

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

		FOURTH QUARTER		CUMULATIVE QUARTER	
		Current	Preceding	Current	Preceding
		Quarter	Quarter	Year-To-Date	Year-To-Date
		Ended	Ended	Ended	Ended
	Note	31.12.2020	31.12.2019	31.12.2020	31.12.2019
		RM'000	RM'000	RM'000	RM'000
Revenue	A4	64,760	93,235	248,421	306,669
Cost of sales		(79,951)	(99,306)	(266,443)	(292,505)
Gross (loss)/profit		(15,191)	(6,071)	(18,022)	14,164
Other income		3,991	3,601	5,197	7,179
Staff costs		(3,783)	(4,705)	(17,053)	(18,152)
Other operating expenses		(57,331)	(35,356)	(65,588)	(68,099)
Loss from operations		(72,314)	(42,531)	(95,466)	(64,908)
Finance costs		(1,890)	(3,133)	(5,751)	(5,237)
Share of results of jointly controlled entities		(8,447)	(19,704)	(14,440)	(10,608)
Loss before taxation		(82,651)	(65,368)	(115,657)	(80,753)
Taxation	B5	(172)	(177)	(230)	472
Net loss for the period		(82,823)	(65,545)	(115,887)	(80,281)
Other comprehensive income					
Currency translation differences		1,538	3,044	(375)	(893)
Other comprehensive (loss)/income for the period, net of tax		1,538	3,044	(375)	(893)
Total comprehensive loss for the period		(81,285)	(62,501)	(116,262)	(81,174)
Loss attributable to:					
Owners of the parent		(82,191)	(63,674)	(115,525)	(79,479)
Non-controlling interests		(632)	(1,871)	(362)	(802)
		(82,823)	(65,545)	(115,887)	(80,281)
Total comprehensive loss for the period					
Owners of the parent		(81,470)	(62,556)	(115,473)	(80,556)
Non-controlling interests		185	55	(789)	(618)
		(81,285)	(62,501)	(116,262)	(81,174)
Earnings per share attributable to Owners of the parent	B15				
- Basic (Sen)		(5.9)	(6.9)	(9.3)	(8.6)
- Diluted (Sen)		(5.9)	(6.9)	(9.3)	(8.6)

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 30 SEPTEMBER 2020**

	Note	As At 31.12.2020 RM'000	As At 31.12.2019 RM'000
Assets			
Non-current Assets			
Property, vessel and equipment		222,341	281,165
Interests in joint ventures		41,199	55,799
Deferred tax assets		-	9,786
		<u>263,540</u>	<u>346,750</u>
Current Assets			
Inventories		-	771
Trade receivables		42,667	125,411
Other receivables		123,797	101,888
Tax recoverable		600	2,656
Cash and bank balances		53,111	71,554
		<u>220,175</u>	<u>302,280</u>
Total Assets		<u>483,715</u>	<u>649,030</u>
Equity And Liabilities			
Equity Attributable To Owners Of The Parent			
Share capital		432,981	406,265
Other reserves		(2,477)	(2,530)
Retained profits		<u>(195,448)</u>	<u>(72,431)</u>
		235,056	331,304
Non-controlling interests		<u>(4,894)</u>	<u>(4,104)</u>
Total Equity		<u>230,162</u>	<u>327,200</u>
Non-current Liabilities			
Borrowings	B8	3,533	75,317
Other payables		208	-
Deferred tax liabilities		4,522	14,997
		<u>8,263</u>	<u>90,314</u>
Current Liabilities			
Borrowings	B8	99,030	47,567
Trade payables		92,496	117,226
Other payables		53,222	65,056
Tax payable		542	1,667
		<u>245,290</u>	<u>231,516</u>
Total Liabilities		<u>253,553</u>	<u>321,830</u>
Total Equity And Liabilities		<u>483,715</u>	<u>649,030</u>
Net Assets Per Share (RM)		<u>0.17</u>	<u>0.32</u>

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 2020

	Attributable to Owners of the Parent						
	← Non-Distributable →		Distributable				
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
As at 1 January 2020	406,265	-	(2,530)	(72,431)	331,304	(4,104)	327,200
Loss for the period	-	-	-	(115,525)	(115,525)	(362)	(115,887)
Other comprehensive loss	-	-	53	(7,492)	(7,439)	(428)	(7,867)
Issue of ordinary shares:							
Pursuant to RCN	9,000	-	-	-	9,000	-	9,000
Pursuant to private placement	17,716	-	-	-	17,716	-	17,716
As at 31 December 2020	432,981	-	(2,477)	(195,448)	235,056	(4,894)	230,162

