

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Note	FOURTH QUARTER		CUMULATIVE QUARTER	
		Current Quarter Ended	Preceding Quarter Ended	Current Year-To-Date Ended	Preceding Year-To-Date Ended
		31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
Revenue	A4	93,235	31,495	301,840	95,367
Cost of sales		(99,306)	(28,170)	(284,286)	(90,313)
<b>Gross (loss)/profit</b>		<b>(6,071)</b>	<b>3,325</b>	<b>17,554</b>	<b>5,054</b>
Other income		3,601	3,010	4,535	5,908
Staff costs		(4,705)	(5,123)	(18,152)	(20,147)
Other operating expenses		(35,356)	(90,275)	(48,544)	(107,289)
<b>(Loss)/Profit from operations</b>		<b>(42,531)</b>	<b>(89,063)</b>	<b>(44,607)</b>	<b>(116,474)</b>
Finance costs		(3,133)	(9,081)	(5,065)	(11,436)
Share of results of associates		-	21,246	-	21,450
Share of results of joint ventures		(19,704)	(51,507)	(23,844)	(61,665)
<b>(Loss)/profit before taxation</b>		<b>(65,368)</b>	<b>(128,405)</b>	<b>(73,516)</b>	<b>(168,125)</b>
Taxation	B5	(177)	(3,481)	(395)	510
<b>Net (loss)/profit for the period</b>		<b>(65,545)</b>	<b>(131,886)</b>	<b>(73,911)</b>	<b>(167,615)</b>
<b>Other comprehensive income</b>					
Currency translation differences		3,044	(133)	3,899	(1,755)
<b>Other comprehensive income for the period, net of tax</b>		<b>3,044</b>	<b>(133)</b>	<b>3,899</b>	<b>(1,755)</b>
<b>Total comprehensive income for the period</b>		<b>(62,501)</b>	<b>(132,019)</b>	<b>(70,012)</b>	<b>(169,370)</b>
<b>(Loss)/profit attributable to:</b>					
Owners of the parent		(63,674)	(132,516)	(71,832)	(170,941)
Non-controlling interests		(1,871)	630	(2,079)	3,326
		<b>(65,545)</b>	<b>(131,886)</b>	<b>(73,911)</b>	<b>(167,615)</b>
<b>Total comprehensive income for the period</b>					
Owners of the parent		(62,556)	(132,423)	(69,669)	(171,970)
Non-controlling interests		55	404	(343)	2,600
		<b>(62,501)</b>	<b>(132,019)</b>	<b>(70,012)</b>	<b>(169,370)</b>
Earnings per share attributable to Owners of the parent	B16				
- Basic (Sen)		(6.4)	(14.3)	(7.6)	(18.5)
- Diluted (Sen)		(6.4)	(14.3)	(7.6)	(18.5)

The unaudited statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED STATEMENT OF FINANCIAL POSITION OF THE GROUP  
AS AT 31 DECEMBER 2019**

	<b>As At 31.12.2019 RM'000</b>	<b>As At 31.12.2018 RM'000</b>
<b>Assets</b>		
<b>Non-current Assets</b>		
Property, vessel and equipment	270,999	334,404
Investments in associates	-	-
Interests in joint ventures	46,517	70,065
Deferred tax assets	5,538	5,538
	<u>323,054</u>	<u>410,007</u>
<b>Current Assets</b>		
Inventories	771	1,109
Trade receivables	90,373	35,163
Other receivables	139,642	79,260
Tax recoverable	1,981	6,132
Cash and bank balances	76,883	81,776
	<u>309,650</u>	<u>203,440</u>
Non-current asset held for sale	10,978	10,978
	<u>320,628</u>	<u>214,418</u>
<b>Total Assets</b>	<b><u>643,682</u></b>	<b><u>624,425</u></b>
<b>Equity And Liabilities</b>		
<b>Equity Attributable To Owners Of The Parent</b>		
Share capital	406,265	396,315
Other reserves	2,818	655
Retained profits	(66,892)	4,940
	<u>342,191</u>	<u>401,910</u>
Non-controlling interests	(3,828)	(3,485)
<b>Total Equity</b>	<b><u>338,363</u></b>	<b><u>398,425</u></b>
<b>Non-current Liabilities</b>		
Borrowings	77,272	87,100
Deferred tax liabilities	9,683	11,068
	<u>86,955</u>	<u>98,168</u>
<b>Current Liabilities</b>		
Borrowings	45,976	35,325
Trade payables	98,147	41,658
Other payables	73,212	50,704
Tax payable	1,029	145
	<u>218,364</u>	<u>127,832</u>
<b>Total Liabilities</b>	<b><u>305,319</u></b>	<b><u>226,000</u></b>
<b>Total Equity And Liabilities</b>	<b><u>643,682</u></b>	<b><u>624,425</u></b>
<b>Net Assets Per Share (RM)</b>	<b><u>0.37</u></b>	<b><u>0.43</u></b>

