DAYANG ENTERPRISE HOLDINGS BERHAD ("DAYANG" OR "COMPANY")

(I) PROPOSED ACQUISITION OF 42,965,100 ORDINARY SHARES OF RM0.50 EACH IN PERDANA PETROLEUM BERHAD ("PPB") ("PPB SHARES"), REPRESENTING APPROXIMATELY 5.74% EQUITY INTEREST IN PPB ("SALE SHARES") FROM AFFIN HWANG ASSET MANAGEMENT BERHAD *(FORMERLY KNOWN AS HWANG INVESTMENT MANAGEMENT BERHAD)* ("AHAM") ("VENDOR") FOR A TOTAL CASH CONSIDERATION OF RM66,595,905 OR RM1.55 PER PPB SHARE ("PROPOSED ACQUISITION"); AND

(II) PROPOSED MANDATORY GENERAL OFFER ("MGO") FOR ALL THE REMAINING PPB SHARES NOT ALREADY OWNED BY DAYANG AFTER THE PROPOSED ACQUISITION AND SUCH NUMBER OF NEW PPB SHARES THAT MAY BE ISSUED PURSUANT TO THE EXERCISE OF ANY OUTSTANDING WARRANTS 2010/2015 ISSUED BY PPB ("PPB WARRANTS") PRIOR TO THE CLOSE OF THE PROPOSED MGO FOR A CASH CONSIDERATION OF RM1.55 PER PPB SHARE AND ALL THE REMAINING PPB WARRANTS NOT ALREADY OWNED BY DAYANG FOR A CASH CONSIDERATION OF RM0.84 PER PPB WARRANT ("PROPOSED MGO")

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

1. INTRODUCTION

On behalf of the Board of Directors of Dayang ("**Board**"), Maybank Investment Bank Berhad ("**Maybank IB**") wishes to announce that the Company has on 14 May 2015 entered into a conditional share sale agreement with the Vendor for the Proposed Acquisition ("**SSA**").

Upon completion of the Proposed Acquisition, Dayang's shareholding in PPB will increase from 29.77% to approximately 35.51%. Accordingly, pursuant to Section 218(2) of the Capital Markets & Services Act, 2007 ("**CMSA**") and Section 9(1), Part III of the Malaysian Code on Take-Overs and Mergers, 2010 ("**Code**"), Dayang will be obliged to extend a MGO for the following:

(i) all the remaining PPB Shares not already owned by Dayang after the Proposed Acquisition and such number of new PPB Shares that may be issued pursuant to the exercise of any outstanding PPB Warrants prior to the close of the Proposed MGO ("**Remaining Shares**") for a cash consideration of RM1.55 per PPB Share; and

(ii) all the remaining PPB Warrants not already owned by Dayang ("**Remaining Warrants**") for a cash consideration of RM0.84 per PPB Warrant.

(The Remaining Shares and Remaining Warrants are collectively referred to as the "**Remaining Securities**")

Upon the SSA becoming unconditional, Dayang will serve the notice of the Proposed MGO to the Board of Directors of PPB in accordance with Section 11(8) of the Code ("**Notice**").

2. DETAILS OF THE PROPOSALS

2.1 Details of the Proposed Acquisition

2.1.1 Background information

The Proposed Acquisition entails the acquisition of the Sale Shares from the Vendor for a total cash consideration of RM66,595,905 or RM1.55 per PPB Share to be satisfied entirely in cash.

The Proposed Acquisition is subject to the terms and conditions of the SSA.

2.1.2 Salient terms of the SSA

(a) Conditions precedent

(i) The obligations of the parties that are set out in the SSA are conditional upon the approval of the members of Dayang at an extraordinary general meeting ("**EGM**") to be held for the purchase by Dayang of the Sale Shares in accordance with the terms and conditions of the SSA being obtained within three (3) months from the SSA or a date Dayang and the Vendor may mutually agree upon ("**Cut-Off Date**").

