



**MARINE & GENERAL**  
BERHAD

**MARINE & GENERAL BERHAD**  
(Registration No. 199601033545 (405897-V))

**INTERIM RESULT FOR THE PERIOD ENDED**  
**30 APRIL 2022 (Q4 2022)**

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**MARINE & GENERAL BERHAD** (Registration No. 199601033543 (405897-V))

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2022**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Notes	Individual Quarter		Cumulative Quarter	
		Current Year 30-Apr-22 RM'000	Preceding Year Corresponding Quarter 30-Apr-21 RM'000	Current Year To Date 30-Apr-22 RM'000	Preceding Year Corresponding Quarter 30-Apr-21 RM'000
<b>Revenue</b>		<b>63,241</b>	46,793	<b>219,637</b>	188,543
Direct costs		<b>(63,773)</b>	(65,049)	<b>(226,052)</b>	(236,635)
Gross loss		<b>(532)</b>	(18,256)	<b>(6,415)</b>	(48,092)
Other income		<b>36,437</b>	15,343	<b>38,202</b>	17,779
Other item of expenses:					
Administrative expenses		<b>(8,646)</b>	(8,835)	<b>(23,241)</b>	(23,575)
Other expenses		<b>(8,838)</b>	(7,461)	<b>(8,963)</b>	(8,529)
		<b>(17,484)</b>	(16,296)	<b>(32,204)</b>	(32,104)
<b>EBIT</b>		<b>18,421</b>	(19,209)	<b>(417)</b>	(62,417)
Finance income	A7	<b>129</b>	135	<b>361</b>	779
Finance cost	A7	<b>(10,220)</b>	(4,942)	<b>(34,101)</b>	(33,933)
<b>Net finance cost</b>		<b>(10,091)</b>	(4,807)	<b>(33,740)</b>	(33,154)
<b>Profit/(Loss) from operation</b>		<b>8,330</b>	(24,016)	<b>(34,157)</b>	(95,571)
Gain arising from derecognition of financial liabilities measured at amortised cost		-	19,990	-	126,819
<b>Profit/(Loss) before taxation</b>		<b>8,330</b>	(4,026)	<b>(34,157)</b>	31,248
Taxation	A9	(320)	(5,277)	(326)	(5,517)
<b>Profit/(Loss) after taxation</b>		<b>8,010</b>	(9,303)	<b>(34,483)</b>	25,731

**MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))**

**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2022**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Notes	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30-Apr-22 RM'000	Preceding Year Corresponding Quarter 30-Apr-21 RM'000	Current Year To Date 30-Apr-22 RM'000	Preceding Year Corresponding Quarter 30-Apr-21 RM'000
<b>Other comprehensive income, net of tax Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		4,981	(1,036)	5,284	724
<b>Total comprehensive income/(expenses) for the period</b>		<b>12,991</b>	<b>(10,339)</b>	<b>(29,199)</b>	<b>26,455</b>
<b>Net profit/(loss) attributable to:</b>					
Owners of the parent		3,517	(10,267)	(28,341)	9,050
Non-controlling interests		4,493	964	(6,142)	16,681
		<b>8,010</b>	<b>(9,303)</b>	<b>(34,483)</b>	<b>25,731</b>
<b>Total comprehensive income/(expenses) attributable to:</b>					
Owners of the parent		7,997	(11,362)	(24,183)	9,715
Non-controlling interests		4,994	1,023	(5,016)	16,740
		<b>12,991</b>	<b>(10,339)</b>	<b>(29,199)</b>	<b>26,455</b>
<b>Earnings/(Loss) per share (sen)</b>					
- basic	A10	<b>0.16</b>	<b>(0.46)</b>	<b>(1.89)</b>	<b>0.50</b>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

**MARINE & GENERAL BERHAD** (Registration No. 199601033543 (405897-V))  
(Incorporated in Malaysia)  
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2022**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Notes	30-Apr-22 RM'000	Audited 30-Apr-21 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, vessels and equipment		719,201	756,464
Right-of-use assets		2,179	3,140
		<u>721,380</u>	<u>759,604</u>
<b>Current assets</b>			
Inventories		12,592	7,148
Other investments	A12	12,734	20,035
Trade and other receivables	A13	56,796	39,123
Tax recoverable		1,577	1,506
Cash and bank balances	A14	21,907	19,379
		<u>105,606</u>	<u>87,191</u>
<b>Total assets</b>		<u>826,986</u>	<u>846,795</u>
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	A15	270,003	270,003
Reverse acquisition deficit		(92,791)	(92,791)
Translation reserve		2,699	(1,460)
Accumulated losses		(152,496)	(124,155)
<b>Total equity attributable to equity holders of the Company</b>		<u>27,415</u>	51,597
Preference shares of a subsidiary		70,129	70,129
Non-controlling interests		(84,303)	(82,057)
<b>Total equity</b>		<u>13,241</u>	<u>39,669</u>
<b>Non-current liabilities</b>			
Loans and borrowings	A16	681,036	693,617
Lease liabilities		1,456	2,271
Deferred tax liability		6,131	5,410
		<u>688,623</u>	<u>701,298</u>

**MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))**  
**(Incorporated in Malaysia)**  
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2022**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

		<b>30-Apr-22</b>	<b>Audited</b>
	<b>Notes</b>	<b>RM'000</b>	<b>30-Apr-21</b>
			<b>RM'000</b>
<b>Current liabilities</b>			
Loans and borrowings	A16	<b>57,284</b>	59,838
Lease liabilities		<b>938</b>	1,028
Trade and other payables	A17	<b>66,828</b>	44,817
Provision for taxation		<b>72</b>	145
		<u><b>125,122</b></u>	<u><b>105,828</b></u>
<b>Total liabilities</b>		<u><b>813,745</b></u>	<u><b>807,126</b></u>
<b>Total equity and liabilities</b>		<u><b>826,986</b></u>	<u><b>846,795</b></u>
<b>Net assets per share attributable to equity holders of the Company (sen)</b>		<u><b>3.79</b></u>	<u>7.13</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

**MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))**  
**(Incorporated in Malaysia)**  
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2022**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	← Attributable to equity holders of the Company →						Total RM'000
	← Non-distributable →			Distributable			
	Share capital RM'000	Reverse acquisition deficit RM'000	Translation reserve RM'000	Accumulated losses RM'000	Preference shares of a subsidiary RM'000	Non- controlling interests RM'000	
<b>At 1 May 2021</b>	270,003	(92,791)	(1,460)	(124,155)	70,129	(82,057)	39,669
Foreign currency translation differences for foreign operations	-	-	4,159	-	-	1,126	5,285
Loss for the period	-	-	-	(28,341)	-	(6,142)	(34,483)
Total comprehensive expenses for the period	-	-	4,159	(28,341)	-	(5,016)	(29,198)
Changes in ownership interests in subsidiaries	-	-	-	-	-	2,770	2,770
<b>At 30 April 2022</b>	270,003	(92,791)	2,699	(152,496)	70,129	(84,303)	13,241
<b>At 1 May 2020</b>	270,003	(92,791)	(2,174)	(133,219)	-	(117,077)	(75,258)
Foreign currency translation differences for foreign operations	-	-	665	-	-	59	724
Profit for the period	-	-	-	9,050	-	16,681	25,731
Total comprehensive income for the year	-	-	665	9,050	-	16,740	26,455
Issuance of preference shares	-	-	-	-	70,129	-	70,129
Changes in ownership interests in subsidiaries	-	-	49	14	-	18,280	18,343
Total transactions with owners of the Company	-	-	49	14	70,129	18,280	88,472
<b>At 30 April 2021</b>	270,003	(92,791)	(1,460)	(124,155)	70,129	(82,057)	39,669

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

**MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2022****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Collection of revenue	205,282	189,498
Collection of other income	1,145	174
	<u>206,427</u>	<u>189,672</u>
Payment of expenses	(140,527)	(163,763)
Net tax paid	(168)	(555)
Net cash generated from operating activities	<u>65,732</u>	<u>25,354</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, vessels and equipment	-	(18,177)
Disposal of other investments	7,301	18,648
Proceed from disposal of property, plant and equipment	206	-
Purchase of property, vessels and equipment	(24,958)	-
Net cash generated from investing activities	<u>(17,451)</u>	<u>471</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contribution of non-controlling interest	-	-
Repayment of borrowings	(12,632)	(10,939)
Payment of finance costs	(31,902)	(33,463)
Payment of leases	(1,219)	(706)
Net cash used in financing activities	<u>(45,753)</u>	<u>(45,108)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,528</b>	<b>(19,283)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<u><b>19,379</b></u>	<u><b>38,662</b></u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>(a) 21,907</b>	<u><b>19,379</b></u>

**(a) Cash and cash equivalents**

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

		<b>30-Apr-22</b>	<b>30-Apr-21</b>
		<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	A14	14,895	11,513
Deposits with licensed financial institutions	A14	7,012	7,866
		<u>21,907</u>	<u>19,379</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

## **PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

### **A1. BASIS OF PREPARATION**

The unaudited condensed consolidated financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting and IAS 34 Interim Financial Reporting.

The condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 30 April 2021.

The accounting policies adopted are consistent with those of the previous financial period except for the adoption of new and amended standards as set out below:

#### **a. New and amended standards adopted by the Group**

A number of new and amended standards have become applicable for the current reporting period. However, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

#### **b. Standards issued but not yet effective**

At the date of authorisation of this financial statement, the following MFRS and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

<b>MFRSs, Interpretations and amendments to MFRS</b>	<b>Effective date</b>
▪ Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)</i>	1 January 2022
▪ Amendments to MFRS 3, <i>Business Combinations – Reference to the Conceptual Framework</i>	1 January 2022
▪ Amendments to MFRS 9, <i>Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)</i>	1 January 2022
▪ Amendments to Illustrative Examples accompanying MFRS 16, <i>Leases (Annual Improvements to MFRS Standards 2018-2020)</i>	1 January 2022
▪ Amendments to MFRS 116, <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022



## A1. BASIS OF PREPARATION (CONTINUED)

### b. Standards issued but not yet effective (continued)

MFRSs, Interpretations and amendments to MFRS	Effective date
▪ Amendments to MFRS 137, <i>Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
▪ Amendments to MFRS 141, <i>Agriculture (Annual Improvement to MFRS Standards 2018-2020)</i>	1 January 2022
▪ MFRS 17, <i>Insurance Contracts</i>	1 January 2023
▪ Amendments to MFRS 101, <i>Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies</i>	1 January 2023
▪ Amendments to MFRS 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates</i>	1 January 2023
▪ Amendments to MFRS 112, <i>Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
▪ Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be confirmed

The Group is expected to apply the above pronouncements beginning from the immediate financial year after the respective dates the pronouncements become effective. The Group is currently assessing the impact of adopting the pronouncements.

## A2. CORPORATE INFORMATION

Marine & General Berhad is a public limited liability company incorporated and domiciled in Malaysia and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 30 June 2022.

## A3. CHANGES IN ESTIMATES

There were no changes in estimates of amounts that would have material effect in the current period.

#### A4. CHANGES IN THE COMPOSITION OF THE GROUP

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

#### A5. SEGMENT INFORMATION

	Marine Logistics - Upstream		Marine Logistics - Downstream		Investment Holding and Others		Adjustments		Total	
	30-Apr-22 RM'000	30-Apr-21 RM'000	30-Apr-22 RM'000	30-Apr-21 RM'000	30-Apr-22 RM'000	30-Apr-21 RM'000	30-Apr-22 RM'000	30-Apr-21 RM'000	30-Apr-22 RM'000	30-Apr-21 RM'000
<b>3-month results</b>										
<b>Revenue</b>										
External customers	48,390	31,320	14,851	15,473	-	-	-	-	63,241	46,793
Inter-segment	-	-	-	-	43	43	(43)	(43)	-	-
<b>Total revenue</b>	<b>48,390</b>	<b>31,320</b>	<b>14,851</b>	<b>15,473</b>	<b>43</b>	<b>43</b>	<b>(43)</b>	<b>(43)</b>	<b>63,241</b>	<b>46,793</b>
<b>Segment profit/(loss)</b>										
<b>before taxation</b>	<b>15,580</b>	<b>12,676</b>	<b>(6,369)</b>	<b>(15,732)</b>	<b>(48,178)</b>	<b>(216,071)</b>	<b>47,297</b>	<b>215,101</b>	<b>8,330</b>	<b>(4,026)</b>
<b>12-month results</b>										
<b>Revenue</b>										
External customers	160,287	128,702	59,350	59,841	-	-	-	-	219,637	188,543
Inter-segment	-	-	-	-	175	175	(175)	(175)	-	-
<b>Total revenue</b>	<b>160,287</b>	<b>128,702</b>	<b>59,350</b>	<b>59,841</b>	<b>175</b>	<b>175</b>	<b>(175)</b>	<b>(175)</b>	<b>219,637</b>	<b>188,543</b>
<b>Segment (loss)/profit</b>										
<b>before taxation</b>	<b>(17,692)</b>	<b>73,295</b>	<b>(12,591)</b>	<b>(38,319)</b>	<b>(50,593)</b>	<b>(218,915)</b>	<b>46,719</b>	<b>215,187</b>	<b>(34,157)</b>	<b>31,248</b>
<b>Segment assets</b>	<b>624,592</b>	<b>634,318</b>	<b>183,188</b>	<b>185,694</b>	<b>131,777</b>	<b>150,493</b>	<b>(112,571)</b>	<b>(123,710)</b>	<b>826,986</b>	<b>846,795</b>
<b>Segment liabilities</b>	<b>776,964</b>	<b>758,982</b>	<b>54,810</b>	<b>219,541</b>	<b>146,452</b>	<b>114,568</b>	<b>(164,481)</b>	<b>(285,965)</b>	<b>813,745</b>	<b>807,126</b>