The unaudited statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	← Attributable to Owners of the Parent →				Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000			
As at 1 January 2019	396,315	-	655	4,940	401,910	(3,485)	398,425
Loss for the year	-	-	2,163	(71,832)	(69,669)	(343)	(70,012)
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	2,163	(71,832)	(69,669)	(343)	(70,012)
Issue of ordinary shares: Pursuant to RCN	9,950	-	-	-	9,950	-	9,950
<b>As at 31 December 2019</b>	<b>406,265</b>	<b>-</b>	<b>2,818</b>	<b>(66,892)</b>	<b>342,191</b>	<b>(3,828)</b>	<b>338,363</b>

*The unaudited condensed consolidated statement of changes in equity of the Group should be read in conjunction the accompanying explanatory notes attached to the interim financial statements.*

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP (Continued)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	← Attributable to Owners of the Parent →				Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000			
As at 1 January 2018	396,315	-	1,684	199,128	597,127	(3,483)	593,644
Effect of initial adoption of MFRS 9	-	-	-	(23,247)	(23,247)	-	(23,247)
<b>Restated</b>	396,315	-	1,684	175,881	573,880	(3,483)	570,397
<b>Total comprehensive income for the period</b>	-	-	(1,029)	(170,941)	(171,970)	2,604	(169,366)
Dividend	-	-	-	-	-	(2,606)	(2,606)
<b>As at 31 December 2018</b>	<b>396,315</b>	-	<b>655</b>	<b>4,940</b>	<b>401,910</b>	<b>(3,485)</b>	<b>398,425</b>

*The unaudited condensed consolidated statement of changes in equity of the Group should be read in conjunction the accompanying explanatory notes attached to the interim financial statements.*

**UNAUDITED STATEMENT OF CASH FLOW OF THE GROUP  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

	<b>Current Year-To-Date Ended 31.12.2019 RM'000</b>	<b>Preceding Year-To-Date Ended 31.12.2018 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit before taxation	(73,516)	(168,125)
Adjustment for:		
Interest income	(361)	(1,322)
Interest expense	5,065	11,435
Depreciation	31,903	38,410
Provision for impairment loss on trade receivables	-	251
Net unrealised loss/(gain) on foreign exchange	(199)	(1,122)
Impairment loss on interest in joint ventures and associates	982	78,328
Share of results of jointly ventures	23,844	61,665
Share of results of associates	-	(21,450)
(Gain)/loss on disposal of property, vessel and equipment	1,126	(2,170)
Impairment loss on property, vessel and equipment	29,360	13,574
<b>Operating profit before working capital changes</b>	<b>18,204</b>	<b>9,474</b>
Increase/(decrease) in inventories	339	404
Decrease/(increase) in receivables	(115,830)	88,898
Increase/(decrease) in payables	86,602	(29,065)
<b>Cash generated from operating activities</b>	<b>(10,685)</b>	<b>69,711</b>
Taxes paid	(252)	(632)
Interest paid	(5,065)	(11,435)
<b>Net cash flows from operating activities</b>	<b>(16,002)</b>	<b>57,644</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income received	361	1,322
Proceeds from disposal of fixed assets	1,409	1,674
Purchase of fixed assets	-	(2,854)
Acquisition of non-controlling interest	-	-
Investment in a jointly controlled entity	-	(499)
<b>Net cash flows from investing activities</b>	<b>1,770</b>	<b>(357)</b>

The condensed consolidated statement of cash flow should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED STATEMENT OF CASH FLOW OF THE GROUP (Continued)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

