidiaries during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 March 2010.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements comply with the applicable Financial Reporting Standards in Malaysia ("FRSs") and the provisions of the Companies Act, 1965. At the beginning of the current financial year, the Group and the Company had adopted new and revised FRSs which are mandatory for financial periods beginning on or after 1 July 2009 as described fully in Note 2.3.

The financial statements of the Group and of the Company have also been prepared on a historical cost basis and are presented in Ringgit Malaysia (RM).

**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies

(a) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(a) Subsidiaries and basis of consolidation (cont'd.)

(ii) Basis of consolidation (cont'd.)

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(b) Jointly controlled entities

The Group has interests in joint ventures which are jointly controlled entities. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.2(c).

In the Company's financial statements, investments in jointly controlled entities are stated at cost less any impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in income statement.

(c) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(c) Associates (cont'd.)

Investment in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes. In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available management accounts of the associates is used by the Group in applying the equity method. The financial statements of the associate is coterminous with those of the Group. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, the investment in an associate is stated at cost less impairment losses.

On disposal of such investment, the difference between net disposal proceeds and the carrying amount is included in profit or loss.

**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(d) Intangible assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Other intangible assets

Costs directly attributable to the development of design for deep sea remotely operated subsea vehicles and peripherals are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group's intention to complete, its ability to use or sell the asset, how the asset will generate future economic benefits, and the costs can be measured reliably. Such costs include payroll-related costs of employees directly involved in the project and other costs directly related to the project. Research costs are expensed as incurred.

Deferred development costs are subsequently carried at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised to the profit and loss account using the straight-line method over their estimated useful lives of five years.

(e) Property, vessels and equipment, and depreciation

All items of property, vessels and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, vessels and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

**Alam Maritim Resources Berhad
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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(e) Property, vessels and equipment, and depreciation (cont'd.)

Vessels are depreciated in equal annual instalments calculated to reduce to residual value the cost of vessels over their estimated useful lives of 25 years.

Drydocking costs are capitalised and amortised over the period of the vessel's next drydocking cycle which is approximately over 2.5 years.

Assets under construction are not depreciated as the assets are not available for use.

Depreciation of property and other equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Leasehold buildings	2 - 3%
Diving equipment	10%
Equipment on vessel	10%
Computers	33.3%
Office equipment	10%
Furniture and fittings	10%
Renovations	10%
Motor vehicles	20%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, vessels and equipment.

An item of property, vessels and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss.

**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(f) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the total of costs incurred on construction contracts plus, recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

(g) Impairment of non-financial assets

The carrying amounts of assets, other than construction contract assets and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(g) Impairment of non-financial assets (cont'd.)

An asset's recoverable amount is the higher of the asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(h) Financial instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

**Alam Maritim Resources Berhad
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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(h) Financial instruments (cont'd.)

(i) Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents include cash on hand and at bank, deposit at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

(ii) Trade and other receivables

Trade and other receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iii) Trade and other payables

Trade and other payables are stated at the fair value of the consideration to be paid in the future for goods and services received.

(iv) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(v) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

**Alam Maritim Resources Berhad
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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(i) Inventories

Inventories are stated at lower of cost and net realisable value.

Cost is determined using the first in, first out method. The cost of inventories includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(j) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. All other leases that do not transfer substantially all the risks and rewards are classified as operating leases.

(ii) Finance leases - the Group as lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is consistent with that for depreciable property, vessel and equipment as **described in Note 2.2(e)**.

**Alam Maritim Resources Berhad
(Incorporated in Malaysia)**

2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(j) Leases (cont'd.)

(iii) Operating leases - the Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

(iv) Operating leases - the Group as lessor

Assets leased out under operating leases are presented on the balance sheet according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease as describe in Note 2.2 (p)(i). Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(l) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

**Alam Maritim Resources Berhad
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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(l) Income tax (cont'd.)

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

(m) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

**Alam Maritim Resources Berhad
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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(n) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

(iii) Employee Share Options Scheme ("ESOS")

The Company's Employee Share Options Scheme ("ESOS"), an equity-settled, share-based compensation plan, allows the Group's employees to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest.

The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date. At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share premium, or until the option expires, upon which it will be transferred directly to retained earnings. The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

**Alam Maritim Resources Berhad
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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(o) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(o) Foreign currencies (Cont'd.)

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;
- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

(p) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Charter hire of vessels

Charter hire of vessels are recognised when the services are rendered and is computed at the contracted daily rate. In the event invoices are yet to be issued at year end, the revenue is accrued to the extent of the services rendered at the balance sheet date.

(ii) Revenue from offshore installation and construction

Revenue relating to offshore installation and construction are recognised in accordance with the policy set out in Note 2.2(f) above.

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2. Significant accounting policies (cont'd.)

2.2 Summary of significant accounting policies (cont'd.)

(p) Revenue recognition (contd.)

(iii) Diving, underwater services and other shipping related income

The above revenue are recognised on an accrual basis when the services are rendered.

(iv) Sales of diving equipment

Revenue from the sales of diving equipment is recognised upon passage of title to the customer which generally coincides with their delivery and acceptance.

(v) Management fees

Management fees are recognised on an accrual basis based on a predetermined rate.

(vi) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(vii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

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2. Significant accounting policies (cont'd.)

2.3 Standards and Interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following new FRSs and Interpretations, and amendments to certain Standards and Interpretations were issued but not yet effective and have not been applied by the Group and the Company, which are:

Effective for financial periods beginning on or after 1 July 2009:

FRS 8	Operating Segments
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Effective for financial periods beginning on or after 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (as revised in 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Amendments to FRSs: 'Improvements to FRSs (2009)'	
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i – 3	Presentation of Financial Statements of Islamic Financial Institutions

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2. Significant accounting policies (cont'd.)

2.3 Standards and Interpretations issued but not yet effective (cont'd.)

Effective for financial periods beginning on or after 1 July 2010:

FRS 1	FRS 1 First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

The improvements to FRSs 2009 include amendments to FRS 117 which requires the lease of land to be assessed as to whether they are finance or operating lease. The Group is still assessing the impact of this amendment.

The Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 139, IC Interpretation 9 and the amendments thereto.

The other new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes arising from the adoption of FRS 139, IC Interpretation 9 and the amendments thereto.

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2. Significant accounting policies (cont'd.)

2.4 Significant accounting estimates and judgements

(a) Critical judgement made in applying accounting policies

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Development costs

Development costs are capitalised in accordance with the accounting policy in note 2.2(d)(ii). Initial capitalisation of costs is based on management's judgement that technological and economical feasibility is confirmed. The carrying amount of development costs capitalised at the balance sheet date is RM427,910.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Depreciation of vessels and equipment on vessel

The cost of vessels and equipment on vessel are depreciated on a straight-line basis over the assets' useful life. Management estimates the useful lives of the Group's vessels to be between 8 to 25 years and equipment on vessel to be 10 years. These are common life expectancies applied in the shipping industry. Changes in the expected level of usage could impact the economic useful lives and residual values of these assets, therefore future depreciation charges could be revised.

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3. Revenue

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Charter hire	202,002,407	244,926,927	-	-
Offshore installation and construction	84,778,312	26,027,449	-	-
Ship catering	3,301,945	4,961,856	-	-
Rental of equipment	26,076,057	13,797,667	-	-
Diving and underwater services	291,444	359,445	-	-
Other shipping related income	6,165,390	8,550,911	-	-
Sales of diving equipment	20,036,136	22,263,173	-	-
Dividend income from subsidiaries	-	-	1,713,250	9,007,750
Vessel's management fees	6,265,441	1,966,785	-	-
	<u>348,917,132</u>	<u>322,854,213</u>	<u>1,713,250</u>	<u>9,007,750</u>

4. Employee benefits expense

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Salaries, bonuses and allowances	17,329,408	14,011,747	142,000	2,596,727
Contributions to defined contribution plan - EPF	1,552,957	1,442,526	-	217,206
Social security contributions	97,632	61,873	-	1,240
Share options granted under ESOS (Note 25)	2,302,148	3,809,165	91,928	1,897,448
Other staff related expenses	3,364,341	3,311,883	8,900	81
	<u>24,646,486</u>	<u>22,637,194</u>	<u>242,828</u>	<u>4,712,702</u>

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM3,569,950 (2008: RM3,977,866) and RM Nil (2008: RM3,977,866) as further disclosed in Note 5.