(ii) Dayang shall give notice to the Vendor of the fulfilment of the condition precedent within two (2) business days from the date on which the condition precedent is obtained.

The SSA shall become unconditional on the date when the conditions precedent has been obtained ("**Unconditional Date**").

If on the expiry of the Cut-Off Date, the conditions precedent has not been obtained or fulfilled, then any party shall be entitled to terminate this agreement by giving a notice of termination to that effect to the other party, whereupon the parties shall not have any further rights under this agreement except in respect of:

(i) any obligation under this agreement which is expressed to apply after the termination of this agreement; and

(ii) any rights or obligations which have accrued in respect of any breach of any of the provisions of this agreement to either party prior to such termination.

(b) Agreement for sale and purchase of Sale Shares

Agreement for sale and purchase of Sale Shares are subject to and upon the terms and conditions contained in the SSA, the Vendor shall sell, and Dayang shall purchase, the Sale Shares.

The Sale Shares are sold by the Vendor and purchased by Dayang free from or without any representation, warranty, indemnity or undertaking by the Vendor and:

(a) free from all liens, charges and encumbrances and with full legal and beneficial title; and

(b) with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof).

Dayang will not be entitled to any dividends, rights, allotments and/or other distributions declared, made or paid by PPB, in respect of the Sale Shares the entitlement date of which is within three (3) business days after the Unconditional Date or such other date as may be agreed upon between the Vendor and Dayang in writing.

(c) **Purchase consideration**

The sale and purchase consideration for the Sale Shares is RM66,595,905 at RM1.55 per Sale Share, which shall be paid by Dayang to the Vendor or if applicable, to Dayang's licensed stockbroker in the manner as prescribed by the Rules of Bursa Malaysia Depository Sdn Bhd, Rules of Bursa Malaysia Securities Berhad and the Rules of Bursa Malaysia Securities Clearing Sdn Bhd on or before the completion date.

(d) **Completion**

The sale and purchase is deemed completed within three (3) business days after the Unconditional Date or such other date as may be agreed upon between the Vendor and Dayang in writing upon which completion is to take place.

2.1.3 Basis and justification for the purchase consideration

The purchase consideration for the Proposed Acquisition of RM66,595,905 or RM1.55 per PPB Share was arrived at on a willing buyer-willing seller basis after taking into consideration the following:

(i) historical and prevailing market prices of PPB Shares;

(ii) audited net assets ("**NA**") of PPB and its subsidiaries ("**PPB Group**") as at 31 December 2014 of approximately RM654.35 million; and

(iii) audited net profits of the PPB Group for the financial year ended ("**FYE**") 31 December 2014 of approximately RM88.05 million.

The purchase consideration for the Proposed Acquisition of RM66,595,905 or RM1.55 per PPB Share represents the following:-

(i) premium of approximately 6.16%, 10.71% and 24.00% to the 5-day, 1-month and 3-month volume weighted average market price of PPB Shares up to and including 13 May 2015 (being the last full trading day prior to this Announcement) of RM1.46, RM1.40 and RM1.25 respectively;

(ii) price-to-book ratio ("**PBR**") of approximately 1.74 times based on the audited NA of the PPB Group as at 31 December 2014; and

(iii) price-to-earnings ratio ("**PER**") of approximately 12.97 times based on the audited net profits of the PPB Group for the FYE 31 December 2014.

The PPB Group, through its subsidiaries, is principally involved in the provision of offshore marine services for the upstream oil and gas ("**O&G**") industry. There are no companies that are directly comparable to PPB in terms of composition of business, scale of operations, track record, marketability and liquidity of the shares, future prospect, risk profile and other criteria. However, for illustrative purposes only, the following companies listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**") which has similar core business as PPB and with a market capitalisation of between RM500 million to RM1.0 billion as at 13 May 2015 (being the last full trading day prior to this Announcement), have been selected by the management of Dayang as comparable companies to PPB ("**Selected Comparable Companies**"):

