



**PETRA ENERGY BERHAD (718388-H)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED  
31 DECEMBER 2016**

**PETRA ENERGY BERHAD (718388-H)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Statements of Comprehensive Income**

	Note	<i>Current quarter</i>		<i>Cumulative period</i>	
		<i>3 months ended</i>		<i>12 months ended</i>	
		31 December 2016 Unaudited RM'000	31 December 2015 Unaudited RM'000	31 December 2016 Unaudited RM'000	31 December 2015 Audited RM'000
Revenue		60,985	205,140	333,241	654,789
Cost of sales		(100,020)	(218,229)	(379,546)	(591,158)
Gross (loss)/profit		(39,035)	(13,089)	(46,305)	63,631
Other income		3,550	(1,160)	4,855	21,427
Administrative expenses		(8,452)	(6,615)	(40,772)	(58,345)
Impairment loss on property, plant and equipment and receivables		(52,378)	(4,948)	(77,378)	(4,948)
(Loss)/profit from operations		(96,315)	(25,812)	(159,600)	21,765
Finance income		2,538	5,922	4,480	7,498
Finance costs		(2,539)	(4,730)	(16,243)	(18,581)
Share of results of an associate		7,901	37,657	47,460	51,333
(Loss)/profit before taxation	13	(88,415)	13,037	(123,903)	62,015
Income tax credit/(expense)	14	8,055	(2,711)	6,623	(14,801)
<b>(Loss)/profit for the financial period</b>		<b>(80,360)</b>	<b>10,326</b>	<b>(117,280)</b>	<b>47,214</b>
<u>Other comprehensive income:</u>					
Item that may be subsequently reclassified to profit or loss					
- Currency translation differences		2,913	(567)	1,703	10,801
<b>Other comprehensive income/(loss) for the financial period, net of tax</b>		<b>2,913</b>	<b>(567)</b>	<b>1,703</b>	<b>10,801</b>
<b>Total comprehensive (loss)/income for the financial period</b>		<b>(77,447)</b>	<b>9,759</b>	<b>(115,577)</b>	<b>58,015</b>
<b>(Loss)/earnings per share (sen)</b>					
<b>Basic/ diluted</b>	15	<b>(25.04)</b>	<b>3.21</b>	<b>(36.54)</b>	<b>14.68</b>

These condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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**Condensed Consolidated Statements of Financial Position**

	Note	31 December 2016 Unaudited RM'000	31 December 2015 Audited RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		340,283	436,878
Investment in associate		105,610	58,150
		445,893	495,028
<b>Current assets</b>			
Inventories		8,870	30,686
Trade and other receivables		104,923	226,261
Amount due from customers on contracts		12,139	25,517
Amount due from an associate company		-	108,649
Tax recoverable		11,198	6,345
Cash and bank balances	16	238,640	213,539
		375,770	610,997
<b>Total Assets</b>		821,663	1,106,025
<b>EQUITY AND LIABILITIES</b>			
Share capital		160,875	160,875
Share premium		138,934	138,934
Treasury shares		(836)	(836)
Merger reserve		(31,000)	(31,000)
Currency translation reserve		15,962	14,259
Retained earnings		124,933	264,679
<b>Total equity</b>		408,868	546,911
<b>Non-current liabilities</b>			
Loans and borrowings	17	87,432	120,917
Hire purchase liabilities		349	333
Deferred taxation		3,734	11,043
		91,515	132,293
<b>Current liabilities</b>			
Loans and borrowings	17	150,164	220,996
Hire purchase liabilities		62	62
Trade and other payables		118,471	205,256
Amount due to an associate company		52,583	-
Amount due to customers on contracts		-	507
		321,280	426,821
<b>Total liabilities</b>		412,795	559,114
<b>Total equity and liabilities</b>		821,663	1,106,025
<b>Net assets per share of RM0.50 each</b>		<b>1.27</b>	<b>1.70</b>

These condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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**Condensed Consolidated Statements of Changes in Equity**