## A6. SEASONAL OR CYCLICAL FACTORS

The Group's operations are not subject to any significant seasonal or cyclical factors.

## A7. PROFIT/(LOSS) BEFORE TAX

Included in the profit/(loss) before tax are the following items:

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	30-Apr-22 RM'000	30-Apr-21 RM'000	30-Apr-22 RM'000	30-Apr-21 RM'000
Finance income	129	135	361	779
Finance costs	(10,220)	(4,942)	(34,101)	(33,933)
Impairment loss on property, vessels and equipment	(4,687)	(9,928)	(4,687)	(9,928)
Revesal of impairment loss of vessels	28,808	15,206	28,808	15,206
Impairment of trade receivables	(2,890)	-	(2,890)	-
Depreciation of property, vessels and equipment	(22,275)	(19,356)	(81,876)	(76,149)
Depreciaton of right-of-use assets	(419)	(572)	(1,163)	(1,390)
Amortisation of vessels dry-docking	(3,812)	(3,568)	(14,409)	(12,811)
Net foreign exchange loss	(1,074)	(230)	(1,614)	(126)

## A9. INCOME TAX

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	30-Apr-22 RM'000	30-Apr-21 RM'000	30-Apr-22 RM'000	30-Apr-21 RM'000
<b>Current tax expense</b>				
Malaysian				
- current year	320	(128)	326	112
- prior year	-	248	-	248
	<u>320</u>	<u>120</u>	<u>326</u>	<u>360</u>
<b>Deferred tax expense</b>				
- origination and reversal of temporary differences	-	(3,930)	-	(3,930)
- under provision in prior year	-	9,087	-	9,087
	<u>-</u>	<u>5,157</u>	<u>-</u>	<u>5,157</u>
Total income tax expense	<u>320</u>	<u>5,277</u>	<u>326</u>	<u>5,517</u>

The effective tax rates of certain subsidiaries differ from the Malaysian statutory tax rate as subsidiaries incorporated in Labuan under the Offshore Companies Act, 1990 are taxed at the rate of 3% of their profit before taxation in accordance with the Labuan Offshore Business Activity Tax Act, 1990.

## A10. EARNINGS/(LOSS) PER SHARE

### Basic earnings/(loss) per share

Basic earnings/(loss) per share amounts is calculated by dividing profit/(loss) for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period, excluding employee trust shares held by the Company.

The following reflect the profit/(loss) and share data used in the computation of basic earnings/(loss) per share:

	Quarter (3 months)	Cumulative period (12 months)
<b>30 April 2022</b>		
<b>Basic earnings/(loss) per share:</b>		
Profit net of tax attributable to owners of the parent (RM'000)	3,517	(28,341)
Weighted average number of ordinary shares in issue ('000)	723,879	723,879
Effect of conversion of preference shares of a subsidiary ('000)	1,500,000	1,500,000
Weighted average number of ordinary shares ('000)	2,223,879	2,223,879
<b>Basic earnings/(loss) per share (sen)</b>	<u>0.16</u>	<u>(1.89)</u>
<b>30 April 2021</b>		
<b>Basic (loss)/earnings per share:</b>		
(Loss)/Profit net of tax attributable to owners of the parent (RM'000)	(10,267)	9,050
Weighted average number of ordinary shares in issue ('000)	723,879	208,239
Effect of conversion of preference shares of a subsidiary ('000)	1,500,000	1,584,132
Weighted average number of ordinary shares ('000)	2,223,879	1,792,371
<b>Basic (loss)/earnings per share (sen)</b>	<u>(0.46)</u>	<u>0.50</u>

On 13 August 2020, Jasa Merin (Malaysia) Sdn Bhd ("JMM") issued 150,000,000 convertible preference shares ("JMM PS") to its bankers as part of its debt restructuring. The JMM PS is non-redeemable but is mandatorily exchangeable with the ordinary shares of the Company at the rate of 10 new ordinary shares for every one JMM PS. Pursuant to MFRS 133, *Earnings per Share*, the number of shares issuable on exchange of JMM PS has been included in the calculation of basic earnings per share. Hence, during the period under review, there is no dilution in the earnings/(loss) per share.