	<b>Current Year-To-Date Ended 31.12.2019 RM'000</b>	<b>Preceding Year-To-Date Ended 31.12.2018 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of ordinary shares	9,950	-
Proceeds of OD	2,587	-
Net drawdown/(repayment) of term loans	(164)	(8,912)
Repayment of hire purchase	(412)	(506)
Repayment of RC	(267)	(15,721)
Repayment of MTN	(1,000)	-
Dividend paid to non-controlling interest	-	(2,603)
Net cash set aside for sinking fund	-	(860)
Marginal deposit	-	(493)
<b>Net cash flows in financing activities</b>	<b>10,694</b>	<b>(29,095)</b>
Net increase/(decrease) in cash and cash equivalents	(3,538)	28,192
Effect of exchange rate changes on cash and cash equivalent	-	170
Cash and cash equivalents at beginning of financial year	33,841	5,479
<b>Cash and cash equivalents at end of financial year</b>	<b>30,303</b>	<b>33,841</b>
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash on hand and at banks	46,294	10,103
Deposits with licensed banks	30,589	48,820
	<b>76,883</b>	<b>58,923</b>
Bank overdrafts (Note B9)	(646)	(3,029)
Amount set aside as sinking fund	(38,414)	(38,414)
Amount pledged for bank guarantee facilities	(7,520)	(7,520)
Total cash and cash equivalents	<b>30,302</b>	<b>9,960</b>

The condensed consolidated statement of cash flow should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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

**A1. BASIS OF PREPARATION**

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report is in compliance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the explanatory notes attached to the interim financial statements which provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

**A2. CHANGES IN ACCOUNTING POLICIES**

On 1 January 2019, the Group adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2019.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 16 Leases	1 January 2019
Annual Improvements to MFRS Standards 2015-2017 Cycle	1 January 2019
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019

The adoption of the above MFRS and amendments to MFRS that came into effect on 1 January 2019, did not have significant impact on the unaudited condensed financial statements upon the initial application on 1 January 2019.

Standards and interpretations issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 Presentation of Financial Statements	1 January 2020
Amendments to MFRS 3 Definition of the Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 108 Definition of Material	1 January 2020

**A2. CHANGES IN ACCOUNTING POLICIES (CONTD.)**

Standards and interpretations issued but not yet effective (contd.)

The Group has not adopted the following standards and interpretations that have been issued but not yet effective.

Description	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2021

The Group has not completed its assessment of the financial effects of standards and interpretations issued but not yet effective.

**A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2018 were not qualified to continue as a going concern. The auditors' opinion is not modified in respect of this matter.

**A4. SEGMENTAL INFORMATION**

The results and other information of the Group as at 31 December 2019 are as follows:-

As at 31 December 2019	Offshore support vessels and services RM'000	Subsea services & OIC RM'000	Others RM'000	Consol RM'000	TOTAL RM'000
<b>Revenue</b>					
External	84,024	214,754	3,062	-	301,840
Intra group	5,554	1,666	1,901	(9,121)	-
<b>Total</b>	<b>89,578</b>	<b>216,420</b>	<b>4,963</b>	<b>(9,121)</b>	<b>301,840</b>
<b>Results</b>					
(Loss)/profit from operations	(44,666)	2,753	(2,694)	-	(44,607)
Finance costs	(4,935)	(105)	(25)	-	(5,065)
Share of results of associates	-	-	-	-	-
Share of results of controlled entities	(29,682)	5,838	-	-	(23,844)
<b>(Loss)/profit before taxation</b>	<b>(79,283)</b>	<b>8,486</b>	<b>(2,719)</b>	<b>-</b>	<b>(73,516)</b>
<b>As at 31 December 2018</b>					
<b>Revenue</b>					
External	51,195	36,521	5,524	-	93,240
Intra group	54,995	-	-	(52,868)	2,127
<b>Total</b>	<b>106,190</b>	<b>36,521</b>	<b>5,524</b>	<b>(52,868)</b>	<b>95,367</b>
<b>Results</b>					
(Loss)/Profit from operations	(102,875)	1,331	(374)	(14,556)	(116,475)
Finance costs	(10,856)	(275)	(305)	-	(11,436)
Share of results of associates	21,450	-	-	-	21,450
Share of results of jointly controlled entities	(61,665)	-	-	-	(61,665)
<b>(Loss)/profit before taxation</b>	<b>(153,946)</b>	<b>1,056</b>	<b>(679)</b>	<b>(14,556)</b>	<b>(168,125)</b>



**A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial year except as disclosed in Note A2.

**A6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect in the current financial year's results.

**A7. SEASONAL AND CYCLICAL FACTORS**

The Group's performance would be subject to the risk of increase in downtime and off-hires due to the adverse weather conditions such as monsoon seasons.