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 2020

	Attributable to Owners of the Parent						
	← Non-Distributable →		Distributable				
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
As at 1 January 2019	396,315	-	655	4,940	401,910	(3,485)	398,425
Loss for the year	-	-		(79,479)	(79,479)	(802)	(80,281)
Other comprehensive loss	-	-	(1,077)	-	(1,077)	183	(894)
Expiry of employee share options			(2,108)	2,108	-		-
Issue of ordinary shares: Pursuant to RCN	9,950	-	-	-	9,950	-	9,950
As at 31 December 2019	406,265	-	(2,530)	(72,431)	331,304	(4,104)	327,200

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 2020**

	Current Year-To-Date Ended 31.12.2020 RM'000	Preceding Year-To-Date Ended 31.12.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(115,657)	(80,753)
Adjustment for:		
Interest income	(183)	(1,784)
Interest expense	5,751	5,237
Depreciation	29,026	31,516
Net unrealised (gain)/loss on foreign exchange	1,381	211
Impairment loss on interest in joint ventures and associates	498	4,936
Share of results of jointly controlled entities	14,440	10,608
Loss on disposal of property, vessel and equipment	-	1,493
Impairment loss on property, vessel and equipment	40,934	39,439
Operating (loss)/profit before working capital changes	(23,810)	10,903
Increase in inventories	771	338
Contract Asset	-	(28,945)
Decrease/(increase) in receivables	62,198	(78,267)
(Decrease)/increase in payables	(36,357)	87,273
Cash generated from/(used in) operating activities	2,802	(8,698)
Taxes paid	701	(409)
Interest paid	(5,751)	(5,238)
Net cash flow used in operating activities	(2,248)	(14,345)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	183	1,784
Proceeds from disposal of fixed assets	-	1,410
Purchase of fixed assets	(9,649)	(9,213)
Net cash flows used in investing activities	(9,466)	(6,019)

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 2020

	Current Year-To-Date Ended 31.12.2020 RM'000	Preceding Year-To-Date Ended 31.12.2019 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	26,716	9,950
Proceeds of OD	-	-
Repayment of Overdraft	(1,728)	-
Net repayment of term loans	(2,895)	(1,101)
Repayment of hire purchase	(292)	(294)
Repayment of RC	(100)	-
Repayment of MTN	(26,702)	(1,000)
Net cash set aside for sinking fund	26,702	-
Marginal deposit	(6,843)	995
Net cash flows generated from financing activities	14,858	8,550
Net increase/(decrease) in cash and cash equivalents	3,144	(11,814)
Cash and cash equivalents at beginning of financial year	22,027	33,841
Cash and cash equivalents at end of financial year	25,171	22,027
 Cash and cash equivalents at the end of the financial year comprise the following:		
Cash on hand and at banks	26,676	24,399
Deposits with licensed banks	26,435	47,155
	53,111	71,554
Bank overdrafts (Note B8)	(1,505)	(3,233)
Amount set aside as sinking fund	(11,577)	(38,279)
Amount pledged for bank guarantee facilities	(14,858)	(8,015)
Total cash and cash equivalents	25,171	22,027

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

The adoption of the following MFRSs, Amendments and Interpretations that came into effect on 1 January 2020 did not have any significant impact on the unaudited condensed consolidated financial statements upon initial adoption.

Description	Effective for annual periods beginning on or after
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
Amendments to MFRS 16 Leases (Covid-19 Related Rent Concessions)	1 January 2020

The adoption of the above MFRS and amendments to MFRS that came into effect on 1 January 2020, did not have significant impact on the unaudited condensed financial statements upon the initial application on 1 January 2020.

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.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
MFRS 17, Insurance Contracts	1 January 2021
Amendments to MFRS 3: Business Combinations - Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 137: Provisions, Cotingent Liabilities and Contingent Assets - Onerous Contract - Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101: Presentation of Financial Statements, Classification of Liabilities as Current or Non-current	1 January 2023

The Group has not completed its assessment of the financial effects of standards and intrepretations 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 2019 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 2020 are as follows:-

As at 31 December 2020	Offshore support vessels and services RM'000	Subsea services & OIC RM'000	Others RM'000	Consol RM'000	TOTAL RM'000
Revenue					
External	38,936	190,216	10,526	-	239,678
Intra group	17,291	49	-	(8,597)	8,743
Total	56,227	190,265	10,526	(8,597)	248,421
Results					
Loss from operations	(81,286)	(12,217)	(1,963)	-	(95,466)
Finance costs	(5,680)	(52)	(19)	-	(5,751)
Share of results of jointly controlled entities	(17,841)	3,401	-	-	(14,440)
Loss before taxation	(104,807)	(8,868)	(1,982)	-	(115,657)
As at 31 December 2019					
Revenue					
External	93,070	213,599	-	-	306,669
Intra group	5,553	-	-	(5,553)	-
Total	98,623	213,599	-	(5,553)	306,669
Results					
Loss from operations	(60,419)	(4,800)	(1,509)	1,820	(64,908)
Finance costs	(5,107)	(105)	(25)	-	(5,237)
Share of results of jointly controlled entities	(10,608)	-	-	-	(10,608)
Loss before taxation	(76,134)	(4,905)	(1,534)	1,820	(80,753)