	← Attributable to Equity Holders of the Company →						Total Equity RM'000
	← Non-distributable →			Distributable			
	Share Capital RM'000	Share Premium RM'000	Merger Reserve RM'000	Treasury Shares RM'000	Currency Translation Reserve RM'000	Retained Earnings RM'000	
<b>As at 1 January 2016</b>	160,875	138,934	(31,000)	(836)	14,259	264,679	546,911
Loss for the financial period	-	-	-	-	-	(117,280)	(117,280)
Other comprehensive loss for the financial period	-	-	-	-	1,703	-	1,703
Total comprehensive loss for the financial period	-	-	-	-	1,703	(117,280)	(115,577)
<u>Transactions with owners:</u>							
Interim dividend in respect of financial year ended 31 December 2016	-	-	-	-	-	(9,628)	(9,628)
Interim dividend in respect of financial year ended 31 December 2015	-	-	-	-	-	(6,419)	(6,419)
Special dividend in respect of financial year ended 31 December 2015	-	-	-	-	-	(6,419)	(6,419)
	-	-	-	-	-	(22,466)	(22,466)
<b>As at 31 December 2016</b>	160,875	138,934	(31,000)	(836)	15,962	124,933	408,868
<b>As at 1 January 2015</b>	160,875	138,934	(31,000)	-	3,458	243,157	515,424
Profit for the financial period	-	-	-	-	-	47,214	47,214
Other comprehensive income for the financial period	-	-	-	-	10,801	-	10,801
Total comprehensive income for the period	-	-	-	-	10,801	47,214	58,015
<u>Transactions with owners:</u>							
Purchase of treasury shares	-	-	-	(836)	-	-	(836)
Interim dividend in respect of financial year ended 31 December 2014	-	-	-	-	-	(6,435)	(6,435)
Special dividend in respect of financial year ended 31 December 2015	-	-	-	-	-	(19,257)	(19,257)
	-	-	-	(836)	-	(25,692)	(26,528)
<b>As at 31 December 2015</b>	160,875	138,934	(31,000)	(836)	14,259	264,679	546,911

These condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**PETRA ENERGY BERHAD (718388-H)**  
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**Condensed Consolidated Statements of Cash Flows**

	<i>12 months ended</i>	
	<b>31 December 2016</b> <b>Unaudited</b> <b>RM'000</b>	<b>31 December 2015</b> <b>Audited</b> <b>RM'000</b>
(Loss)/profit before tax	(123,903)	62,015
Adjustments for:		
Finance income	(4,480)	(7,498)
Finance costs	16,243	18,581
Unrealised foreign exchange loss/(gain)	3,039	(18,065)
Impairment loss on property, plant and equipment	64,793	2,200
Impairment loss on trade and other receivables	12,585	2,748
Depreciation of property, plant and equipment	36,453	41,982
Share of results of associate	(47,460)	(51,333)
Total adjustments	81,173	(11,385)
Operating cash flows before changes in working capital	(42,730)	50,630
Changes in working capital:		
Inventories	21,816	17,502
Trade and other receivables	266,851	32,771
Trade and other payables	(96,413)	(38,398)
Amount due from customers	12,871	(6,483)
Total changes in working capital	205,125	5,392
Cash flows generated from operations	162,395	56,022
Income tax paid	(5,539)	(8,767)
Net cash flows generated from operating activities	156,856	47,255
Net cash flows (used in)/generated from investing activities	(171)	105,361
Net cash flows used in financing activities	(135,078)	(87,976)
Net changes in cash and cash equivalents	21,607	64,640
Net changes in cash restricted in use	(29,787)	(31,535)
Effects of exchange rate changes	2,673	21,111
Cash and cash equivalents at 1 January	85,805	31,589
Cash and cash equivalents at 31 December (Note 16)	80,298	85,805

These condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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

**1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. It should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2015.

The audited financial statements of the Group for the year ended 31 December 2015 were prepared in accordance with MFRS.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2015.

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

<b>Description</b>		<b>Effective for financial periods beginning on or after</b>
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments - Classification and Measurement of Financial Assets and Financial Liabilities	1 January 2018

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The impact of the new accounting standards, amendments and improvements to published standards and interpretations on the financial statements of the Group is currently being assessed by the management.

**2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the audited annual financial statements for the financial year ended 31 December 2015 was not qualified.

**3. Seasonal or Cyclical Factors**

Seasonal and cyclical factors do not have any material impact on the Group’s business operations except for severe weather conditions.

**4. Unusual and Extraordinary Items**

There were no unusual and extraordinary items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 December 2016.

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

**5. Material Changes in Estimates**

There were no changes in estimates that have had a material effect in the current financial period.

**6. Issuance and Repayment of Debts and Equity Securities**

There were no issuance, repurchase and repayment of debt and securities during the year ended 31 December 2016.