Notwithstanding the above, our chartered vessels are made available regardless of the weather condition.

**A8. (LOSS)/PROFIT BEFORE TAXATION**

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

	<b>Current Quarter Ended 31.12.2019 RM'000</b>	<b>Preceding Quarter Ended 31.12.2018 RM'000</b>	<b>Current Year-To-Date Ended 31.12.2019 RM'000</b>	<b>Preceding Year-To-Date Ended 31.12.2018 RM'000</b>
Interest income	(192)	(943)	(361)	(1,322)
Interest expense	3,133	9,081	5,065	11,436
Depreciation	6,839	9,216	31,903	37,387
Provision for impairment loss on trade receivables	-	251	0	251
Impairment loss on property, vessel and equipment	29,360	13,574	29,360	13,574
Impairment loss on interest in joint ventures and associates	982	78,328	982	78,328
Net (gain)/loss on foreign exchange	<u>1,325</u>	<u>(2,670)</u>	<u>(199)</u>	<u>(1,122)</u>

**A9. DIVIDENDS PAID**

No dividend was paid in the financial year under review.

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There was no valuation of the property, vessel and equipment in the current financial period under review.

**A11. DEBT AND EQUITY SECURITIES**

There were no issuance, cancellations, repurchases, resale and repayments of debts and equity in the financial year under review except for 110,555,552 new ordinary shares issued at the price of RM0.09 per share following the conversion of Redeemable Convertible Notes.

**A12. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in composition of the Group for the financial year under review.

**A13. CAPITAL COMMITMENTS**

There were no material capital commitments for the financial year under review.

**A14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

As at 31 Dec 2019, our contingent liabilities, comprising of bank and performance guarantees for contracts entered into with customers, stood at approximately RM40.8 million. In addition, the Company has provided corporate guarantee for the credit facilities totalling RM17.03 million granted by HSBC Bank Malaysia Berhad to a wholly owned subsidiary, Alam Maritim (M) Sdn. Bhd. ("AMSB") and USD28.56 million granted by Maybank International (L) Ltd to 60%-owned subsidiaries of AMSB, namely Alam Synergy I (L) Inc, Alam Synergy II (L) Inc and Alam Synergy III (L) Inc.

AMSB has provided a corporate guarantee for the banking facilities amounting to RM18.0 million granted by financial institutions to Alam Hidro (M) Sdn Bhd ("AHSB"), a wholly owned subsidiary of AMSB. Alam Maritim (L) Inc has also provided corporate guarantee on proportionate basis (50%) for the credit facilities totalling RM154.0 million granted by Ambank Group to its jointly controlled entity, Alam Swiber DLB 1 (L) Inc. AMLI has also provided corporate guarantee on proportionate basis (51%) i.e USD24,480,000 for the credit facilities granted by Oversea-Chinese Banking Corp Limited to MDSV I (L) Inc.

Alam Maritim Resources Berhad ("AMRB") has provided a performance guarantee in favour of Thai Shipyard Co. Ltd in relation to the dry-docking, repairing works and any other additional works for two vessels namely Setia Budi and Setia Yakin amounting to THB 16,181,128 and THB 16,231,839 respectively.

Save as disclosed above, there were no material contingent liabilities that may, upon materialisation, have a material effect on the Group's financial results or position.

**A15. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the current financial year, except for the following:

i) There were new ordinary shares issued following the conversion of Redeemable Convertible Notes comprising 11,111,111 ordinary shares on 6 January 2020 at the price of RM 0.09 per share, 22,222,222 ordinary shares on 29 January 2020 at the price of RM0.09 per share, 31,678,986 ordinary shares on 30 January 2020 at the price of RM 0.0947 per share, and 31,678,986 ordinary shares on 21 February 2020 at the price of RM 0.0947 per share.

ii) On 23 January 2020, the Group had announced to undertake the following:-

a) a private placement of up to 10% of the total number of issued shares of AMRB to third party investor(s) to be identified later at an issue price to be determined later in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act") ("Proposed Private Placement I"); and

(b) a private placement of up to 20% of the total number of issued shares of AMRB to independent third party investor(s) to be identified later at an issue price to be determined and announced later ("Proposed Private Placement II").