#### **A11. VALUATION OF PROPERTY, VESSELS AND EQUIPMENT**

There is no valuation of property, vessels and equipment brought forward from the previous audited financial statements, as the Group does not adopt a revaluation policy on property, vessels and equipment.

#### **A12. OTHER INVESTMENTS**

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Financial assets at fair value through profit or loss	<u>12,734</u>	<u>20,035</u>

The financial assets at fair value through profit or loss represent investments in short-term money market instruments.

#### **A13. TRADE AND OTHER RECEIVABLES**

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Trade receivables	42,655	27,569
Other receivables	<u>14,141</u>	<u>11,554</u>
	<u>56,796</u>	<u>39,123</u>

The ageing analysis of the trade receivables is as follows:

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Current (not past due)	33,324	23,034
1 - 30 days past due	6,903	2,530
31 - 90 days past due	2,863	1,658
Past due more than 90 days	<u>3,962</u>	<u>2,120</u>
	47,052	29,342
Allowance for impairment loss	<u>(4,397)</u>	<u>(1,773)</u>
	<u>42,655</u>	<u>27,569</u>

The Group's normal trade credit terms for trade receivables is 30 days. Other credit terms are assessed and approved on case-to-case basis.

#### A14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following amounts:

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	14,895	11,513
Deposits placed with licensed bank	7,012	7,866
Total cash and cash equivalents	<u>21,907</u>	<u>19,379</u>

Included in the deposits placed with licensed financial institutions is RM1,814,000 (30 April 2021: RM1,751,000) deposit pledged for banking facilities granted to subsidiaries.

#### A15. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

During the period under review, there was no issuance, cancellation, repurchase, or resale of equity securities during the period under review.

#### A16. GROUP BORROWINGS AND DEBT SECURITIES

Group borrowings and debt securities as at the end of the reporting period are as follows:

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Secured short-term borrowings:		
Term loans	44,839	44,204
Revolving credits	12,445	15,571
Hire purchase	-	63
Total short term borrowings	<u>57,284</u>	<u>59,838</u>
Secured long-term borrowings:		
Term loans	681,036	693,595
Revolving credits	-	-
Hire purchase	-	22
Total long term borrowings	<u>681,036</u>	<u>693,617</u>
Total borrowings	<u>738,320</u>	<u>753,455</u>

**A17. TRADE AND OTHER PAYABLES**

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Trade payables	21,440	26,485
Accruals and other payables	45,388	18,332
	<u>66,828</u>	<u>44,817</u>

**A18. DEBT AND EQUITY SECURITIES**

During the current period under review, the Group did not undertake any issuance, cancellation, repurchase, resale and repayment of debt and equity securities.

**A19. DIVIDENDS**

No dividends have been proposed or paid in the financial period under review.

**A20. COMMITMENTS**

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Capital expenditure</b>		
Approved and contracted for:		
Property, vessel and equipment	<u>2,450</u>	<u>174</u>

**A21. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Pursuant to the disposal of Sistem Lingkaran-Lebuhraya Kajang Sdn Bhd ("SILK") to Permodalan Nasional Berhad ("PNB"), the Company has agreed to indemnify PNB against all losses, costs, expenses, damages, claims and liabilities which may arise from the dispute between SILK and the landowners regarding the quantum of compensation payable for the compulsory acquisition of land falling under the Kajang Traffic Dispersal Ring Road ("Expressway") that was undertaken by SILK pursuant to the Concession Agreement.

In the SILK's funded stretch, there are 240 cases with claims amounting to RM503.7 million. Out of the 240 cases, 239 cases have been resolved and 1 case with claims of RM17.8 million is still pending Court hearing.

Pursuant to the Turnkey Contract dated 31 July 2001 between SILK and Sunway Construction Sdn. Bhd. ("SCSB"), the amount payable by SILK to SCSB for the land use payments (including expenses and charges incurred by SCSB for the acquisition of land and for removal or resettling of squatters or other occupants on the Expressway) has been contracted at a ceiling amount of RM215 million. Any further amounts that may be awarded by the Court beyond RM215 million will therefore be borne by SCSB.