**7. Dividends**

- i. An interim tax exempt (single-tier) dividend of 3.0 sen per ordinary share of RM0.50 each on 320,947,200 ordinary shares for the financial year ended 31 December 2016 amounting to RM9,628,000 was paid on 6 Jan 2017.
- ii. An interim tax exempt (single-tier) dividend of 2.0 sen and special dividend of 2.0 sen per ordinary shares of RM0.50 each on 320,947,200 ordinary shares for the financial year ended 31 December 2015 amounting to RM12,838,000 was paid on 18 May 2016.

**8. Changes in Composition of the Group**

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

**9. Valuation of Property, Plant and Equipment**

The Group states its property, plant and equipment at cost less any accumulated depreciation and any accumulated impairment losses, and does not adopt a policy to revalue its property, plant and equipment.

The Group recognized provision for impairment on property, plant and equipment amounting to RM64.8 million.

**10. Contingencies**

There were no contingencies as at the end of the reporting period.

**11. Commitments**

**Capital expenditure**

Property, plant and equipment:

- Approved but not contracted for

<b>31 December 2016 RM'000</b>
6,749
<b>6,749</b>

**PETRA ENERGY BERHAD (718388-H)**  
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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**12. Segment Information**

**(i) Current Quarter Ended 31 December 2016 (3 months)**

	Services		Marine Assets		Production and Development		Adjustments and eliminations		Group	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015
<b>Revenue (RM'000)</b>										
External customers	41,131	102,150	19,854	102,990	-	-	-	-	60,985	205,140
Inter-segment	3,500	2,437	11,097	19,333	-	-	(14,597)	(21,770)	-	-
Total revenue	44,631	104,587	30,951	122,323	-	-	(14,597)	(21,770)	60,985	205,140
<b>Results (RM'000)</b>										
Segment results	(33,840)	1,711	(59,503)	(25,530)	622	1,985	(1,056)	1,944	(93,777)	(19,890)
Finance costs	(1,670)	837	(728)	(1,117)	(139)	(4,447)	(2)	(3)	(2,539)	(4,730)
Share of results of associate	-	-	-	-	7,901	37,657	-	-	7,901	37,657
Segment (loss)/profit before tax	(35,510)	2,548	(60,231)	(26,647)	8,384	35,195	(1,058)	1,941	(88,415)	13,037



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

**12. Segment Information (cont'd)**

(ii) Current Year-to-date Ended 31 December 2016 (12 months)

	Services		Marine Assets		Production and Development		Adjustments and eliminations		Group	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015
<b>Revenue (RM'000)</b>										
External customers	289,376	463,951	43,865	190,838	-	-	-	-	333,241	654,789
Inter-segment	15,049	8,923	86,470	139,870	-	-	(101,519)	(148,793)	-	-
Total revenue	304,425	472,874	130,335	330,708	-	-	(101,519)	(148,793)	333,241	654,789
<b>Results (RM'000)</b>										
Segment results	(47,773)	32,395	(91,628)	(10,478)	(6,770)	(4,432)	(8,949)	11,778	(155,120)	29,263
Finance costs	(8,595)	(6,747)	(3,262)	(4,356)	(4,376)	(7,464)	(10)	(14)	(16,243)	(18,581)
Share of results of associate	-	-	-	-	47,460	51,333	-	-	47,460	51,333
Segment (loss)/profit before tax	(56,368)	25,648	(94,890)	(14,834)	36,314	39,437	(8,959)	11,764	(123,903)	62,015

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

**12. Segment Information (cont'd)**

***Current quarter compared with the corresponding quarter of the preceding year (three-months)***

For the current quarter under review, the Group recorded revenue of RM61.0 million, as compared to RM205.1 million reported in corresponding quarter of the preceding year. As a result, the Group incurred loss before taxation of RM36.0 million (after excluding additional provision for impairment of property, plant and equipment and receivable of RM52.4 million) as compared to profit before taxation of RM8.1 million (after excluding provision for impairment of property, plant and equipment and receivable of RM4.9 million) in the preceding year's corresponding quarter. Loss before taxation recorded in the current quarter under review was mainly due to loss from the Services Segment and Marine Assets Segment.

- Services Segment

The segment revenue for the current quarter decreased by 57.3% from RM104.6 million in Q4 2015 to RM44.6 million in Q4 2016.

The segment recorded a loss before taxation of RM35.5 million in Q4 2016 as compared to profit before taxation of RM2.5 million in Q4 2015 resulted from lower activities in Hook up, Commissioning and Top-side Major Maintenance ("HuC/TMM") contract with Petronas Carigali Sdn Bhd ("PCSB").