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5. Directors' remuneration

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Executive directors' remuneration (Note 4):				
Fees	73,356	-	-	-
Other emoluments	3,496,594	3,977,866	-	3,977,866
	<u>3,569,950</u>	<u>3,977,866</u>	<u>-</u>	<u>3,977,866</u>
Non-executive directors remuneration (Note 7):				
Fees	102,000	119,380	102,000	102,000
Other emoluments	131,928	272,370	131,928	272,370
	<u>233,928</u>	<u>391,750</u>	<u>233,928</u>	<u>374,370</u>
Total directors' remuneration (Note 35(b))	3,803,878	4,369,616	233,928	4,352,236
Estimated money value of benefits-in-kind	<u>133,500</u>	<u>133,500</u>	<u>15,000</u>	<u>133,500</u>
Total directors' remuneration including benefits-in-kind	<u>3,937,378</u>	<u>4,503,116</u>	<u>248,928</u>	<u>4,485,736</u>

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5. Directors' remuneration (cont'd.)

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Executive:				
Salaries and other emoluments	2,125,836	1,567,200	-	1,567,200
Bonus:				
- current year's provisions	518,400	528,600	-	528,600
Defined contribution plan - EPF	193,116	195,988	-	195,988
Share options granted under ESOS	732,598	1,686,078	-	1,686,078
Estimated money value of benefits-in-kind	118,500	118,500	-	118,500
Total executive directors' remuneration	3,688,450	4,096,366	-	4,096,366
Non-executive:				
Fees and other emoluments	142,000	180,380	142,000	163,000
Share options granted under ESOS	91,928	211,370	91,928	211,370
Estimated money value of benefits-in-kind	15,000	15,000	15,000	15,000
Total non-executive director's remuneration	248,928	406,750	248,928	389,370
Total directors' remuneration	3,937,378	4,503,116	248,928	4,485,736

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2009	2008
Executive directors:		
RM500,001 - RM600,000	2	4
RM800,001 - RM900,000	2	-
	4	4

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5. Directors' remuneration (cont'd.)

	Number of Directors	
	2009	2008
Non-executive directors:		
RM40,001 - RM50,000	1	1
RM50,001 - RM60,000	2	1
RM60,001 - RM70,000	-	1

6. Finance costs

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Interest expense on:				
Term loans	896,308	5,031,208	-	-
Hire purchase and finance lease liabilities	931,955	114,106	9,466	10,991
MCP/MMTN	4,630,986	2,539,790	-	-
Sukuk Ijarah MTN	24,324,605	22,130,996	-	-
Other borrowings	1,217,578	4,343,408	-	-
	<u>32,001,432</u>	<u>34,159,508</u>	<u>9,466</u>	<u>10,991</u>
Less: Interest expense capitalised in qualifying assets- vessels under construction (Note 11)	(6,126,595)	(10,660,951)	-	-
Net finance expense	<u>25,874,837</u>	<u>23,498,557</u>	<u>9,466</u>	<u>10,991</u>

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7. Profit before tax

The following amounts have been charged/(credited) in arriving at profit before tax:

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Non-executive directors' remuneration (Note 5)	233,928	391,750	233,928	374,370
Auditors' remuneration:				
Auditors of the Company:				
- statutory audits	162,300	129,293	45,000	25,000
Other auditors	55,017	54,313	-	-
Operating leases:				
- lease payments for premises	560,784	82,026	-	-
- lease payments for survey equipment	8,536,970	5,667,155	-	-
- lease payments for tugs/barges	686,684	1,968,210	-	-
- lease payments for third party vessels	26,917,084	51,332,767	-	-
Depreciation of property, vessels and equipment (Note 11)	31,880,541	27,206,012	-	55,585
Provision for doubtful debts	9,035,533	426,159	-	-
Amortisation of intangible assets	122,260	60,348	-	-
Amortisation of prepaid land lease payments	9,997	-	-	-
Net foreign exchange losses/(gain)	4,576,266	4,324,701	-	(12,500)
Property, vessels and equipment written off	429,696	-	-	-
Reversal of provision for doubtful debts	-	(7,790,021)	-	-
Interest income	(2,976,348)	(3,193,404)	(988,642)	(2,473,131)
Gain on disposal of property, vessels and equipment	(2,836,929)	(3,264,731)	-	-

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8. Income tax expense

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Current income tax:				
Malaysian income tax	4,314,522	283,196	192,124	-
Foreign tax	1,300,846	1,276,953	-	-
Underprovision in prior year:				
Malaysian income tax	455,971	430,502	100,354	910,901
Foreign tax	13,911	9,383	-	-
	<u>6,085,250</u>	<u>2,000,034</u>	<u>292,478</u>	<u>910,901</u>
Deferred tax (Note 28):				
Relating to origination and reversal of temporary differences	10,126,285	20,312,147	-	(4,167)
Relating to change in tax rates	(21,437)	(1,699,162)	-	(166)
Under/(over) provision in prior year	967,548	(209,241)	-	-
	<u>11,072,396</u>	<u>18,403,744</u>	<u>-</u>	<u>(4,333)</u>
	<u>17,157,646</u>	<u>20,403,778</u>	<u>292,478</u>	<u>906,568</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008: 26%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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8. Income tax expense

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Current income tax:				
Malaysian income tax	4,314,522	283,196	192,124	-
Foreign tax	1,300,846	1,276,953	-	-
Underprovision in prior year:				
Malaysian income tax	455,971	430,502	100,354	910,901
Foreign tax	13,911	9,383	-	-
	<u>6,085,250</u>	<u>2,000,034</u>	<u>292,478</u>	<u>910,901</u>
Deferred tax (Note 28):				
Relating to origination and reversal of temporary differences	10,126,285	20,312,147	-	(4,167)
Relating to change in tax rates	(21,437)	(1,699,162)	-	(166)
Under/(over) provision in prior year	967,548	(209,241)	-	-
	<u>11,072,396</u>	<u>18,403,744</u>	<u>-</u>	<u>(4,333)</u>
	<u>17,157,646</u>	<u>20,403,778</u>	<u>292,478</u>	<u>906,568</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008: 26%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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8. Income tax expense (cont'd.)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Profit before tax	112,524,398	100,711,492	1,929,525	6,276,675
Taxation at Malaysian statutory tax rate of 25% (2008: 26%)	28,131,100	26,184,988	482,381	1,631,936
Effect of income subject to tax rate of 20%	(25,000)	(30,000)	-	-
Different tax rates in other countries	(777,231)	(750,405)	-	-
Different tax rates in other jurisdiction	(7,097,109)	-	-	-
Effect of income not subject to tax	(11,793)	(3,625,501)	(428,312)	(2,342,015)
Effect of share of results of jointly controlled entities and associates	(6,623,691)	-	-	-
Effect of expenses not deductible for tax purposes	2,145,377	720,734	138,055	519,550
Effect of change in tax rates on opening balance of deferred tax	(21,437)	(2,511,116)	-	(166)
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	-	193,817	-	186,362
Underprovision of income tax in prior year	469,882	430,502	100,354	910,901
Under/(over) provision of deferred tax in prior year	967,548	(209,241)	-	-
Income tax expense for the year	17,157,646	20,403,778	292,478	906,568

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9. Earnings per share

(a) Basic

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

	2009	2008
	RM	RM
Profit attributable to ordinary equity holders of the Company	91,279,940	78,237,395
Weighted average number of ordinary shares in issue	<u>497,446,671</u>	<u>488,602,183</u>
Basic earnings per share (Sen)	<u>18.3</u>	<u>16.0</u>

(b) Diluted

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares, i.e. share options granted to employees.

	2009	2008
	RM	RM
Profit attributable to ordinary equity holders of the Company	91,279,940	78,237,395
Weighted average number of ordinary shares in issue	497,446,671	488,602,183
Effects of dilution from share options granted to employees	<u>21,584,549</u>	<u>28,704,832</u>
Adjusted weighted average number of ordinary shares in issue and issuable	<u>519,031,220</u>	<u>517,307,015</u>
Diluted earnings per share (Sen)	<u>17.6</u>	<u>15.1</u>

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10. Dividends

	Dividends in respect of year		Dividends recognised in year	
	2009	2008	2009	2008
	RM	RM	RM	RM
Recognised during the year:				
First and final dividend of 0.50 sen less 25% taxation, on 500,127,273 ordinary shares	-	1,875,480	1,875,480	-
First and final dividend of 0.50 sen less 26% taxation, on 492,427,626 ordinary shares	-	-	-	1,821,982

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2009, of 0.75% less 25% taxation (0.56 sen net per ordinary share) on 506,987,098 ordinary shares, amounting to a dividend payable of RM2,851,802 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2010.