Company	**Principal activities**[1]	**FYE**	**Closing price as at 13 May 2015** (RM)	**Market capitalisation**[1] (RM million)	**Earnings per share ("EPS")**[2] (sen)	**NA per share**[2] (RM)	**PER**[3] (times)	**PBR**[4] (times)
Alam Maritim Resources Berhad ("**AMRB**")	AMRB is an investment holding company. Its subsidiaries are principally involved in the provision of offshore services to the O&G exploration and production industry.	31 December 2014	0.685[1]	633.26	7.0	0.90	9.79	0.76
Icon Offshore Berhad ("**Icon**")	Icon is an investment holding company whilst its subsidiaries are principally involved in vessel owning/leasing and provision of vessel chartering and ship management services to O&G and related industries.	31 December 2014	0.59[1]	694.52	7.4	0.92	7.97	0.64
High							9.79	0.76
Low							7.97	0.64
Average							8.88	0.70

Notes:

(1) Extracted from Bloomberg as at 13 May 2015.
(2) Extracted from the latest audited financial statements of the respective companies.
(3) Computed based on the closing price over EPS.
(4) Computed based on the closing price over NA per share.

The PBR of approximately 1.74 times and PER of approximately 12.97 times represented by the purchase consideration for the Proposed Acquisition of RM1.55 per PPB Share are higher than the average PBR and PER of the Selected Comparable Companies of approximately 0.70 times and 8.88 times respectively.

In justifying the purchase consideration for the Proposed Acquisition, Dayang had taken into consideration the following:

(i) the Proposed Acquisition enables Dayang to obtain control of PPB and become a controlling shareholder of PPB after the completion of the Proposed Acquisition and undertake the Proposed MGO which will result in PPB becoming a subsidiary of Dayang in the event the Proposed MGO is successful;

(ii) strategic rationale of the Proposed Acquisition which is to allow Dayang to pursue its expansion strategy and long-term objective of evolving into a market leader in the provision of integrated, hook-up construction and commissioning ("**HUCC**") services within the O&G industry, with opportunities for synergistic benefits arising from enhanced collaboration with the PPB Group; and

(iii) future earnings potential of the PPB Group.

2.2 Details of the Proposed MGO

Upon completion of the Proposed Acquisition, Dayang's shareholding in PPB will increase from 29.77% to approximately 35.51%. Accordingly, in accordance with Section 218(2) of the CMSA and Section 9(1), Part III of the Code, Dayang will be obliged to extend a MGO for all the Remaining Securities for a cash consideration of RM1.55 per PPB Share, which is the same as the price per PPB Share under the Proposed Acquisition, and RM0.84 per PPB Warrant. The Proposed MGO will be conditional upon Dayang having received acceptances which would result in Dayang holding in aggregate more than 50% equity interest in PPB ("**Acceptance Condition**").

The PPB Shares and PPB Warrants to be acquired pursuant to acceptances under the Proposed MGO shall be transferred free from all moratoriums, claims, charges, liens, pledges, options, rights of pre-emption, third party rights and other security interests and/or encumbrances and/or equities whatsoever from the date of valid acceptance and with all the rights, benefits and entitlements attached thereto from the date of the document outlining the terms and conditions of the Proposed MGO including the right to all dividends and/or distributions declared, made or paid on or after the date of the Notice, subject to adjustment to the consideration under the Proposed MGO in the event PPB declares, makes or pays any dividend and/or other distributions on or after the date of the Notice but prior to the close of the Proposed MGO and the holder of the Remaining Shares is entitled to retain such dividend and/or distributions where the consideration for each Remaining Share shall be reduced by the quantum of the net dividend and/or distribution per PPB Share which such holder is entitled to.

It is the intention of Dayang to maintain the listing status of PPB subsequent to the Proposed MGO. Accordingly, in the event Dayang receives acceptances which result in the public shareholding spread of PPB not being in compliance with Paragraph 8.02(1) of the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**") the Board will explore commercially viable proposals, including placement of PPB Shares, to rectify the non-compliance with the public shareholding spread.