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 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:

	Current Quarter Ended 31.12.2020 RM'000	Preceding Quarter Ended 31.12.2019 RM'000	Current Year-To-Date Ended 31.12.2020 RM'000	Preceding Year-To-Date Ended 31.12.2019 RM'000
Interest income	(130)	(192)	(183)	(1,784)
Interest expense	1,890	3,133	5,751	5,237
Depreciation	8,604	8,593	29,026	31,516
Net loss/(gain) on foreign exchange	<u>1,865</u>	<u>1,325</u>	<u>1,381</u>	<u>211</u>

A9. DIVIDENDS PAID

No dividend was paid in the financial period 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 repayment of debts and equity in the

On 18 May 2020, Alam had completed the Proposed Private Placement I and had raised gross proceeds of approximately RM7.74 million. Proposed Private Placement II was completed via two tranches on 17 September 2020 and 11 December 2020 and had raised gross proceeds of approximately RM9.98 million.

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Intended timeframe
Partial repayment of term loans	5,317	-	within 12 months
Working Capital	11,885	1,452	within 12 months
Expenses relation to Private Placement	516	243	upon completion
	<u>17,718</u>	<u>1,695</u>	

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 December 2020, 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.

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

B1. PERFORMANCE REVIEW

	OSV Segment RM'000	Subsea/ OIC Segment RM'000	Others/ Elimination RM'000	Consolidated Total RM'000
Revenue (FY 2020)	47,630	190,265	10,526	248,421
Revenue (FY 2019)	93,070	213,599	-	306,669
Variance (%)	(49%)	(11%)		(19%)

The Group recorded a turnover of RM248.4 million for the financial year ended 31 December 2020 as compared to RM306.7 million in preceeding year, resulting in a negative variance of 19%. Revenue from Offshore Support Vessels ("OSV") segment decreased by 49% due to less charter contracts.

Revenue derived from Subsea Services/Offshore Installation & Construction ("OIC") segment was lower by 11% as compared to last year, mainly due to less contribution from both subsea and OIC projects.

	OSV Segment RM'000	Subsea/ OIC Segment RM'000	Others/ Elimination RM'000	Consolidated Total RM'000
(Loss)/Profit Before Tax - FY 2020	(104,807)	(8,868)	(1,982)	(115,657)
(Loss)/Profit Before Tax - FY 2019	(76,134)	(4,905)	286	(80,753)
Variance (%)	(38%)	(81%)		(43%)

The Group recorded loss before taxation for the current financial year of RM115.7 million, resulting in negative variance of 43% as compared to loss before taxation of RM80.8 million recorded for the preceding financial year. The performance of OSV segment worsened by 38% primarily due to less charter contracts.

Subsea Services/OIC segment registered loss before taxation of RM8.9 million as compared to loss before taxation of RM4.9 million recorded last year, posting a negative variance of 81%. The adverse financial performance was due to lower 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 RM64.8 million was higher than the preceding quarter's revenue figure of RM24.8 million with the positive variance of 260.9%. This was mainly due to higher revenue contribution from subsea and OIC segment during the current financial quarter under review.

The loss before taxation for the current financial quarter was recorded at RM82.7 million as compared to loss before taxation of RM10.6 million registered for the preceding financial quarter. The loss incurred for the current quarter compared to preceding quarter was due to higher costs recognised in the current quarter in relation to TNAG project and also impairment recorded during the quarter.

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 2021-2023, Petronas maintains its prudent view on the industry outlook and will respond with cautious optimism particularly on new capital projects.

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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM'000	RM'000	RM'000	RM'000
Income Taxation				
-Current year	82	153	111	(4,783)
-(Over)/under-provision in prior year	-	-	-	-
	<u>82</u>	<u>153</u>	<u>111</u>	<u>(4,783)</u>
Deferred Taxation				
-Current year	90	24	119	(15)
-(Over)/under-provision in prior year	-	-	-	4,326
	<u>90</u>	<u>24</u>	<u>119</u>	<u>4,311</u>
	<u>172</u>	<u>177</u>	<u>230</u>	<u>(472)</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.