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

**B1. PERFORMANCE REVIEW**

	OSV Segment <b>RM'000</b>	Subsea/ OIC Segment <b>RM'000</b>	Others/ Elimination <b>RM'000</b>	Consolidated Total <b>RM'000</b>
Revenue (FY 2019)	84,024	214,754	3,062	301,840
Revenue (FY 2018)	<u>53,322</u>	<u>36,521</u>	5,524	<u>95,367</u>
Variance (%)	<u>57.6%</u>	<u>488.0%</u>		<u>216.5%</u>

The Group recorded a turnover of RM301.8 million for the financial year ended 31 December 2019 as compared to RM95.4 million for the same period last year, resulting in a favourable variance of 216.5%. Revenue from Offshore Support Vessels ("OSV") segment increased by 57.6% due to an increase in charter contracts.

Revenue derived from Subsea Services/Offshore Installation & Construction ("OIC") segment was higher by 488.0% as compared to last year, mainly due to higher contribution from OIC projects.

	OSV Segment <b>RM'000</b>	Subsea/ OIC Segment <b>RM'000</b>	Others/ Elimination <b>RM'000</b>	Consolidated Total <b>RM'000</b>
Profit/(Loss) Before Tax - FY 2019	(79,283)	8,486	(2,719)	(73,516)
Profit/(Loss) Before Tax - FY 2018	<u>(153,946)</u>	<u>1,056</u>	(15,235)	<u>(168,125)</u>
Variance (%)	<u>48.5%</u>	<u>703.4%</u>		<u>56.3%</u>

The Group recorded loss before taxation for the current financial year of RM73.52 million, resulting in positive variance of 56.3% as compared to loss before taxation of RM168.12 million recorded for the preceding financial year. The performance of OSV segment improved by 47.0% primarily due to increase in charter contracts.

Subsea Services/OIC segment registered profit before taxation of RM9.82 million as compared to profit before taxation of RM1.06 million recorded last year due to higher revenue and margin contribution registered by OIC segment during the current financial year.

**B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER**

The Group's revenue for the current quarter of RM93.24 million was lower than the preceding quarter's revenue figure of RM114.6 million with an adverse variance of 18.64%. This was mainly due to lower revenue contribution from OIC segment during the current financial quarter under review.

The loss before taxation for the current financial quarter was recorded at RM68.4 million as compared to profit before taxation of RM1.18 million registered for the preceding financial quarter. The substantial loss registered for the current quarter compared to preceding quarter was due to impairment loss on vessels and loss contribution from JV companies.

**B3. COMMENTARY ON PROSPECTS**

The business outlook for Alam Maritim Group is influenced by the level of capital expenditure spending by the Oil Majors which is in line with the volume of exploration and production activities. Based on the recently issued PETRONAS Activity Outlook for 2019-2021, Petronas maintains its prudent view on the industry outlook and will respond with cautious optimism particularly on new capital projects. However, growth is expected in Brownfield activities particularly in rigs and OSV segment.

Notwithstanding the above, the Directors will continue to exercise due care in managing and implementing strategies for the Group's business and will ensure that shareholders' values are strategically enhanced from time to time.

**B4. PROFIT FORECAST**

The Group did not provide any profit forecast or profit guarantee in any public document.

**B5. INCOME TAX EXPENSE**

	Current Quarter		Year-To-Date	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Income Taxation				
-Current year	85	(1,158)	190	(245)
-(Over)/under-provision in prior year	-	-	-	-
	<u>85</u>	<u>(1,158)</u>	<u>190</u>	<u>(245)</u>
Deferred Taxation				
-Current year	92	4,639	205	(265)
-(Over)/under-provision in prior year	-	-	-	-
	<u>92</u>	<u>4,639</u>	<u>205</u>	<u>(265)</u>
	<u><b>177</b></u>	<u><b>3,481</b></u>	<u><b>395</b></u>	<u><b>(510)</b></u>

The effective tax rate for the current financial year is lower than the statutory tax rate of 24% principally due to certain income which is taxed at a lower tax regime, and losses registered by certain subsidiary companies.