- Marine Assets Segment

The segment recorded revenue of RM30.9 million the current quarter as compared to RM122.3 million in Q4 2015. Correspondingly, the segment incurred lower loss before taxation of RM7.9 million (after excluding additional provision for impairment of property, plant and equipment of RM52.3 million) in the current quarter as compared to RM21.7 million (after excluding provision for impairment of property, plant and equipment and receivable of RM4.9 million) in Q4 2015.

- Production and Development Segment

The segment recorded profit of RM8.4 million resulting from the share of results of an associate amounting to RM7.9 million. The finance cost incurred within this segment represents interest on borrowing undertaken to part-finance the capital expenditure requirement in the Kapal Banang Meranti Small Field Risk Service Contract ("KBMSFRSC") of an associate company.

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

**12. Segment Information (cont'd)**

***Current period compared with the corresponding period of the preceding year (twelve-months)***

For the current period under review, the Group recorded revenue of RM333.2 million, as compared to RM654.8 million reported in corresponding period of the preceding year. The Group incurred loss before taxation of RM46.5 million (after excluding provision for impairment of property, plant and equipment and provision for impairment of a receivable amounting to RM77.4 million) as compared to profit before taxation of RM66.9 million (after excluding provision for impairment of property, plant and equipment and receivable of RM4.9 million) in the preceding year's corresponding period. Loss before taxation recorded in the current quarter under review was mainly due to loss from the Services Segment and Marine Assets Segment.

- Services Segment

The segment revenue for the current period decrease by 40.7% from RM472.8 million in Q4 2015 to RM280.2 million in Q4 2016. Significant decrease in revenue resulted from lower activities in HuC/TMM contract with PCSB during the period.

As a result, the segment recorded a loss before taxation of RM43.7 million (after excluding provision for impairment of a receivable of RM12.6 million) in Q4 2016 compared to profit before taxation of RM25.6 million in Q4 2015.

- Marine Assets Segment

The segment recorded revenue of RM154.5 million in the current period as compared to RM330.7 million in Q4 2015. The segment incurred a loss before taxation of RM30.1 million (after excluding provision for impairment of property, plant and equipment of RM64.8 million) as compared to loss before tax of RM9.9 million (after excluding provision for impairment of property, plant and equipment and receivable of RM4.9 million) in Q4 2015 primarily due to lower vessel utilization during the period.

- Production and Development Segment

The segment recorded profit of RM36.3 million resulting from the share of results of an associate amounting to RM47.4 million. The finance cost incurred within this segment represents interest on borrowing undertaken to part-finance the capital expenditure requirement in the KBMSFRS of an associate company.

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

**13. (Loss)/profit before taxation**

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

	<i>Current quarter</i>		<i>Cumulative period</i>	
	<i>3 months ended</i>		<i>12 months ended</i>	
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	(2,538)	(5,922)	(4,480)	(7,498)
Interest expense	2,539	4,730	16,243	18,581
Loss/(gain) on foreign exchange - realised	419	(1,323)	435	(1,628)
Loss/(gain) on foreign exchange - unrealised	435	3,704	3,039	(18,065)
Impairment of receivables	85	2,748	12,585	2,748
Impairment of property, plant and equipment	52,293	2,200	64,793	2,200
Depreciation of property, plant and equipment	7,990	11,079	36,453	41,982

Save as disclosed above, the other items required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

**14. Income tax expense**

	<i>Current quarter</i>		<i>Cumulative period</i>	
	<i>3 months ended</i>		<i>12 months ended</i>	
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax:				
Malaysian income tax	-	(406)	-	9,684
Under/(over) provision in prior year	(746)	(154)	686	1,846
Deferred tax	(7,309)	3,271	(7,309)	3,271
	<b>(8,055)</b>	<b>2,711</b>	<b>(6,623)</b>	<b>14,801</b>

**15. (Loss)/earnings per share (sen)**

The calculation of basic (loss)/earnings per share as at 31 December 2016 and 31 December 2015 was based on the (loss)/profit for the financial period and a weighted average numbers of ordinary shares outstanding, calculated as follows:

	<b>31 December</b>	<b>31 December</b>
	<b>2016</b>	<b>2015</b>
	<b>RM'000</b>	<b>RM'000</b>
(Loss)/profit for the financial period	(117,280)	47,214
Weighted average numbers of shares ('000)	320,947	321,521
Basic/diluted EPS (sen)	<b>(36.54)</b>	<b>14.68</b>

The Group has no potential ordinary shares in issue as at reporting date and therefore, diluted earnings per share are the same as basic earnings per share.