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11. Property, vessels and equipment

Group	Leasehold Building RM	Vessels RM	Drydocking RM	Diving Equipment, Equipment on Vessel RM	Motor Vehicles RM	Computers, Office Equipment, Furniture and Fittings RM	Renovations RM	Assets under Construction RM	Total RM
31 December 2009									
Cost									
At 1 January 2009	3,538,600	592,131,642	18,177,509	35,164,258	4,251,950	4,040,600	3,085,382	242,090,144	902,480,085
Additions	10,512,937	-	2,913,752	6,924,840	151,497	1,587,318	812,234	89,394,507	112,297,085
Reclassification	471,310	119,083,394	-	-	-	-	-	(119,554,704)	-
Disposals	-	-	-	-	(275,899)	-	(139,039)	-	(414,938)
Transfer to associates	-	(119,083,394)	-	-	-	-	-	-	(119,083,394)
Written off	-	-	(5,759,644)	-	(86,644)	-	-	-	(5,846,288)
Exchange differences	41,646	-	-	76,530	-	46,669	9,236	131	174,212
At 31 December 2009	14,564,493	592,131,642	15,331,617	42,165,628	4,040,904	5,674,587	3,767,813	211,930,078	889,606,762
Accumulated depreciation									
At 1 January 2009	242,221	63,970,052	9,613,282	6,825,038	2,303,349	1,236,260	590,708	-	84,780,910
Charge for the year	245,301	21,342,416	392,800	8,167,443	765,187	667,972	299,422	-	31,880,541
Disposals	-	-	-	-	(275,899)	-	(139,039)	-	(414,938)
Written off	-	-	(5,396,381)	-	(20,211)	-	-	-	(5,416,592)
Exchange differences	651	-	-	13,861	-	95	(1,165)	-	13,442
At 31 December 2009	488,173	85,312,468	4,609,701	15,006,342	2,772,426	1,904,327	749,926	-	110,843,363
Net carrying amount									
At 31 December 2009	14,076,320	506,819,174	10,721,916	27,159,286	1,268,478	3,770,260	3,017,887	211,930,078	778,763,399

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11. Property, vessels and equipment (cont'd.)

Group (cont'd.)	Leasehold Building RM	Vessels RM	Drydocking RM	Diving Equipment, Equipment on Vessel RM	Motor Vehicles RM	Computers, Office Equipment, Furniture and Fittings RM	Renovations RM	Assets under Construction RM	Total RM
31 December 2008									
Cost									
At 1 January 2008	2,410,000	462,632,938	11,168,181	17,658,713	2,627,519	1,537,062	2,338,485	169,661,936	670,034,834
Acquisition of a subsidiary (Note 13(a))	-	-	-	-	174,227	164,756	62,169	-	401,152
Additions	1,128,600	-	7,009,328	4,218,105	1,450,204	2,348,844	682,687	260,444,604	277,282,372
Reclassification	-	174,728,956	-	13,287,440	-	-	-	(188,016,396)	-
Disposals	-	-	-	-	-	(28,934)	-	-	(28,934)
Transfer to an associated company	-	(45,230,252)	-	-	-	-	-	-	(45,230,252)
Exchange differences	-	-	-	-	-	18,872	2,041	-	20,913
At 31 December 2008	<u>3,538,600</u>	<u>592,131,642</u>	<u>18,177,509</u>	<u>35,164,258</u>	<u>4,251,950</u>	<u>4,040,600</u>	<u>3,085,382</u>	<u>242,090,144</u>	<u>902,480,085</u>
Accumulated depreciation									
At 1 January 2008	158,753	44,705,126	6,139,664	3,982,518	1,374,043	705,015	329,390	-	57,394,509
Acquisition of a subsidiary (Note 13(a))	-	-	-	-	108,603	59,597	8,270	-	176,470
Charge for the year	83,468	19,264,926	3,473,618	2,842,520	820,703	469,123	251,654	-	27,206,012
Disposals	-	-	-	-	-	(1,306)	-	-	(1,306)
Exchange differences	-	-	-	-	-	3,831	1,394	-	5,225
At 31 December 2008	<u>242,221</u>	<u>63,970,052</u>	<u>9,613,282</u>	<u>6,825,038</u>	<u>2,303,349</u>	<u>1,236,260</u>	<u>590,708</u>	<u>-</u>	<u>84,780,910</u>
Net carrying amount									
At 31 December 2008	<u>3,296,379</u>	<u>528,161,590</u>	<u>8,564,227</u>	<u>28,339,220</u>	<u>1,948,601</u>	<u>2,804,340</u>	<u>2,494,674</u>	<u>242,090,144</u>	<u>817,699,175</u>

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11. Property, vessels and equipment (cont'd.)

Company	Motor vehicles RM	Total RM
31 December 2009		
Cost		
At 1 January/31 December	277,926	277,926
Accumulated depreciation		
At 1 January 2009	129,698	129,698
Charge for the year	55,586	55,586
At 31 December 2009	185,284	185,284
Net carrying amount		
At 31 December 2009	92,642	92,642
31 December 2008		
Cost		
At 1 January/31 December	277,926	277,926
Accumulated depreciation		
At 1 January 2008	74,113	74,113
Charge for the year	55,585	55,585
At 31 December 2008	129,698	129,698
Net carrying amount		
At 31 December 2008	148,228	148,228

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11. Property, vessels and equipment (cont'd.)

- (a) Included in the Group's additions for the year are property, vessels and equipment of RM11,127,806 (2008: RM1,450,204) which were acquired by means of hire purchase and finance lease arrangements. Net carrying amounts of property, vessels and equipment held under hire purchase and finance lease arrangements are as follows:

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Motor vehicles	1,268,478	1,948,601	92,642	148,228
Assets under construction	9,793,519	-	-	-

Details of the terms and conditions of the hire purchase and finance lease arrangements are disclosed in Note 28.

- (b) The net carrying amounts of property, vessels and equipment of the Group which are pledged as securities for borrowings as disclosed in Note 27 are as follows:

	Group	
	2009	2008
	RM	RM
Leasehold buildings	14,076,320	2,170,914
Vessels	506,819,174	528,161,590
	<u>520,895,494</u>	<u>530,332,504</u>

- (c) The strata titles for the leasehold buildings with a net carrying amount of RM2,097,260 (2008:RM2,170,914) have not been issued by the relevant authorities.
- (d) As disclosed in Note 6, interest expense capitalised in relation to vessels under construction during the financial year, for the Group amounted to RM6,126,595 (2008: RM10,660,951).

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12. Prepaid land lease payments

Group	RM
Cost	
At 1 January 2008/31 December 2008/1 January 2009	-
Additions	10,062,360
At 31 December 2009	<u>10,062,360</u>
Accumulated amortisation	
At 1 January 2008/31 December 2008/1 January 2009	-
Charge for the year (Note 7)	9,997
At 31 December 2009	<u>9,997</u>
Net carrying amount	
At 31 December 2009	<u>10,052,363</u>
At 31 December 2008	<u>-</u>
Analysed as:	
Long term leasehold land	4,975,412
Short term leasehold land	5,076,951
	<u>10,052,363</u>

The title for the leasehold land has not been issued by the relevant authorities.

13. Intangible assets

Group	Goodwill on consolidation RM	Development costs RM	Total RM
Cost			
At 1 January 2009	1,406,411	603,475	2,009,886
Exchange differences	15,852	7,825	23,677
At 31 December 2009	<u>1,422,263</u>	<u>611,300</u>	<u>2,033,563</u>
At 1 January 2008	1,166,620	-	1,166,620
Acquisition of a subsidiary (Note 14(a))	183,878	-	183,878
Internal development during the year	-	603,475	603,475
Exchange differences	55,913	-	55,913
At 31 December 2008	<u>1,406,411</u>	<u>603,475</u>	<u>2,009,886</u>

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13. Intangible assets (cont'd.)