**B6. SALE OF PROPERTIES**

There were no sales of properties in the financial year under review, except for the following:-

On 6 March 2019, the Group's wholly-owned subsidiary, Alam Maritim (M) Sdn. Bhd. had completed the sale and purchase transaction with a third party to dispose of an offshore support vessel namely Setia Jaguh for a consideration of USD 0.3 million.

**B7. INVESTMENTS IN QUOTED SECURITIES**

There were no dealings by the Group in quoted securities for the financial year under review.

**B8. BORROWINGS**

	<b>Total As at 31.12.2019 RM'000</b>	<b>Total As at 31.12.2018 RM'000</b>
<b>Short Term Borrowings</b>		
Unsecured:		
Revolving credit facilities	32,591	22,849
Overdraft	3,125	646
Secured:		
MTN - Sukuk Ijarah	8,000	9,000
Term loans	2,248	2,460
Hire purchase	12	370
	<u>45,976</u>	<u>35,325</u>
<b>Long-term borrowings</b>		
Unsecured:		
Revolving credit facilities	-	9,474
Secured:		
Term loans	10,441	10,838
Hire purchase	831	788
MTN - Sukuk Ijarah	66,000	66,000
	<u>77,272</u>	<u>87,100</u>
<b>Total Borrowings</b>	<u>123,248</u>	<u>122,425</u>

**B9. DERIVATIVE FINANCIAL INSTRUMENTS**

There were no outstanding derivatives as at the end of the reporting year.

**B10. FAIR VALUE HIERARCHY**

No transfer between any levels of the fair value estimation took place during the current interim period and the comparative period. There were also no changes in the purpose of any financial instrument that subsequently resulted a change in those instruments.

**B11. DISCLOSURE OF GAINS/LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 December 2019.

**B12. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There are no off balance sheet financial instruments as at 31 December 2019.

**B13. CHANGES IN MATERIAL LITIGATION**

The Group is not engaged in any material litigation, whether as plaintiff or defendant, which may have a material impact on the financial position or performance of the Group as at 31 December 2019. The Board of Directors is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial or business position of the Group.

**B14. DISCLOSURE OF NATURE OF OUTSTANDING DERIVATIVE**

There were no outstanding derivatives as at the end of the reporting period.

**B15. EARNINGS PER SHARE ("EPS")**

**Basic EPS**

Basic earnings per share amount is calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares issued during the period.

	<b>Current Quarter</b>		<b>Year-To-Date</b>	
	<b>31.12.2019</b>	<b>31.12.2018</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to equity holders of the parent	(63,674)	(132,516)	(71,832)	(170,941)
Weighted average number of ordinary shares issued	1,001,201	924,461	944,405	924,461
<b>Basic EPS (Sen)</b>	<b>(6.4)</b>	<b>(14.3)</b>	<b>(7.6)</b>	<b>(18.5)</b>

**Diluted EPS**

Diluted earnings per share amount is calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issued during the period after adjusting for the dilutive effects of all potential ordinary shares to be issued under ESOS.

	<b>Current Quarter</b>		<b>Year-To-Date</b>	
	<b>31.12.2019</b>	<b>31.12.2018</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit attributable to equity holders of the parent	(63,674)	(132,516)	(71,832)	(170,941)
Weighted average number of ordinary shares issued	1,001,201	924,461	944,405	924,461
Effects of dilution from ESOS*	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	1,001,201	924,461	944,405	924,461
<b>Diluted EPS (Sen)</b>	<b>(6.4)</b>	<b>(14.3)</b>	<b>(7.6)</b>	<b>(18.5)</b>

\*Note: The estimation of effects of dilution from ESOS was based on the average closing price of RM0.10 for the financial year ended 31 December 2019.

**B16. RELATED PARTY TRANSACTIONS**

Significant related party transactions during the financial period are described below:

	<b>Cumulative quarter period ended 31.12.2019 RM'000</b>
<b><u>Jointly controlled entities</u></b>	
Charter hire vessels	31,935
Vessel management fees	9,150
<b><u>Associates</u></b>	
Charter hire vessels	<u>63,737</u>

**B17. AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 February 2020.

**BY ORDER OF THE BOARD**

**Nuranisma binti Ahmad**  
(MAICSA No. 7067610)  
**Nur Aznita binti Taip**  
(MAICSA No. 7067607)  
Company Secretary  
Kuala Lumpur  
28 February 2020