



**PETRA ENERGY BERHAD**  
**200501036241 (718388-H)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED  
31 MARCH 2021**

**PETRA ENERGY BERHAD**  
**200501036241 (718388-H)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Statements of Comprehensive Income**

	Note	<i>Current quarter 3 months ended</i>	
		<b>31 March 2021 Unaudited RM'000</b>	<b>31 March 2020 Unaudited RM'000</b>
Revenue		77,835	72,386
Cost of sales		(76,061)	(84,482)
Gross profit/(loss)		1,774	(12,096)
Other income		166	1,265
Administrative expenses		(5,399)	(7,395)
Loss from operations		(3,459)	(18,226)
Finance income		490	679
Finance costs		(590)	(573)
Share of results of an associate		(352)	(2,627)
Loss before taxation	11	(3,911)	(20,747)
Income tax expense	12	(1,069)	-
<b>Loss for the financial period</b>		<b>(4,980)</b>	<b>(20,747)</b>
<u>Other comprehensive income:</u>			
Item that may be subsequently reclassified to profit or loss			
- Share of other comprehensive income of an associate		450	1,315
<b>Other comprehensive income for the financial period, net of tax</b>		<b>450</b>	<b>1,315</b>
<b>Total comprehensive loss for the financial period</b>		<b>(4,530)</b>	<b>(19,432)</b>
<b>Loss per share (sen)</b>			
<b>Basic/ diluted</b>	13	<b>(1.55)</b>	<b>(6.46)</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 March 2021 Unaudited RM'000	31 December 2020 Audited RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		200,551	207,860
Right-of-use assets		54,738	62,463
Lease receivable		10,995	11,542
Investment in associate		10,641	10,543
Deferred tax asset		809	809
		277,734	293,217
<b>Current assets</b>			
Inventories		2,685	2,267
Trade and other receivables		61,040	76,967
Amount due from an associate company		60	60
Lease receivable		7,123	7,182
Contract assets		72,509	84,067
Tax recoverable		4,171	1,322
Cash and bank balances	14	187,467	172,961
		335,055	344,826
<b>Total Assets</b>		612,789	638,043
<b>EQUITY AND LIABILITIES</b>			
Share capital		299,809	299,809
Treasury shares		(840)	(840)
Merger reserve		(31,000)	(31,000)
Currency translation reserve		9,958	9,508
Retained earnings		94,592	105,991
<b>Total equity</b>		372,519	383,468
<b>Non-current liabilities</b>			
Lease liabilities		7,662	15,923
		7,662	15,923
<b>Current liabilities</b>			
Lease liabilities		30,941	30,216
Loans and borrowings	15	30,757	27,170
Trade and other payables		161,732	171,654
Contract liabilities		7,638	8,096
Income tax payable		1,540	1,516
		232,608	238,652
<b>Total liabilities</b>		240,270	254,575
<b>Total equity and liabilities</b>		612,789	638,043
<b>Net assets per share of RM0.50 each</b>		<b>1.16</b>	<b>1.19</b>

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**Condensed Consolidated Statements of Changes in Equity**

	← Attributable to Equity Holders of the Company →					
	← Non-distributable			→ Distributable		
	Share Capital RM'000	Merger Reserve RM'000	Treasury Shares RM'000	Currency Translation Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
<b>As at 1 January 2021</b>	299,809	(31,000)	(840)	9,508	105,991	383,468
Loss for the financial period	-	-	-	-	(4,980)	(4,980)
Other comprehensive income for the financial period	-	-	-	450	-	450
Total comprehensive income/(loss) for the financial period	-	-	-	450	(4,980)	(4,530)
<u>Transactions with owners:</u>						
Interim dividend in respect of financial year ended 31 December 2020	-	-	-	-	(6,419)	(6,419)
<b>As at 31 March 2021</b>	299,809	(31,000)	(840)	9,958	94,592	372,519
<b>As at 1 January 2020</b>	299,809	(31,000)	(840)	9,957	102,815	380,741
Profit for the financial year	-	-	-	-	16,014	16,014
Other comprehensive loss for the financial year	-	-	-	(449)	-	(449)
Total comprehensive (loss)/income for the financial year	-	-	-	(449)	16,014	15,565
<u>Transactions with owners:</u>						
Interim dividend in respect of the financial year ended 31 December 2019	-	-	-	-	(6,419)	(6,419)
Interim dividend in respect of the financial year ended 31 December 2020	-	-	-	-	(6,419)	(6,419)
<b>As at 31 December 2020</b>	299,809	(31,000)	(840)	9,508	105,991	383,468