Group	Goodwill on consolidation RM	Development costs RM	Total RM
Accumulated amortisation and impairment			
At 1 January 2009	-	60,348	60,348
Charge for the year	-	122,260	122,260
Exchange differences	-	782	782
At 31 December 2009	<u>-</u>	<u>183,390</u>	<u>183,390</u>
At 1 January 2008	-	-	-
Charge for the year	-	60,348	60,348
At 31 December 2008	<u>-</u>	<u>60,348</u>	<u>60,348</u>
Net carrying amount			
At 31 December 2009	<u>1,422,263</u>	<u>427,910</u>	<u>1,850,173</u>
At 31 December 2008	<u>1,406,411</u>	<u>543,127</u>	<u>1,949,538</u>

(a) Impairment tests for goodwill

Allocation of goodwill

Goodwill has been allocated to the Group's Cash-Generating Unit ("CGU") identified according to business segment as follows:

	Underwater services RM	Offshore support vessels and services RM	Total RM
At 31 December 2009	<u>1,238,385</u>	<u>183,878</u>	<u>1,422,263</u>
At 31 December 2008	<u>1,222,533</u>	<u>183,878</u>	<u>1,406,411</u>

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13. Intangible assets (cont'd.)

Key assumptions used in value-in-use calculations

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a five-year period.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average margins achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

(ii) Discount rate

The discount rates used are pre-tax and reflect specific risks relating to the relevant segment.

(iii) Bond rate

The bond rates used are the yield on 5-year Singaporean government bond rates at the beginning of the budgeted year.

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14. Investments in subsidiaries

	Company	
	2009	2008
	RM	RM
Unquoted shares, at cost	100,302,070	100,302,070

Details of subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Principal Activities	Group's Effective Interest	
			2009	2008
			%	%
(i) Held by the Company:				
Alam Maritim (M) Sdn. Bhd. ("AMSB")	Malaysia	Ship owning, chartering and managing and other shipping related activities	100	100
Alam Maritim (L) Inc. ("AMLI")	Federal Territory of Labuan, Malaysia	Investment holding and ship owning	100	100
(ii) Held through AMSB:				
Alam Hidro (M) Sdn. Bhd. ("AHSB")	Malaysia	Offshore facilities construction and installation and underwater services	70	70
Alam Offshore Services & Logistics Sdn. Bhd. ("AOLSB")	Malaysia	Transportation, ship forwarding and agent, ship chandeling and other related activities	100	100
KJ Waja Engineering Sdn. Bhd. ("KJWE")	Malaysia	Ship repair & maintenance, ship spare supply and other related services	84	51

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14. Investments in subsidiaries (cont'd.)

Name of Subsidiaries	Country of Incorporation	Principal Activities	Group's Effective Interest	
			2009 %	2008 %
(ii) Held through AMSB (cont'd.):				
KJ Waja Services Sdn. Bhd. ("KJWS")	Malaysia	Ship spare supply and other related services	84 **	51
Alam Food Industries (M) Sdn. Bhd. ("AFI")	Malaysia	Catering & messing services	100	100
(iii) Held through AMLI:				
Eastar Offshore Pte. Ltd. ("EASTAR") *	Singapore	Designing, manufacturing and operating of remotely operated vehicles ("ROVs")	60	60
Alam Subsea Pte. Ltd. ("ASPL") *	Singapore	Rental of ROV and providing ROV Services	100	100

* Audited by firms other than Ernst & Young

** On 20 March 2009, KJWE increased its issued and paid-up share capital from RM500,000 to RM1,500,000. Pursuant to the increase in share capital, the Group via AMSB subscribed for an additional 1,000,000 ordinary shares of RM1.00 each in KJWE, resulting in an increase of AMSB's equity interest from 51 to 84 percent.

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14. Investments in subsidiaries (cont'd.)

(a) Acquisition of subsidiary - 31 December 2008

On 16 January 2008, the Company through its 100% wholly-owned subsidiary, AMSB had acquired 51% equity interest in KJWE, a company incorporated in Malaysia.

The acquired subsidiary has contributed the following results to the Group:

	2008 RM
Revenue	3,322,833
Profit for the year	<u>102,198</u>

The assets and liabilities arising from the acquisition are as follow:

	Fair value recognised on acquisition RM
Property and equipment (Note 11)	224,681
Deferred tax assets (Note 29)	5,550
Trade and other receivables	647,692
Cash and bank balances	<u>26,075</u>
	<u>903,998</u>
Trade and other payables	(382,332)
Borrowings	(90,025)
Provision for taxation	<u>(42,187)</u>
	<u>(514,544)</u>
Fair value of net assets	389,454
Less: Minority interests	(190,832)
Group's share of net assets	198,622
Goodwill arising on acquisition	<u>183,878</u>
Purchase consideration satisfied by cash	<u>382,500</u>

There were no other cash flow implications on the acquisition except for the cash and cash equivalents of subsidiary acquired totalling to RM356,425.

Subsequently, on 1 April 2008, KJWE increased its issued and paid-up share capital from RM300,000 to RM500,000. Pursuant to the increase in share capital, the Company through its 100% wholly-owned subsidiary, AMSB subscribed for an additional 102,000 ordinary shares of RM1.00 each in KJWE.

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15. Investments in associates

	Group	
	2009	2008
	RM	RM
Unquoted shares, at cost	24,894,933	24,894,933
Share of post-acquisition reserves	2,707,572	(422,837)
Share of unrealised profits on vessel disposed to associates	(5,376,558)	(2,804,147)
	<u>22,225,947</u>	<u>21,667,949</u>

Details of the associates are as follows:

Name of associate	Country of incorporation	Principal activities	Group's effective interest	
			2009	2008
			%	%
(i) Held through AMLI				
Alam-PE Holdings (L) Inc. ("ALAM-PE(H)")	Malaysia	Ship management and operation, ship owning, ship maintenance and marine consultancy	49	49
Subsidiaries of ALAM-PE(H):				
Alam-PE I (L) Inc ("ALAM-PE I")	Malaysia	Ship owning, operating and chartering	49	49
Alam-PE II (L) Inc ("ALAM-PE II")	Malaysia	Ship owning, operating and chartering	49	49
Alam-PE III (L) Inc ("ALAM-PE III")	Malaysia	Ship owning, operating and chartering	49	49
Alam-PE IV (L) Inc ("ALAM-PE IV")	Malaysia	Ship owning, operating and chartering	49	49
Alam-PE V (L) Inc ("ALAM-PE V")	Malaysia	Ship owning, operating and chartering	49	49
Alam-PE Services Incorporated ("ALAM-PE SVS")	Malaysia	Ship management	49	49

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15. Investments in associates (cont'd.)

The summarised financial information of the associates are as follows:

	2009	2008
	RM	RM
Assets and liabilities		
Current assets	53,458,237	147,092
Non-current assets	88,738,576	51,333,819
Total assets	<u>142,196,813</u>	<u>51,480,911</u>
Current liabilities	33,123,896	10,084,710
Non-current liabilities	83,733,192	42,258,800
Total liabilities	<u>116,857,088</u>	<u>52,343,510</u>
Results		
Revenue	10,975,906	326,666
Profit/(loss) for the year	<u>3,130,409</u>	<u>(862,934)</u>

16. Investment in jointly controlled entities

	Group	
	2009	2008
	RM	RM
Unquoted shares, at cost	14,066,252	14,065,900
Share of post-acquisition reserves	31,534,462	11,481,837
	<u>45,600,714</u>	<u>25,547,737</u>

Details of the jointly controlled entities are as follows:

Name of jointly controlled entities	Country of incorporation	Principal activities	Proportion of Ownership Interest	
			2009	2008
			%	%
(i) Held through AMSB:				
Alam Eksplorasi (M) Sdn. Bhd. ("AESB")	Malaysia	Ship owning, operating and chartering	60	60

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16. Investment in jointly controlled entities (cont'd.)

Name of jointly controlled entities	Country of incorporation	Principal activities	Proportion of Ownership Interest	
			2009 %	2008 %
(i) Held through AMSB:				
Alam Synergy I (L) Inc. ("AS I")	Federal Territory of Labuan, Malaysia	Ship owning, operating and chartering	60	60
Alam Synergy II (L) Inc. ("AS II")	Federal Territory of Labuan, Malaysia	Ship owning, operating and chartering	60	60
Alam Synergy III (L) Inc. ("AS III")	Federal Territory of Labuan, Malaysia	Ship owning, operating and chartering	60	60
(ii) Held through AMLI:				
Workboat International FZCO ("WBI")	United Arab Emirates	Ship management and operation, ship owning, ship maintenance and marine consultancy	60	60
Alam Brompton (L) Inc. ("ABLI")	Federal Territory of Labuan, Malaysia	Ship management and operation, ship owning, ship maintenance and marine consultancy	51	51
Alam Fast Boats (L) Inc. ("AFBLI")	Federal Territory of Labuan, Malaysia	Ship owning, operating and chartering	50	-
Alam Swiber DLB 1 (L) Inc. ("ASDLB1")	Federal Territory of Labuan, Malaysia	Ship owning, operating and chartering	50	-

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16. Investment in jointly controlled entities (cont'd.)