2.3 Additional acquisitions via open market transactions and/or private treaty

In addition to the PPB Shares to be acquired pursuant to the Proposed Acquisition, Dayang also proposes to acquire additional PPB Shares as well as PPB Warrants via open market transactions and/or private treaty (via direct business transactions) to increase its shareholding in PPB, provided that such transactions do not result in Dayang's shareholding in PPB exceeding 33% prior to the completion of the Proposed Acquisition and are undertaken at a price that is not higher than RM1.55 per PPB Share and RM0.84 per PPB Warrant.

2.4 Liabilities to be assumed

There are no liabilities, including contingent liabilities and guarantees, to be assumed by Dayang pursuant to the Proposals.

All existing liabilities of the PPB Group will be settled by the PPB Group in its ordinary course of business.

2.5 Additional financial commitment

Dayang does not expect to incur additional financial commitment to put the assets/businesses of the PPB Group on-stream as the PPB Group already has on-going businesses.

2.6 Source of funding

The Proposals will be funded via borrowings, proceeds from the private placement exercise which was completed by the Company on 12 March 2015 ("**Private Placement**") and via internally generated funds, the proportion of which has not been determined at this juncture.

3. INFORMATION ON PPB

PPB was incorporated in Malaysia under the Companies Act, 1965 ("**Act**") on 16 August 1988 as a public limited company under the name of Petra Resources Sdn Bhd. On 7 July 2011, it changed its name to Perdana Petroleum Berhad. PPB was listed on the Second Board of Bursa Securities in 2000 and was subsequently transferred to the Main Market of Bursa Securities in 2003.

As at 30 April 2015, the authorised share capital of PPB is RM500,000,000 comprising 1,000,000,000 PPB Shares, of which 748,487,101 PPB Shares have been issued and credited as fully paid-up.

PPB is an investment holding company. It is also engaged in the provision of administrative and management services to its subsidiaries. PPB, through its subsidiaries, provides marine support services for the O&G industry and leasing business activities in Labuan.

Based on the audited consolidated financial statements of PPB for the FYE 31 December 2014, the net profits and NA of the PPB Group is approximately RM88.05 million and RM654.35 million respectively.

The historical financial information of the PPB Group for the past three (3) FYEs 31 December 2014 is set out in **Table 1** of the Appendix of this Announcement.

4. INFORMATION ON THE VENDOR

AHAM was incorporated in Malaysia on 2 May 1997 under the Act as a private limited company. AHAM is a fund management company licensed by the Securities Commission Malaysia.

As at 30 April 2015, the authorised share capital of AHAM is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each ("**AHAM Shares**"), of which 10,000,000 AHAM Shares have been issued and fully paid-up.

The Directors of AHAM as at 30 April 2015 are as follows:

Name	Nationality
Tan Sri Dato' Seri Che Lodin bin Wok Kamaruddin	Malaysian
Puan Maimoonah Binti Mohamed Hussain	Singaporean
Mr Teng Chee Wai	Malaysian
En. Abd Malik bin A Rahman	Malaysian
YBhg Mej Jen Dato' Hj Latip bin Ismail	Malaysian
Mr David Jonathan Semaya	American

None of the Directors of AHAM have any shareholding in AHAM as at 30 April 2015.

The substantial shareholders of AHAM as at 30 April 2015 are as follows:

		Direct		Indirect	
Name	Country of incorporation	No. of AHAM Shares	%	No. of AHAM Shares	%
Affin Hwang Investment Bank Berhad *(formerly known as HwangDBS Investment Bank Berhad)*	Malaysia	7,000,000	70.0	-	-
Affin Holdings Berhad	Malaysia	-	-	7,000,000	70.0
NIKKO Asset Management International Ltd	Japan	3,000,000	30.0	-	-

5. RATIONALE AND BENEFITS OF THE PROPOSALS

The Proposed Acquisition represents an opportunity for Dayang and its subsidiaries ("**Dayang Group**") to pursue its expansion strategy and long-term objective of evolving into a market leader for the provision of HUCC services within the O&G industry. PPB is a strategic fit to Dayang's HUCC business and the successful completion of the Proposed MGO may result in the combined entity becoming one of the largest integrated HUCC players in the market. In addition, the Proposals also forwards Dayang's aspiration of becoming a regional player within the O&G industry.