**A21. CONTINGENT LIABILITIES AND CONTINGENT ASSETS (CONTINUED)**

Based on external legal advice, the Directors have concluded that it is unlikely that the Group and the Company will suffer an economic outflow from this one remaining legal case. Therefore, no provision related to this legal case is made in the financial statements.

**A22. UNUSUAL ITEMS**

There were no items affecting assets, liabilities, equity, net income, or cash flow that were unusual because of their nature, size and incidence in the current period.



**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN BOARD LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. REVIEW OF PERFORMANCE**

The Group performance for the quarter under review and the financial year to date compared with the corresponding periods of the previous financial year are as follows:

**Quarterly review**

	3 Months Ended		Variances RM'000	Change %
	30-Apr-22 RM'000	30-Apr-21 RM'000		
Revenue	63,241	46,793	16,448	35.2%
Profit/(loss) from operation	8,330	(24,016)	32,346	n/a
Gain arising from derecognition of financial liabilities measured at amortised cost	-	19,990	(19,990)	(100.0%)
Profit/(loss) before taxation	8,330	(4,026)	12,356	n/a
Profit/(loss) after taxation	8,010	(9,303)	17,313	n/a
Profit/(loss) attributable to ordinary equity holders of the parent	3,517	(10,267)	13,784	n/a

**Fleet utilisation:**

Marine Logistics - Upstream Division	67%	50%
Marine Logistics - Downstream Division	86%	67%

The oil and gas industry is still recovering from the historic collapse in demand caused by the Covid-19 pandemic in 2020 which has since been brought under control. Accordingly, some of the pandemic-induced restrictions have been gradually lifted which has allowed business to resume. The improved demand for oil products has benefited the Downstream Division that provides tanker services to transport oil and chemicals, as well as the Upstream Division that provides offshore support services, especially the 70M AHTS vessels, as oil and gas companies resume their drilling and exploration activities. Consequently, fleet utilisation for both Upstream and Downstream Division increased to 67% and 86% respectively as compared to the preceding year corresponding quarter. In line with the higher operating level, the Group recorded RM63.2 million revenue in the current period, representing 35% higher revenue than the preceding year corresponding quarter.

The Upstream Division continued as the main revenue contributor, generating 77% of the Group revenue, while the Downstream Division generated the balance 23%.

Division	No. of vessels deployed		Revenue contribution			
	Current year quarter 30-Apr-22	Preceding year corresponding quarter 30-Apr-21	Current year quarter 30-Apr-22 RM'000	Preceding year corresponding quarter 30-Apr-21 RM'000	Current year quarter 30-Apr-22 %	Preceding year corresponding quarter 30-Apr-21 %
Upstream	19	17	48,390	31,320	77%	67%
Downstream	7	7	14,851	15,473	23%	33%
	26	24	63,241	46,793	100%	100%

## B1. REVIEW OF PERFORMANCE (CONTINUED)

### Quarterly review (continued)

The Group recorded profit before taxation of RM8.3 million in the current quarter compared to RM24 million loss before the non-recurring gain of RM20 million from the restructuring of debts recognised during the preceding year corresponding quarter. The improvement was mainly due to:

- higher contributions from both the Upstream and the Downstream Divisions in line with:
  - better vessel utilisation in the current quarter,
  - deployment of all tankers under time charter (“TC”) as compared to three (3) tankers in the preceding year corresponding quarter, in line with the Group’s policy to prioritise TC over voyage charter (“VC”) contracts – although VC contracts have a higher daily charter rate, the ship owners bear the fuel, port and agency charges, and this may result in a lower net return. Under a TC contract, the charterer bears these charges.
- net reversal of vessel impairment amounting to RM24.1 million during the current quarter as compared to RM5.3 million in the preceding year corresponding quarter.

However, the results were affected by a RM3.6 million provision for stamp duty in relation to the debt restructuring and RM3.1 million receivable impairment loss.