The Group's aggregate share of the income, expenses, assets and liabilities of the jointly controlled entities are as follows:

	2009 RM	2008 RM
Assets and liabilities		
Current assets	54,396,561	16,986,065
Non-current assets	124,559,709	96,473,738
Total assets	<u>178,956,270</u>	<u>113,459,803</u>
Current liabilities	68,923,596	20,014,046
Non-current liabilities	64,326,459	67,898,020
Total liabilities	<u>133,250,055</u>	<u>87,912,066</u>
Results		
Revenue	111,221,819	32,585,025
Expenses, including finance costs and taxation	<u>(93,941,021)</u>	<u>(27,673,247)</u>

17. Amount due from subsidiaries

Amount due from subsidiaries are non-trade in nature, unsecured and repayable on demand except for an amount of RM28,955,591 (2008: RM24,670,786) which bears interest rate between 4.58% per annum and 5.63% per annum (2008: between 3.75% per annum and 5.63% per annum).

Further details on related party transactions are disclosed in Note 35.

18. Inventories

	Group	
	2009 RM	2008 RM
Cost		
Raw materials	1,474,658	2,169,117
Work-in-progress	21,639,822	17,800,774
Spare parts	248,435	15,318
	<u>23,362,915</u>	<u>19,985,209</u>

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19. Trade receivables

	Group	
	2009	2008
	RM	RM
Third parties	121,853,110	167,577,337
Accrued charter hire income	22,522,558	29,644,907
Construction contracts:		
Due from customers on contract (Note 20)	16,454,046	3,467,500
	<u>160,829,714</u>	<u>200,689,744</u>
Less: Provision for doubtful debts	(10,140,295)	(1,104,762)
Trade receivables, net	<u>150,689,419</u>	<u>199,584,982</u>

The Group's normal trade credit term ranges from 30 to 90 days (2008: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

62.7% (2008: 50.5%) of trade receivables are due from five customers. Other than these, the Group has no significant concentration of credit risk.

Other information on financial risks of trade receivables are disclosed in Note 37.

20. Due from customers on contract

	Group	
	2009	2008
	RM	RM
Construction contract costs incurred to date	99,080,213	26,685,028
(Foreseeable losses)/attributable profit	(7,749,337)	(11,340,698)
	<u>91,330,876</u>	<u>15,344,330</u>
Less: Progress billings	(74,876,830)	(11,876,830)
	<u>16,454,046</u>	<u>3,467,500</u>

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21. Other receivables

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Amount due from related parties:				
- Jointly controlled entities	84,301,702	21,782,736	-	-
- Associates	10,057,659	5,900,267	-	-
	94,359,361	27,683,003	-	-
Deposits	12,825,013	3,590,830	-	-
Prepayments	4,115,102	4,044,839	-	-
Sundry receivables	4,479,117	11,480,860	-	-
	115,778,593	46,799,532	-	-
Less: Provision for doubtful debts	(231,367)	(231,367)	-	-
Receivables, net	115,547,226	46,568,165	-	-

Other details on financial risks of other receivables are disclosed in Note 37.

22. Cash and cash equivalents

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Cash on hand and at banks	183,517,730	110,097,775	70,501,774	56,364,909
Deposits with licensed banks	19,622,501	11,490,881	6,500,000	-
Cash and bank balances	203,140,231	121,588,656	77,001,774	56,364,909
Bank overdrafts (Note 27)	(1,876,192)	(4,349,127)	-	-
Amounts set aside as sinking fund	(6,000,000)	(5,050,531)	-	-
Amounts set aside as margin deposits for bank guarantee facilities	(8,056,935)	(6,364,141)	-	-
Total cash and cash equivalents	187,207,104	105,824,857	77,001,774	56,364,909

The weighted average effective interest rate per annum and the remaining maturity of deposits of the Group as at 31 December 2009 are 1.90% (2008: 3.80%) and 1,280 days (2008: 1,825 days) respectively.

Other information on financial risks of cash and cash equivalents are disclosed in Note 37.

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23. Employee benefits

Employee share options scheme ("ESOS")

The AMRB Employee Share Options Scheme ("ESOS") is governed by the bye-laws approved by the shareholders at an Extraordinary General Meeting held on 5 June 2006. The ESOS was implemented on 20 July 2006 and is to be in force for a period of 5 years from the date of implementation.

- (a) The number of shares comprised in the options to be offered under the ESOS shall not exceed 15% of the issued and paid-up share capital of the Company at any point of time. Upon completion of the Initial Public Offering ("IPO") on 20 July 2006, the total number of new shares to be issued pursuant to the ESOS is 24,350,412.
- (b) When options are granted before the Company is listed on Bursa Malaysia Securities ("Initial Grant"), the exercise price shall be on a step-up basis starting with a price equivalent to the IPO price of RM1.65 and shall increase on the third year and fifth year commencing from the date of acceptance of the options as follows:

	← Exercise period →				
	Year 1	Year 2	Year 3	Year 4	Year 5
Exercise price	RM1.65	RM1.65	RM1.82	RM1.82	RM2.00

- (c) Where the options are granted on or after the Company is listed on Bursa Malaysia Securities ("Subsequent Grant"), the exercise price shall be at the higher of the following:
- (i) the weighted average market price of the shares for the five market days immediately preceding the date at which options are granted subject to a discount of up to 10%; or
- (ii) the par value of the shares.
- (d) All eligible directors and employees will only be allowed to exercise the options subject to the following limits:

	← Exercise period →				
	Year 1	Year 2	Year 3	Year 4	Year 5
Maximum percentage of options exercisable	5%	10%	20%	30%	35%

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23. Employee benefits (cont'd.)

Employee share options scheme ("ESOS") (cont'd.)

- (e) The new shares to be allotted upon any exercise of any option granted shall rank pari passu in all respects with the existing shares provided always that the new shares so allotted will not be entitled to any dividends, rights, allotments and/or any distributions declared, made or paid to shareholders which record date thereof precedes the date of allotment of the new shares and shall be subject to all provisions of the Articles of the Company.
- (f) In the event of any alteration in the capital structure of the Company, whether by way of issue of new shares credited as fully paid up from capitalisation of profit or reserve, capitalisation issues, rights issues, reduction, subdivision or consolidation of capital or any other variation of capital:
- (i) the Exercise Price; and/or
- (ii) the number of new shares comprised in the Option so far as unexercised;
- shall be adjusted accordingly.

The following table illustrates the number and movements in share option during the year:

	←	Number of share options		→	
	Outstanding at 1 January	Movements during the year		Outstanding at 31 December	Exercisable at 31 December
		Granted	Exercised		
2009					
2009 Options	-	1,250,000	(12,000)	1,238,000	363,000
2008 Options	2,296,000	-	-	2,296,000	1,470,000
2007 Options	2,828,388	-	(474,137)	2,354,251	1,107,813
2006 Options	45,736,976	-	(13,654,975)	32,082,001	10,596,595
2008					
2008 Options	-	2,360,000	(64,000)	2,296,000	1,477,000
2007 Options	3,280,563	-	(452,175)	2,828,388	513,575
2006 Options	52,777,775	-	(7,040,799)	45,736,976	5,835,508

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23. Employee benefits (cont'd.)

Employee share options scheme ("ESOS") (cont'd.)

(i) Details of share options outstanding at the end of the year:

	Weighted average exercise price	Exercise period
	RM	
2009		
2006 Options	0.66	20.07.2006 - 19.07.2011
2007 Options	1.47	20.07.2007 - 19.07.2011
2008 Options	1.79	20.07.2008 - 19.07.2011
2009 Options	1.27	20.07.2009 - 19.07.2011
2008		
2006 Options	0.66	20.07.2006 - 19.07.2011
2007 Options	1.47	20.07.2007 - 19.07.2011
2008 Options	1.79	20.07.2008 - 19.07.2011

(ii) Share options exercised during the financial year

As disclosed in Note 24, options exercised during the financial year resulted in the issuance of 14,141,112 (2008: 7,556,974) ordinary shares at the exercise price between RM0.60 and RM1.59 (2008: RM0.60 and RM1.53) each. The related weighted average share price at the date of exercise was RM1.37 (2008: RM1.76).