On the other hand, the Proposed MGO is to be undertaken pursuant to Section 218(2) of the CMSA and Section 9(1), Part III of the Code as a result of the increase in Dayang's shareholding in PPB to more than 33% following the Proposed Acquisition. The Proposed MGO provides an opportunity for Dayang to further increase its shareholding in PPB after the Proposed Acquisition, which will result in PPB becoming a subsidiary of Dayang in the event the Proposed MGO is successful.

For the past two (2) FYEs 31 December 2014, the PPB Group has recorded strong financial performance, with its offshore supply vessels mostly under long-term charters. With such a track record, Dayang is confident that the PPB Group will continue to be a growth driver for the Dayang Group going forward.

In addition, Dayang may also potentially benefit from its increased exposure in the PPB Group by having management control over the future business direction and operations of the PPB Group as a consequence of the Proposals, in particular, with regards to the availability of vessels under the PPB Group that can help serve the long-term contracted jobs of the Dayang Group. The Proposals may also further enhance the collaboration between the Dayang Group and the PPB Group to take advantage of operational and cost synergistic benefits that may arise from such collaboration as well as combined expertise which will give rise to enhanced competitive advantage.

6. PROSPECTS OF THE PPB GROUP

The world crude oil price fluctuations have been the most volatile since 2008. Due to the uncertainties caused by the price volatilities, most indications point to a very challenging year ahead for the global economy and more so for O&G operators and service providers.

It is anticipated that any prolonged and continued decline in the oil price could result in oil companies making further cutbacks on their exploration budgets leading to a slow-down in new project awards that has a direct impact on the demand for Offshore Support Vessels ("**OSV**") such as Anchor Handling Tug & Supply ("**AHTS**") vessels, Accommodation Work Barges ("**AWB**") and Work Boats ("**WB**"). With an anticipated softer OSV market especially for greenfield OSV (e.g. AHTS) in 2015, competition will be tougher and margins will contract as charter rates will trend downwards in tandem with the declining offshore O&G activities.

Although the market is gloomy, the PPB Group's exposure to the market uncertainties in 2015 is somewhat limited in view of the existing healthy mix of vessels for greenfield projects (i.e. AHTS vessels) and brownfield projects (i.e. AWB and WB) in its fleet. Brownfield vessels are expected to see little change in utilisation rates in 2015 as existing offshore facilities continue to require maintenance work.

Moving forward, the PPB Group will continue to focus on enhancing operational excellence and improving financial management with its well-positioned young and versatile fleet that differentiates PPB from its competitors. The PPB Group's vessel charter tendering activities remain robust and PPB believes its fleet will continue to provide longer-term charter opportunities with resilient earnings prospects.

(Source: PPB's Annual Report 2014)

Despite the uncertainty in the O&G industry as result of the recent volatility in global oil prices, the Board has taken a long-term view on the prospects of the PPB Group as it considers PPB to be a good strategic fit to Dayang's HUCC core business and provides a platform for Dayang to embark on its regional expansion strategy.

7. RISK FACTORS

The Board does not foresee any material inherent risks arising from the Proposals given that both the Dayang Group and the PPB Group are currently operating in the O&G industry. However, there are other risks that may arise from or are associated with the Proposals as set out below:

(i) Integration risk

The various synergistic benefits to be reaped from the Proposals will depend on the success of the integration process to be implemented by the enlarged Dayang Group. The Proposals may potentially expose the Dayang Group to new risks including those associated with the assimilation of new operations and personnel, and inability to successfully integrate the PPB Group with the Dayang Group's current business. As such, there can be no assurance that the anticipated benefits from the Proposals will be realised and that the Dayang Group will be able to generate sufficient income to offset the costs associated with the exercise.