### Year-to-date review

	12 Months Ended		Variances RM'000	Change %
	30-Apr-22 RM'000	30-Apr-21 RM'000		
Revenue	219,637	188,543	31,094	16.5%
Loss from operation	(34,157)	(95,571)	61,414	(64.3%)
Gain arising from derecognition of financial liabilities measured at amortised cost	-	126,819	(126,819)	(100.0%)
(Loss)/Profit before taxation	(34,157)	31,248	(65,405)	n/a
(Loss)/Profit after taxation	(34,483)	25,731	(60,214)	n/a
(Loss)/Profit attributable to ordinary equity holders of the parent	(28,341)	9,050	(37,391)	n/a

  

Fleet utilisation:		
Marine Logistics - Upstream Division	66%	58%
Marine Logistics - Downstream Division	76%	62%

## B1. REVIEW OF PERFORMANCE (CONTINUED)

### Year-to-date review (continued)

Division	No. of vessels deployed		Revenue contribution			
	Current year to-date	Preceding year corresponding period	Current year to-date	Preceding year corresponding period	Current year to-date	Preceding year corresponding period
	30-Apr-22	30-Apr-21	30-Apr-22 RM'000	30-Apr-21 RM'000	30-Apr-22 %	30-Apr-21 %
Upstream	20	21	160,287	128,702	73%	68%
Downstream	7	7	59,350	59,841	27%	32%
	27	28	219,637	188,543	100%	100%

For the current 12 months cumulative period, the Group recorded RM219.6 million revenue, representing a 17% increase from the preceding year corresponding period. The increase was in line with higher charter activities of the Upstream Division recorded during the period.

The Upstream Division continued as the main revenue contributor, generating 73% of the Group revenue, while the Downstream Division generated the balance 27%. The Group recorded RM34.2 million loss before taxation in the current period compared to RM95.6 million loss before the non-recurring gain of RM126.8 million on restructuring of debts recognised during the preceding year corresponding period. The lower loss incurred in the current period was mainly due to higher contributions from both the Upstream and the Downstream Divisions in line with better vessel utilisation and deployment of all seven tankers on TC, and higher other income from net reversal of vessel impairment recognised in the current period.

### Divisional commentary

#### i. Marine Logistics – Upstream Division

	3 Months Ended			12 Months Ended		
	30-Apr-22 RM'000	30-Apr-21 RM'000	Change	30-Apr-22 RM'000	30-Apr-21 RM'000	Change
Revenue	48,390	31,320	54.5%	160,287	128,702	24.5%
Profit/(loss) from operation	15,580	(7,312)	n/a	(17,692)	(53,523)	(66.9%)
Gain arising from derecognition of financial liabilities measured at amortised cost	-	19,990	(100.0%)	-	126,819	(100.0%)
Profit/(loss) before taxation	15,580	12,676	22.9%	(17,692)	73,295	n/a
Fleet utilisation	67%	50%		66%	58%	

### Quarterly review

During the period under review, the Upstream Division recorded a revenue of RM48.4 million, representing a 55% higher revenue than the preceding year corresponding quarter. The increase was in line with the higher charter activity, especially in the 70M AHTS vessel segment during the period arising from the resumption of drilling activities since late 2021.

## **B1. REVIEW OF PERFORMANCE (CONTINUED)**

### **Year-to-date review (continued)**

#### **i. Marine Logistics – Upstream Division (continued)**

##### **Quarterly review (continued)**

The Division recorded RM15.6 million profit before taxation for the current quarter reflecting a RM22.9 million improvement from the loss in the previous year corresponding period of RM7.3 million before the non-recurring gain of RM20 million on the restructuring of debts, mainly due to higher contributions by the charter activities and other income from reversal of vessel impairment loss during the year.

##### **Year-to-date review**

During the period under review, the Upstream Division recorded a revenue of RM160.3 million, representing 25% higher revenue than the preceding year corresponding period mainly due to significant improvement of the 70M AHTS vessel segment arising from the resumption of drilling activities since late 2021.

The Division recorded 67% lower loss before taxation of RM17.7 million compared to RM53.5 million loss before the non-recurring gain of RM126.8 million on restructuring of debts recognised during the preceding year corresponding period. The improvement was mainly due to the higher contributions from charter activities and higher other income from reversal of vessel impairment during the current quarter. However, these improvements have been partially offset by the provision for stamp duty and receivable impairment loss recognised in the current period.

## B1. REVIEW OF PERFORMANCE (CONTINUED)

### Divisional commentary (continued)

#### ii. Marine Logistics – Downstream Division

	3 Months Ended			12 Months Ended		
	30-Apr-22 RM'000	30-Apr-21 RM'000	Change	30-Apr-22 RM'000	30-Apr-21 RM'000	Change
Revenue	14,851	15,473	(4.0%)	59,350	59,841	(0.8%)
Loss before taxation	(6,369)	(15,732)	(59.5%)	(12,591)	(38,319)	(67.1%)
Fleet utilisation	86%	67%		76%	62%	

#### Quarterly review

During the period under review, the Downstream Division recorded marginally lower revenue of RM14.9 million compared to RM15.5 million in the preceding year corresponding quarter.