(iii) Fair value of share options granted during the year

The fair value of share options granted during the financial year was estimated internally using a Black Scholes Option Valuation model, taking into account the terms and conditions upon which the options were granted. The fair value of the share options measured at grant date and the assumptions are as follows:

	Options granted	
	on 20.6.2009	on 19.7.2008
Fair value of share options at the grant date	0.19	0.56
Weighted average share price (RM)	1.37	1.76
Exercise price (RM)	1.27	1.79
Expected volatility (%)	23.53	58.13
Expected life (years)	1.50	2.50
Risk free rate (%)	2.85	3.83
Expected dividend yield (%)	0.37	3.75

The expected life of the options is based on historical data and not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of the fair value.

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24. Share capital and share premium

	Number of ordinary shares		Amount	
	Share capital (issued and fully paid)	Share capital (issued and fully paid) RM	Share premium RM	Total RM
Ordinary shares of RM0.25 each:				
At 1 January 2008	485,289,012	121,322,253	63,032,747	184,355,000
Pursuant to ESOS (Note 23)	7,556,974	1,889,244	5,656,280	7,545,524
At 31 December 2008	<u>492,845,986</u>	<u>123,211,497</u>	<u>68,689,027</u>	<u>191,900,524</u>
Ordinary shares of RM0.25 each:				
At 1 January 2009	492,845,986	123,211,497	68,689,027	191,900,524
Pursuant to ESOS (Note 23)	14,141,112	3,535,278	9,781,911	13,317,189
At 31 December 2009	<u>506,987,098</u>	<u>126,746,775</u>	<u>78,470,938</u>	<u>205,217,713</u>
	Number of ordinary shares		Amount	
	2009	2008	2009	2008
			RM	RM
Authorised share capital				
Ordinary shares of RM0.25 each:				
At 1 January/ 31 December	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

During the financial year, the Company issued 14,141,112 (2008: 7,556,974) ordinary shares of RM0.25 each for cash pursuant to the Company's Employee Share Options Scheme at the exercise price ranging from RM0.60 to RM1.59 (2008: RM0.60 to RM1.53) per ordinary share.

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25. Other reserves

	Share option reserve RM	Foreign currency translation reserve RM	Total RM
Group			
At 1 January 2008	6,181,144	(1,504)	6,179,640
Foreign currency translation	-	72,361	72,361
Share options granted under ESOS:			
Recognised in income statement	3,809,165	-	3,809,165
Exercised during the year	(2,092,663)	-	(2,092,663)
At 31 December 2008	<u>7,897,646</u>	<u>70,857</u>	<u>7,968,503</u>
At 1 January 2009	7,897,646	70,857	7,968,503
Foreign currency translation		101,550	101,550
Share options granted under ESOS:			
Recognised in income statement	2,302,148	-	2,302,148
Exercised during the year	(3,586,668)	-	(3,586,668)
At 31 December 2009	<u>6,613,126</u>	<u>172,407</u>	<u>6,785,533</u>
Company			
At 1 January 2008	6,181,144	-	6,181,144
Share options granted under ESOS:			
Recognised in income statement	3,809,165	-	3,809,165
Exercised during the year	(2,092,663)	-	(2,092,663)
At 31 December 2008	<u>7,897,646</u>	<u>-</u>	<u>7,897,646</u>
At 1 January 2009	7,897,646	-	7,897,646
Share options granted under ESOS:			
Recognised in income statement	2,302,148	-	2,302,148
Exercised during the year	(3,586,668)	-	(3,586,668)
At 31 December 2009	<u>6,613,126</u>	<u>-</u>	<u>6,613,126</u>

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25. Other reserves (cont'd.)

The nature and purpose of each category are as follows:

(a) Share option reserve

The share option reserve represents the equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on grant of share options.

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currency are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

26. Retained profits

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance as at 31 December 2008 and 2007 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 December 2009, the Company has sufficient credit in the 108 balance to pay franked dividends amounting to RM3,495,983 (2008: RM5,138,686) out of its retained earnings. If the balance of the retained earnings of RM4,796,919 (2008: RM3,392,649) were to be distributed as dividends, the Company may distribute such dividends under the single tier system.

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27. Borrowings

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Short term borrowings				
Secured:				
Bank overdrafts (Note 22)	1,876,192	4,349,127	-	-
Term loans	2,717,547	948,435	-	-
MCP/MMTN	96,763,123	96,470,219	96,763,123	96,470,219
Sukuk Ijarah MTN	30,000,000	20,000,000	30,000,000	20,000,000
Hire purchase and finance lease liabilities (Note 28)	772,293	324,121	26,763	25,238
	<u>132,129,155</u>	<u>122,091,902</u>	<u>126,789,886</u>	<u>116,495,457</u>
Unsecured:				
Revolving credits	25,000,000	25,000,000	-	-
	<u>157,129,155</u>	<u>147,091,902</u>	<u>126,789,886</u>	<u>116,495,457</u>
Long term borrowings				
Secured:				
Term loans	29,089,387	10,685,677	-	-
Sukuk Ijarah MTN	445,000,000	475,000,000	445,000,000	475,000,000
Hire purchase and finance lease liabilities (Note 28)	12,227,055	2,296,484	145,042	171,804
	<u>486,316,442</u>	<u>487,982,161</u>	<u>445,145,042</u>	<u>475,171,804</u>
Total borrowings				
Bank overdrafts (Note 22)	1,876,192	4,349,127	-	-
Revolving credits	25,000,000	25,000,000	-	-
Term loans	31,806,934	11,634,112	-	-
MCP/MMTN	96,763,123	96,470,219	96,763,123	96,470,219
Sukuk Ijarah MTN	475,000,000	495,000,000	475,000,000	495,000,000
Hire purchase and finance lease liabilities (Note 28)	12,999,348	2,620,605	171,805	197,042
	<u>643,445,597</u>	<u>635,074,063</u>	<u>571,934,928</u>	<u>591,667,261</u>

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27. Borrowings (cont'd.)

Maturity of borrowings (excluding hire purchase and finance lease liabilities):

	Group	
	2009	2008
	RM	RM
Not later than 1 year	156,356,862	146,767,781
Later than 1 year not later than 2 years	82,018,199	32,731,757
Later than 2 years not later than 5 years	162,475,819	205,279,794
Later than 5 years	229,595,369	247,674,126
	<u>630,446,249</u>	<u>632,453,458</u>

The weighted average effective interest rates at the balance sheet date for borrowings, excluding hire purchase and finance lease liabilities of the Group, are as follows:

	Group	
	2009	2008
	%	%
Bank overdrafts	7.05	8.25
Revolving credits	4.34	4.07
Term loans	6.50	5.65
MCP/MMTN	5.02	4.40
Sukuk Ijarah MTN	4.34	4.92

Bank overdrafts:

The secured bank overdrafts of the Group are secured by deposits with licensed banks of the Group as disclosed in Note 22.

Term loans:

The term loans of the Group are secured by the following:

- (a) First legal charge over the vessels and leasehold building of certain subsidiaries as disclosed in Note 11;
- (b) 1st preferred statutory mortgage on vessels of certain subsidiaries;
- (c) Legal assignments of charter proceeds of certain subsidiaries;
- (d) Debentures incorporating fixed and floating asset of certain subsidiaries;
- (e) Corporate guarantees by the Company;
- (f) Assignment of the insurance policy for vessels of certain subsidiaries.

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27. Borrowings (cont'd.)

MCP/MMTN and Sukuk Ijarah MTN Facility

The MCP/MMTN and Sukuk Ijarah MTN are secured by:

- (i) a first legal charge over the designated accounts as defined in the Trust Deed;
- (ii) third party second fixed legal charge over each of the Ijarah Assets/MCP/MMTN and Sukuk Ijarah MTN assets and assignment of all insurance thereon and charter contracts.

The features of the MCP/MMTN and Sukuk Ijarah MTN issued are as follows:

- (i) The MCP/MMTN and Sukuk Ijarah MTN have a maximum principal limit of RM600,000,000.

The MCP/MMTN and Sukuk Ijarah MTN were constituted by a Trust Deed Program Agreement dated 6 July 2007 between the Company and the financial institutions concerned in relation to finance the purchase of beneficial interest in the Ijarah Assets (Syariah Compliant) from subsidiaries.

- (ii) The MCP/MMTN are issued at a discount with yield to maturity ranging from 3.78% to 3.85% per annum. The Sukuk Ijarah MTN are issued with yield to maturity ranging from 4.58% to 5.63% per annum (2008: 4.46% to 5.63% per annum).