(ii) Non-completion of the Proposed Acquisition

The completion of the Proposed Acquisition is subject to conditions which are beyond the Company's control such as the approval of Dayang's shareholders for the Proposals. Accordingly, there can be no assurance that the Proposed Acquisition will be completed as contemplated.

(iii) Non-fulfilment of the Acceptance Condition

Pursuant to Section 17(2) of the Code, the Proposed MGO will be conditional upon the Acceptance Condition. In the event Dayang is unable to fulfil the Acceptance Condition on or before the closing date of the Proposed MGO, the Proposed MGO shall lapse and all acceptances received pursuant to the Proposed MGO shall be returned immediately by Dayang.

Assuming that the Company does not acquire any PPB Shares from the open market, Dayang will only hold approximately 35.51% equity interest in PPB pursuant to the Proposed Acquisition and the financial results of the PPB Group will not be consolidated as PPB would not have become a subsidiary of Dayang.

(iv) Non-compliance with the public shareholding spread

Dayang may receive acceptances under the Proposed MGO which would result in the public shareholding spread of PPB falling below 25%, in which case PPB will not be compliance with the public shareholding spread. As disclosed in Section 2.2 of this Announcement, it is the intention of Dayang to maintain the listing status of PPB subsequent to the Proposed MGO. As such, the Board will explore commercially viable proposals, including placement of PPB Shares, to rectify the non-compliance with the public shareholding spread. However, there can be no assurance that such proposals will be successfully implemented or that such non-compliance with the public shareholding spread will be successfully rectified. In the event Dayang is unable to rectify such non-compliance, PPB may be delisted from the Official List of Bursa Securities.

8. EFFECTS OF THE PROPOSALS

8.1 Share capital and substantial shareholders' shareholdings

The Proposals will not have any effect on the share capital and substantial shareholders' shareholdings of Dayang as the purchase consideration for the Proposed Acquisition and the consideration for the Proposed MGO will be satisfied entirely in cash.

8.2 NA, NA per share and gearing

For illustrative purposes only, based on the audited consolidated statement of financial position of Dayang as at 31 December 2014 and on the assumption that the Proposals had been effected on that date, the proforma effects of the Proposals on the NA, NA per share and gearing of the Dayang Group are set out in **Table 2** of the Appendix of this Announcement.

8.3 Earnings and EPS

The Proposals will not have any material effect on the earnings and EPS of the Dayang Group for the financial year ending 31 December 2015 as the Proposals are only expected to be completed by the end of the third (3^{rd}) quarter of 2015.

The Proposals are expected to result in higher contribution from the PPB Group to the future earnings of the Dayang Group as it is currently only a 29.77%-associate company of Dayang.

9. APPROVALS REQUIRED

The Proposals are subject to the following approvals being obtained:

(a) approval of the shareholders of Dayang at an EGM to be convened; and

(b) any other relevant authorities or parties, if required.

The Proposed Acquisition is not conditional upon the Proposed MGO. However the Proposed MGO is conditional upon the SSA becoming unconditional.

The Proposals are not conditional upon any other corporate exercise/scheme of the Company.

10. PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposals pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 93.68% based on the value of the consideration compared with the NA of the Dayang Group based on the audited consolidated financial statements of the Company for the FYE 31 December 2014.

11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

None of the Directors, major shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposals.

Datuk Ling Suk Kiong ("**Datuk Ling**") is the Executive Deputy Chairman of Dayang and a Non-Independent Non-Executive Director of PPB. As at 30 April 2015, Datuk Ling has an 8.81% direct interest and an 11.71% indirect interest in Dayang. He does not have any shareholding in PPB.

12. DIRECTORS' STATEMENT

Having considered all aspects of the Proposals, including the rationale, benefits and effects of the Proposals, the Board is of the opinion that the Proposals are in the best interest of the Company.