The Division recorded RM6.4 million loss before taxation for the current quarter, as compared to RM15.7 million loss before taxation in the preceding year corresponding quarter mainly due to:

- lower direct expenses incurred in the current quarter as all seven (7) tankers were deployed on TC contracts during the current quarter as compared to two (2) TC contracts in the preceding year corresponding quarter. Under the TC arrangement, fuel cost, port and agency charges are absorbed by the charterers hence the Division recorded lower direct and maintenance expenses during the period, and
- vessel impairment loss recognised during the current period of RM4.4 million as compared to RM8.1 million incurred in the preceding year corresponding period.

#### Year-to-date review

During the current cumulative period, the Downstream Division recorded a revenue of RM59.4 million. Despite recording a sizeable increase in the charter activity, revenue of the Division decreased marginally over the preceding year corresponding period as all of its vessels were deployed on TC compared to two (2) tankers in the preceding year, in line with lower rates under the TC than under the VC arrangement.

The Downstream Division recorded RM12.6 million loss before taxation, compared to a loss of RM38.3 million incurred in the preceding year corresponding period, mainly due to lower direct expenses incurred in the current period in line with higher TC activities as well as lower vessel impairment loss incurred in the current period.

## B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE PRECEDING PERIOD

### a. Revenue

	Current Quarter 30-Apr-22 RM'000	Preceding Quarter 31-Jan-22 RM'000	Variances RM'000	Change %
<b>Revenue</b>				
Marine Logistics - Upstream Division	48,390	43,484	4,906	11.3%
Marine Logistics - Downstream Division	14,851	14,145	706	5.0%
	<u>63,241</u>	<u>57,629</u>	5,612	9.7%
<b>Fleet utilisation</b>				
Marine Logistics - Upstream Division	67%	69%		
Marine Logistics - Downstream Division	<u>86%</u>	<u>78%</u>		

The Group recorded 10% higher revenue of RM63.2 million for the current quarter than the immediate preceding quarter in line with improving charter rates.

### b. Profit/(Loss) before taxation

	Current Quarter 30-Apr-22 RM'000	Preceding Quarter 31-Jan-22 RM'000	Variances RM'000	Change %
<b>Profit/(Loss) before taxation</b>				
Marine Logistics - Upstream Division	15,580	(7,899)	23,479	n/a
Marine Logistics - Downstream Division	(6,369)	675	(7,044)	n/a
Investment holding and others	(48,178)	(443)	(47,735)	n/a
Adjustments	47,297	(635)	47,932	n/a
	<u>8,330</u>	<u>(8,302)</u>	16,632	n/a

During the current period, the Group recorded RM8.3 million profit before taxation, as compared to RM8.3 million loss recorded in the immediate preceding quarter.

The improvement was mainly due to the net reversal of vessel impairment of RM24.1 million during the current quarter, but partially offset by the provision of stamp duty and receivable impairment loss.

## B3. PROSPECTS

The Upstream Division looks forward to a more active year ahead in line with Petronas's positive outlook in its drilling and exploration activities as highlighted in its Activity Outlook for 2022 – 2024. Further, in line with the positive outlook of the economy, which is recovering from the effects of the Covid-19 pandemic, the Downstream Division looks forward to more active charter operations in the next financial year, having already secured time-charter contracts for all of its vessels.

In view of the foregoing, the Board is cautiously optimistic on the prospects for the next financial year and expects further improvement in vessel utilisation and charter rates.

**B4. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST**

The Group has not issued any profit forecast for the current financial period and therefore, no comparison is available.

**B5. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no financial instruments with off balance sheet risks as at the date of issue of the report.

**B6. REALISED AND UNREALISED PROFITS OF THE GROUP**

	<b>30-Apr-22</b>	<b>30-Apr-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained loss of the Company and its subsidiaries:		
- realised loss	(732,420)	(657,318)
Less consolidated adjustment	579,924	533,163
Total Group retained profits as per consolidated accounts	<u>(152,496)</u>	<u>(124,155)</u>

**B7. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report on the Group's financial statements for the period ended 30 April 2021 was not subject to any qualification.

**BY ORDER OF THE BOARD  
SECRETARIES**