The amounts recognised in respect of the MCP/MMTN is analysed as follows:

	Group and Company	
	2009	2008
	RM	RM
MCP/MMTN		
Nominal value	100,000,000	100,000,000
Less: Discount	(4,714,547)	(4,714,547)
Net proceeds from issuance of MCP/MMTN	95,285,453	95,285,453
Amortisation of discount	1,477,670	1,184,766
Total amount included within borrowings	96,763,123	96,470,219

Other information on financial risks of borrowings are disclosed in Note 37.

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28. Hire purchase and finance lease liabilities

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Future minimum lease payments:				
Not later than 1 year	854,915	445,248	34,704	34,704
Later than 1 year and not later than 2 years	1,162,453	445,248	34,704	34,704
Later than 2 years and not later than 5 years	1,129,390	1,154,097	104,112	69,408
Later than 5 years	10,318,998	1,038,775	23,138	92,545
Total future minimum lease payments	13,465,756	3,083,368	196,658	231,361
Less: Future finance charges	(466,408)	(462,763)	(24,853)	(34,319)
Present value of finance lease liabilities (Note 27)	12,999,348	2,620,605	171,805	197,042

Analysis of present value of finance lease liabilities:

Not later than 1 year	710,018	324,121	26,762	25,238
Later than 1 year and not later than 2 years	1,008,220	335,059	28,287	26,762
Later than 2 years and not later than 5 years	989,922	967,759	94,010	58,099
Later than 5 years	10,291,188	993,666	22,746	86,943
	12,999,348	2,620,605	171,805	197,042
Less: Amount due within 12 months (Note 27)	(710,018)	(324,121)	(26,762)	(25,238)
Amount due after 12 months (Note 27)	12,289,330	2,296,484	145,043	171,804

The Group's and the Company's hire purchase and finance lease liabilities bears weighted average effective interest rates of 8.45% (2008: 7.67%) per annum and 7.44% (2008: 8.24%) respectively .

Other information on financial risks of hire purchase and finance lease liabilities are disclosed in Note 37.

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29. Deferred taxation

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
At 1 January	66,396,703	47,998,292	-	4,333
Acquisition of a subsidiary (Note 14(a))	-	(5,550)	-	-
Recognised in income statement (Note 8)	11,109,147	18,403,744	-	(4,333)
Exchange differences	5,271	217	-	-
At 31 December	<u>77,511,121</u>	<u>66,396,703</u>	<u>-</u>	<u>-</u>

Presented after appropriate
offsetting as follows:

Deferred tax liabilities	<u>77,511,121</u>	<u>66,396,703</u>	<u>-</u>	<u>-</u>
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The components and movements prior to offsetting of deferred tax liabilities and assets of the Group and of the Company during the financial year are as follows:

Deferred tax liabilities of the Group:

	Accelerated capital allowances RM
At 1 January 2009	71,610,177
Recognised in income statement	8,901,727
Exchange differences	8,074
At 31 December 2009	<u>80,519,978</u>
At 1 January 2008	54,037,294
Recognised in income statement	17,572,348
Exchange differences	535
At 31 December 2008	<u>71,610,177</u>

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29. Deferred taxation (cont'd.)

Deferred tax assets of the Group:

	Provision for doubtful debts RM	Unutilised tax losses and unabsorbed capital allowances RM	Total RM
At 1 January 2009	(126,042)	(5,087,432)	(5,213,474)
Recognised in income statement	(1,485,414)	3,666,541	2,181,127
Exchange differences	(112)	(2,691)	(2,803)
At 31 December 2009	<u>(1,611,568)</u>	<u>(1,423,582)</u>	<u>(3,035,150)</u>
At 1 January 2008	(2,185,320)	(3,853,682)	(6,039,002)
Acquisition of a subsidiary (Note 14(a))	-	(5,550)	(5,550)
Recognised in income statement	2,059,278	(1,227,882)	831,396
Exchange differences	-	(318)	(318)
At 31 December 2008	<u>(126,042)</u>	<u>(5,087,432)</u>	<u>(5,213,474)</u>

Deferred tax liabilities of the Company:

	Accelerated capital allowances RM
At 1 January 2009	-
Recognised in income statement	-
At 31 December 2009	<u>-</u>
At 1 January 2008	4,333
Recognised in income statement	(4,333)
At 31 December 2008	<u>-</u>

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2009 RM	2008 RM
Unutilised tax losses	<u>78,278</u>	<u>26,643</u>

The unutilised tax losses of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority. Deferred tax assets is not recognised in respect of these losses as they arise in Group companies with a history of losses.

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30. Trade payables

Trade payables of the Group are non-interest bearing and the normal trade credit terms granted to the Group ranges from 30 to 60 days (2008: 30 to 60 days).

31. Other payables

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Amount due to related parties:				
- Jointly controlled entities	18,929,903	12,436,948	-	-
- Associates	54,883,579	76,243,113	-	-
	<u>73,813,482</u>	<u>88,680,061</u>	<u>-</u>	<u>-</u>
Due to vendors of vessels	24,133,830	14,511,000	-	-
Accrued expenses	16,233,538	14,654,180	11,713,192	11,610,330
Deposits from customers	1,445,145	13,204,033	-	-
Sundry payables	1,421,112	3,831,455	5,000	22,110
	<u>117,047,107</u>	<u>134,880,729</u>	<u>11,718,192</u>	<u>11,632,440</u>

Other information on financial risks of other payables are disclosed in Note 37.

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32. Operating lease arrangements

(a) The Group as lessee

The Group has entered into non-cancellable operating lease agreements for the use of office premise. Leases of the premise have an average life of between 1 and 5 years. These leases have renewal but no purchase option included in the contracts. There are no restrictions placed upon the Group by entering into these leases.

The future aggregate lease payments under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as liabilities are as follows:

	2009	2008
	RM	RM
Future rental payments:		
Not later than 1 year	1,939,047	1,757,845
Later than 1 year and not later than 5 years	470,845	44,304
	<u>2,409,892</u>	<u>1,802,149</u>

The lease payments recognised in profit or loss during the financial year are disclosed in Note 7.

(b) The Group as lessor

The Group has entered into non-cancellable operating lease agreements on its vessels. These leases have remaining non-cancellable lease terms of between 0.5 to 13 years. All leases include a clause to enable upward revision of the charter hire charge on an annual basis based on prevailing market conditions.

The future lease payments receivable under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as receivables, are as follows:

	2009	2008
	RM	RM
Not later than 1 year	96,243,398	143,221,102
Later than 1 year and not later than 5 years	155,055,965	213,535,232
Later than 5 years	68,593,138	104,331,564
	<u>319,892,501</u>	<u>461,087,898</u>

Charter hire revenue earned from chartering the Group's vessels are recognised as revenue during the financial year is disclosed in Note 3.

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35. Related party disclosures (cont'd.)

	Note	2009 RM	2008 RM
Associates:			
Vessel management fees from associates		6,265,441	-
Transfer of vessels to associates		124,646,000	45,230,252
Company			
Subsidiaries:			
Dividend income from subsidiaries		1,713,250	9,007,750
ESOS costs charged to subsidiaries		2,210,220	1,911,717

- (i) The charter hire expense and mobilisation fees paid to jointly controlled entities were made according to the published prices and conditions offered by these related parties to their major customers, except that a longer credit period of up to six months is normally granted.
- (ii) The vessel management fees received from jointly controlled entities were made according to the published prices and conditions offered by these related parties to their major customers, except that a longer credit period of up to six months is normally granted.

Information regarding outstanding balances arising from related party transactions as at 31 December 2009 are disclosed in Note 17.

The directors are of the opinion that the transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Short term employee benefits	7,697,513	8,747,618	242,828	4,495,496
Contributions to defined contribution plan - EPF	684,496	600,651	-	217,206
	<u>8,382,009</u>	<u>9,348,269</u>	<u>242,828</u>	<u>4,712,702</u>

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36. Related party disclosures (cont'd.)

(b) Compensation of key management personnel

Included in the total key management personnel compensation are:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Directors' remuneration (Note 5)	3,803,878	4,369,616	233,928	4,352,236

In aggregate, Executive directors of the Group and the Company and other members of key management have been granted number of options under the ESOS as follows:

	Group and Company	
	2009 RM	2008 RM
At 1 January	38,627,275	42,653,637
Granted	450,000	1,340,000
Exercised	(10,714,962)	(5,366,362)
At 31 December	28,362,313	38,627,275

The share options were granted on the same terms and conditions as those offered to other employees of the Group (Note 23).