13. APPLICATIONS TO THE RELEVANT AUTHORITIES

Barring unforeseen circumstances, the applications to the relevant authorities in relation to the Proposals will be made within one (1) month from the date of this Announcement.

14. ESTIMATED TIME FRAME FOR COMPLETION

Barring unforeseen circumstances, the Proposals are expected to be completed by the end of the third (3^{rd}) quarter of 2015.

15. ADVISER

Maybank IB has been appointed as Principal Adviser to Dayang for the Proposals.

16. DOCUMENT AVAILABLE FOR INSPECTION

The SSA is available for inspection at the registered office of the Company at Sublot 5-10, Lot 46, Block 10, Jalan Taman Raja, MCLD, 98000 Miri, Sarawak during normal business hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this Announcement.

This Announcement is dated 14 May 2015.

Table 1 - Historical financial information of the PPB Group

	Audited for the FYE 31 December		
	2012	**2013**	**2014**
	(RM'000)	**(RM'000)**	**(RM'000)**
Revenue	259,540	274,648	347,217
Profit/(Loss) before tax	(2,281)	65,389	89,515
Profit/(Loss) after tax	(3,435)	61,978	88,046
Share capital	247,566	363,611	369,285
Shareholders' funds / NA	459,212	562,180	654,351
Minority Interest	-	-	-
NA per PPB Share (RM)	0.93	0.77	0.89
Earnings/(Loss) per PPB Share (sen)	(0.52)	8.65	11.95
Total borrowings	250,693	573,923	687,375
Gearing (times) (1)	0.55	1.02	1.05

Note:

(1) Computed based on total borrowings over shareholders' funds.

Commentary on past performance:

FYE 31 December 2013

The increase in revenue of approximately 5.82% to RM274.65 million from RM259.54 million from the previous financial year was mainly attributable to an increase in the number of vessels in use, improvement in vessel utilisation and an increase in charter rates in 2013.

The turnaround from a loss after tax of RM3.44 million in the previous financial year to a profit after tax of RM61.98 million was mainly attributable to an impairment loss on non-current asset classified as held for sale in the previous financial year. Cost savings from vessel maintenance in 2013 also contributed to the turnaround from a loss after tax in 2012 to a profit after tax in 2013.

FYE 31 December 2014

The increase in revenue of approximately 26.42% to RM347.22 million from RM274.65 million from the previous financial year was mainly attributable to higher vessel utilisation and an increase in the number of PPB's vessels.

The increase from a profit after tax of RM61.98 million for the FYE 31 December 2013 to a profit after tax of RM88.05 million for the FYE 31 December 2014 is in line with the increase in revenue during the year and was mainly attributable to higher vessel utilisation and an increase in the number of PPB's vessels.

Table 2 – Effects on NA, NA per share and gearing of the Dayang Group

	Audited as at 31 December 2014	(I) After the Proposed Acquisition	(II) After (I) and the Proposed MGO [(2)]
	(RM'000)	**(RM'000)**	**(RM'000)**
Share capital	438,550	438,550	438,550
Share premium	146,686	146,686	146,686
Reserves	379,528	379,528	[(1)]378,028
Shareholders' funds / NA	**964,764**	**964,764**	**963,264**
No. of ordinary shares of RM0.50 each in issue	877,100	877,100	877,100
NA per share (RM)	1.10	1.10	1.10
Total borrowings	153,870	153,870	[(3)] 1,541,245
Gearing (times) [(4)]	0.16	0.16	1.60

Notes:

(1) After deducting estimated expenses relating to the Proposals of approximately RM1.5 million.
(2) Assuming full acceptances under the Proposed MGO.
(3) Includes the PPB Group's borrowings of approximately RM687.38 million as at 31 December 2014 and estimated borrowings of the Dayang Group of approximately RM700.00 million for the Proposed MGO.
(4) Computed based on total borrowings over shareholders' funds.