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

**16. Cash and bank balances**

	<b>31 December 2016 RM'000</b>	<b>31 December 2015 RM'000</b>
Short term deposits with licensed banks	78,105	89,276
Cash at banks and on hand	160,535	124,263
	<b>238,640</b>	<b>213,539</b>

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following at the reporting date:

	<b>31 December 2016 RM'000</b>	<b>31 December 2015 RM'000</b>
Cash and bank balances	238,640	213,539
Less: Bank overdrafts	(604)	(2,556)
Cash and cash equivalents	238,036	210,983
Less: Cash restricted in use		
- Debt Service Reserve Account	(129,573)	(71,758)
- Fixed deposits pledged for borrowing	(28,165)	(53,420)
Net cash and cash equivalents	<b>80,298</b>	<b>85,805</b>

**17. Loans and borrowings**

	<b>31 December 2016 RM'000</b>	<b>31 December 2015 RM'000</b>
<b>Short term borrowings</b>		
Secured	102,374	162,121
Unsecured	47,790	58,875
	<b>150,164</b>	<b>220,996</b>
<b>Long term borrowings</b>		
Secured	87,432	120,917
	<b>237,596</b>	<b>341,913</b>

The Group is exposed to transactional currency risk that is denominated in a currency other than the functional currency of the operations to which they relate. The currency giving rise to this risk is primarily USD Dollars ("USD"). As at 31 December 2016, the Group's total non-Islamic borrowings over total assets ratio stood at 24%.

As at 31 December 2016, the Group's exposure to foreign currency risk is arising from term loans amounting to RM85,046,000 which are denominated in USD.

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

**18. Related Party Transactions**

The following table provides information on the transactions which have been entered into with related parties during the three-month period ended 31 December 2016 and 31 December 2015:

	<b>31 December 2016 RM'000</b>	<b>31 December 2015 RM'000</b>
Rental of buildings paid to parties related to a Corporate Shareholder	420	420

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

**19. Material Events After the Reporting Period**

There was no material event subsequent to the end of the interim period reported which has not been reflected in the financial statements.

**20. Performance review**

Explanatory comment on the performance of each of the Group's business segments is provided in Note 12.

**21. Comment on material change in profit before taxation for the quarter reported as compared with immediate preceding quarter**

The Group revenue of RM61.0 million was 20.0% lower than the immediate preceding quarter, resulted from lower activities executed for the HuC/TMM contract. The Group recorded a loss before taxation of RM36.0 million (after excluding additional provision for impairment of property, plant and equipment receivable of RM52.4million) in Q4 2016 as compared to loss before taxation of RM7.2 million in Q3 2016 (after excluding provision for impairment of receivable of RM12.5 million), primarily due to lower vessel utilisation as well as lower contribution from the HuC/TMM contract.

**22. Commentary on prospects**

There is more optimism over prospect for oil and gas industry in light of the moderate oil price recovery trend, although the market sentiments are still cautious. The Group will continue to manage costs and increase efficiency during this industry climate. In addition, exploring opportunities within the energy sector shall remain a priority for the Group.

**PART B: EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING  
REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A**

**23. Profit Forecast**

No profit forecast or profit guarantee has been issued by the Group.

**24. Corporate Proposals**

There were no corporate proposals announced but not completed as at the reporting date.

**25. Derivative Financial Instruments**

The Group did not enter into any derivatives during the period ended 31 December 2016 nor for the previous period ended 31 December 2015.

**26. Gains and 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 2016.

**27. Changes in Material Litigations**

As at 31 December 2016, there was no material litigation against the Group.

**28. Dividend Payable**

The Directors declared a single tier interim dividend of 2.0 sen per ordinary shares of RM0.50 each on 320,947,200 ordinary shares for the financial year ended 31 December 2016, amounting to RM6,419,000 and payable on 15 May 2017.

**PETRA ENERGY BERHAD (718388-H)**  
**(Incorporated in Malaysia)**

**PART B: EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING  
REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A**

**29. Breakdown of realised and unrealised profits or losses**

The breakdown of the retained earnings of the Group, into realised and unrealised earnings, is as follows:

	<b>As at 30 December 2016 RM'000</b>	<b>As at 31 December 2015 RM'000</b>
Total retained earnings of the Company and its subsidiaries:		
- Realised	35,090	155,555
- Unrealised	27,497	75,148
	62,587	230,703
Total share of retained earnings from associated company:		
- Realised	94,963	47,503
Less: Consolidated adjustments	(32,617)	(13,527)
Retained earnings as per financial statements	124,933	264,679

**30. Authorisation For Issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 February 2017.