37. Financial instruments

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks (both fair value and cash flow), foreign currency risk, liquidity risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

(b) Interest rate risk

The Group finances its operations through operating cash flows which are principally denominated in Malaysian Ringgit. The Group's exposure to market risk for changes in the interest rate environment principally relates to its debt obligations. The debt obligations pertaining to the Group's borrowings are disclosed in Note 27. The Group does not hedge interest rate risk but ensures that it had obtained borrowings at competitive interest rates under the most favourable terms and conditions.

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37. Financial instruments (cont'd.)

(c) Foreign currency risk

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the Group. The currencies giving rise to risk are primarily United States Dollars (USD) and Singapore Dollars (SGD). Foreign exchange exposures in transactional currencies other than functional currencies of the Group are kept to an acceptable level.

The Group maintains a natural hedge, whenever possible. This natural hedge reduces significantly the financial impact of movements in the foreign exchange rates.

The net unhedged financial assets and financial liabilities of the Group companies that are not denominated in their functional currencies are as follows:

Functional currencies of Group Companies	Net Financial Assets/(Liabilities) Held in Non-Functional Currencies		
	United States Dollars RM	Singapore Dollars RM	Euro RM
At 31 December 2009			
Ringgit Malaysia	(9,913,288)	(1,443,547)	(160,737)
Singapore Dollars	(1,043,523)	-	-
	<u>(10,956,811)</u>	<u>(1,443,547)</u>	<u>(160,737)</u>
At 31 December 2008			
Ringgit Malaysia	44,652,402	(1,471,119)	(8,797)
Singapore Dollars	(139,162)	-	-
	<u>44,513,240</u>	<u>(1,471,119)</u>	<u>(8,797)</u>

(d) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

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37. Financial instruments (cont'd.)

(e) Credit risk

The Group credit risk is primarily attributable to trade receivables. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

The credit risk of the Group's other financial assets, which comprise of cash and cash equivalents and other receivables arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

(f) Fair value

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximated their fair values except for the following:

Group	2009		2008	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Financial Liabilities				
Term loans (Note 26)	29,089,387	29,943,690	10,685,677	10,402,383
Hire purchase and finance lease liabilities (Note 27)	12,227,055	11,763,334	2,296,484	2,117,972
Company				
Financial liabilities				
Hire purchase and finance lease liabilities (Note 27)	145,043	136,476	171,804	156,698

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37. Financial instruments (cont'd.)

(f) Fair value (cont'd.)

It is not practical to estimate the fair values of the investments in subsidiaries due principally to the lack of quoted market prices and the inability to estimate fair values without incurring excessive costs. It is also not practical to estimate the fair value of amounts due from subsidiaries due principally to a lack of fixed repayment terms entered by the parties involved and without incurring excessive costs.

The carrying amounts of receivables, cash and bank balances and payables for the Group and the Company approximate their fair values due to their short term maturity.

The methods and assumptions used by management to determine fair values of financial instruments other than those whose carrying amounts reasonably approximate their fair value are as follows:

(i) Borrowings and finance lease payable

The fair value of borrowings is determined by discounting the expected future cash flows based on current rates for similar types of borrowing and leasing arrangements.

38. Segmental information

(a) Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(b) Business segments

The Group comprises the following two main business segments:

- Offshore supply vessels and services

Provision of vessels for charter hire, assisting seismic operators in seismic survey related activities, transportation of crew and supplies, towing and mooring of rigs offshore, anchor-handling services and other support, repair and maintenance services for the oil and gas industry.

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38. Segmental information (cont'd.)

(b) Business segments (cont'd.)

- Underwater services

Provision of offshore facilities construction and installation services such as marine construction related services, sub-sea engineering services and offshore pipeline construction related services and designing, manufacturing and operating of remotely operated vehicles ("ROVs").

Other business segments include investment holding and provision of transportation, ship forwarding and agent and ship chandelling to the subsidiaries, none of which are of a sufficient size to be reported separately.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(c) Geographical segments

Segmental reporting by geographical segments has not been prepared as the Group's operations are carried out predominantly in Malaysia.

(d) Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

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36. Segmental information (cont'd.)

	Offshore support vessel and services RM	Underwater services RM	Others RM	Eliminations RM	Total RM
31 December 2009					
Revenue					
Sales to external customers	215,256,189	131,795,575	1,865,368	-	348,917,132
Inter segment sales	7,935,358	15,157,071	1,713,250	(24,805,679)	-
Total revenue	223,191,547	146,952,646	3,578,618	(24,805,679)	348,917,132
Results					
Segment results	103,410,476	22,937,778	(11,578)	(14,432,206)	111,904,470
Finance costs	(24,425,576)	(1,427,464)	(21,797)	-	(25,874,837)
Share of results of associates	3,283,674	-	-	-	3,283,674
Share of results of jointly controlled entities	23,211,091	-	-	-	23,211,091
Profit before tax					112,524,398
Income tax expense					(17,157,646)
Profit for the year					95,366,752
31 December 2009					
Assets					
Segment assets	721,338,964	58,426,440	407,842	8,642,516	788,815,762
Investment in associates	24,894,933	-	-	(2,668,986)	22,225,947
Investment in jointly controlled entities	14,066,252	-	-	31,534,462	45,600,714
Intangible assets	-	427,910	-	1,422,263	1,850,173
Unallocated assets	520,094,321	93,342,864	703,227,408	(820,741,709)	495,922,884
Total assets	1,280,394,470	152,197,214	703,635,250	(781,811,454)	1,354,415,480
Liabilities					
Segment liabilities	103,371,960	11,823,233	445,355,714	3,276,656	563,827,563
Unallocated liabilities	876,929,990	109,192,416	140,057,929	(819,354,657)	306,825,678
Total liabilities	980,301,950	121,015,649	585,413,643	(816,078,001)	870,653,241
Other segment information:					
Capital expenditure	732,770,823	62,094,711	513,856	10,026,285	805,405,674
Depreciation	27,206,527	3,938,904	55,586	679,524	31,880,541
Other significant non-cash expenses:					
Provision for doubtful debts	5,955,676	3,079,857	-	-	9,035,533
Share options granted under ESOS	1,830,053	273,969	-	-	2,302,148

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36. Segmental information (cont'd.)

	Offshore support vessel and services RM	Underwater services RM	Others RM	Eliminations RM	Total RM
31 December 2008					
Revenue					
Sales to external customers	258,987,124	64,934,050	1,419,356	-	325,340,530
Inter segment sales	-	6,058,684	11,213,257	(19,758,258)	(2,486,317)
Total revenue	258,987,124	70,992,734	12,632,613	(19,758,258)	322,854,213
Results					
Segment results	109,383,646	19,849,705	6,377,183	(15,889,426)	119,721,108
Finance costs	(23,369,469)	(104,274)	(24,814)	-	(23,498,557)
Share of results of associates	(422,837)	-	-	-	(422,837)
Share of results of jointly controlled entities	4,911,778	-	-	-	4,911,778
Profit before tax	90,503,118	19,745,431	6,352,369	(15,889,426)	100,711,492
Income tax expense					(20,403,778)
Profit for the year					80,307,714
31 December 2008					
Assets					
Segment assets	773,980,993	31,752,569	1,033,153	10,932,460	817,699,175
Investment in an associate	24,894,933	-	-	(3,226,984)	21,667,949
Investment in jointly controlled entities	14,065,900	-	-	11,481,837	25,547,737
Intangible assets	183,878	599,040	-	1,166,620	1,949,538
Unallocated assets	433,197,702	72,626,552	712,245,732	(827,654,192)	390,415,794
Total assets	1,246,323,406	104,978,161	713,278,885	(807,300,259)	1,257,280,193
Liabilities					
Segment liabilities	53,054,697	2,357,292	495,382,476	3,584,399	554,378,864
Unallocated liabilities	966,113,770	82,682,621	108,878,680	(834,969,431)	322,705,640
Total liabilities	1,019,168,467	85,039,913	604,261,156	(831,385,032)	877,084,504
Other segment information:					
Capital expenditure	797,754,971	33,530,123	203,813	-	831,488,907
Depreciation	24,353,400	2,355,206	497,406	-	27,206,012
Other significant non-cash expenses:					
Provision for doubtful debts	-	426,159	-	-	426,159
Share options granted under ESOS	1,210,117	488,444	2,110,604	-	3,809,165