B7. INVESTMENTS IN QUOTED SECURITIES

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

B8. BORROWINGS

	31.12.2020	31.12.2019
	RM'000	RM'000
Short Term Borrowings		
Unsecured:		
Revolving credit facilities	32,491	32,591
Overdraft	1,505	3,233
Secured:		
MTN - Sukuk Ijarah	55,726	9,000
Term loans	9,062	2,226
Hire purchase	246	517
	99,030	47,567
Long-term borrowings		
Unsecured:		
Revolving credit facilities	-	-
Secured:		
Term loans	3,378	9,971
Hire purchase	155	346
MTN - Sukuk Ijarah	-	65,000
	3,533	75,317
Total Borrowings	102,563	122,884

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 2020.

B12. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no off balance sheet financial instruments as at 31 December 2020.

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 2020 except for the following:

CIMB vs AMSB and AMRB (Guarantor)

CIMB filed a suit against AMSB as the Customer and AMRB as the Guarantor in the High Court of Kuala Lumpur claiming for the sum of RM10,496,848.65 excluding late payment penalty due to the alleged default of payment, and hence, a breach to the facilities agreement and its supplementary including the Security Sharing Agreement dated 30.08.2018 signed by the parties under the CDRC Programme.

AMSB and AMRB filed for striking out of the suit, whilst CIMB applied to obtain judgment via summary application against AMSB/AMRB.

On 25.11.2020, the court allowed CIMB's application for summary judgment and dismissed AMSB's and AMRB's application to strike out the suit. AMSB and AMRB are appealing against these decisions and notice and memorandum of appeals have been filed, which the Court of Appeal fixed case management date on 16.03.2021. Appeal date is set on 15.06.2021.

Meanwhile, on 3.02.2021, the High Court dismissed AMSB and AMRB's application for a stay of execution against CIMB's Summary Judgment Order. AMSB/AMRB have filed a motion to the Court of Appeal on the dismissal.

The Company had obtained legal advice that the demand was premature. The Company is of the view that the amount claimed is less than the Company's materiality threshold. The proceeding is ongoing and the Company will continue seeking legal advice in the best interests of the Company to resolve the matter.

Bank Muamalat Malaysia Berhad (BMMB) vs AMSB and AMRB (Guarantor)

BMMB filed a suit against AMSB as the Customer and AMRB as the Guarantor in the High Court of Kuala Lumpur claiming for the sum totalling of RM8,588,240.73 - excluding late payment penalty - due to the alleged default of payment, and hence, a breach to the facilities agreement and its supplementary including the Security Sharing Agreement dated 30.08.2018 signed by the parties under the CDRC Programme.

AMSB/AMRB filed for striking out of the suit, whilst BMMB applied to obtain judgment via summary application against AMSB and AMRB. On 12.01.2021 the court allowed BMMB's application for summary judgment and dismissed AMSB's and AMRB's application to strike out the suit. AMSB/AMRB are appealing against these decisions and notice of appeals have been filed, which the Court of Appeal fixed case management date on 29.03.2021.

AMSB/AMRB has filed an application for stay of execution against BMMB and case management is set on 29.03.2021.

Appeal date is set on 15.06.2021.

The Company had obtained legal advice that the demand was premature. The Company is of the view that the amount claimed is less than the Company's materiality threshold. The proceeding is ongoing and the Company will continue seeking legal advice in the best interests of the Company to resolve the matter.

B14. DISCLOSURE OF NATURE OF OUTSTANDING DERIVATIVE

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

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.

	Current Quarter		Year-To-Date	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders of the parent	(82,191)	(63,674)	(115,525)	(79,479)
Weighted average number of ordinary shares issued	1,382,250	924,461	1,237,056	924,461
Basic EPS (Sen)	(5.9)	(6.9)	(9.3)	(8.6)

Diluted EPS

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

	Current Quarter		Year-To-Date	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders of the parent	(82,191)	(63,674)	(115,525)	(79,479)
Weighted average number of ordinary shares issued	1,382,250	924,461	1,237,056	924,461
Effects of dilution from ESOS*	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	1,382,250	924,461	1,237,056	924,461
Diluted EPS (Sen)	(5.9)	(6.9)	(9.3)	(8.6)

**Note: The estimation of effects of dilution from ESOS was based on the average closing price of RM0.08 for the financial year ended 31 December 2020.*

B16. RELATED PARTY TRANSACTIONS

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

	Cumulative quarter period ended 31.12.2020 RM'000
<u>Jointly controlled entities</u>	
Charter hire vessels	2,267
Vessel management fees	8,970
<u>Associates</u>	
Charter hire vessels	<u>60,854</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 30 March 2021.

BY ORDER OF THE BOARD

Nuranisma binti Ahmad
(MAICSA No. 7067610)
Nur Aznita binti Taip
(MAICSA No. 7067607)
Company Secretary
Kuala Lumpur
31 March 2021