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

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**Condensed Consolidated Statements of Cash Flows**

	<i>3 months ended</i>	
	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RM'000</b>	<b>RM'000</b>
Loss before tax	(3,911)	(20,747)
Adjustments for:		
Finance income	(490)	(679)
Finance costs	590	573
Depreciation charge		
- property, plant and equipment	7,452	5,781
- right-of-use asset	7,617	4,088
Unrealised foreign exchange gain	(144)	(3)
Share of results of associate	351	2,627
Total adjustments	15,376	12,387
Operating cash flows before changes in working capital	11,465	(8,360)
Changes in working capital:		
Inventories	(418)	(3,647)
Trade and other receivables	15,927	2,320
Lease receivable	606	3,137
Contract assets	11,558	55,451
Trade and other payables	(9,923)	(48,914)
Contract liabilities	(458)	(1,383)
Total changes in working capital	17,292	6,964
Cash flows generated from/(used in) operations	28,757	(1,396)
Net income tax paid	(3,894)	(168)
Net cash flows generated from/(used in) operating activities	24,863	(1,564)
Net cash flows generated from investing activities	347	2,947
Net cash flows used in financing activities	(10,849)	(13,210)
Net changes in cash and cash equivalents	14,361	(11,827)
Effects of exchange rate changes	145	208
Cash and cash equivalents at 1 January	172,658	152,877
Cash and cash equivalents at 31 March (Note 14)	187,164	141,258

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

**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 2020.

The audited financial statements of the Group for the year ended 31 December 2020 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 2020.

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 yet been applied by the Group:

Description	Effective for financial periods beginning on or after
MFRS 16                      'COVID-19-Related Rent Concessions'	1 June 2020

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 2020 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 March 2021.

**5. Material Changes in Estimates**

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

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

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

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

**7. 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.

**8. Contingencies**

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

**9. Commitments**

**Capital expenditure**

Property, plant and equipment:

- Approved but not contracted for

<b>31 March 2021 RM'000</b>
3,000
<b>3,000</b>

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

**10. Segment Information**

Current Quarter Ended 31 March 2021 (3 months)

	Services		Marine Assets		Production and Development		Adjustments and eliminations		Group	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Revenue (RM'000)</b>										
External customers	35,890	50,687	21,025	21,699	20,920	-	-	-	77,835	72,386
Inter-segment	2,101	2,078	14,407	3,544	-	-	(16,508)	(5,622)	-	-
Total revenue	37,991	52,765	35,432	25,243	20,920	-	(16,508)	(5,622)	77,835	72,386
<b>Results (RM'000)</b>										
Segment results	1,373	6,996	(6,604)	(22,725)	3,543	(320)	(1,281)	(1,498)	(2,969)	(17,547)
Finance costs	(205)	(537)	(2)	(4)	(383)	(32)	-	-	(590)	(573)
Share of results of associate	-	-	-	-	(352)	(2,627)	-	-	(352)	(2,627)
Segment profit/(loss) before tax	1,168	6,459	(6,606)	(22,729)	2,808	(2,979)	(1,281)	(1,498)	(3,911)	(20,747)



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

**10. 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 RM77.8 million, as compared to RM72.4 million reported in corresponding quarter of the preceding year. The Group recorded loss before taxation of RM3.9 million in Q1 2021 as compared to RM20.7 million in the preceding year's corresponding quarter.

- Services Segment

The segment revenue for the current quarter decrease from RM52.8 million in Q1 2020 to RM38.0 million in Q1 2021. Lower revenue recorded in Q1 2021 resulted from lower activities in existing contracts. As a result, the segment recorded lower profit before taxation of RM1.2 million in Q1 2021 as compared to RM6.5 million in Q1 2020.

- Marine Assets Segment

The segment recorded revenue of RM35.4 million in the current quarter due to higher vessel utilisation as compared to RM25.2 million in Q1 2020. As a result, the segment recorded lower loss before taxation of RM6.6 million in Q1 2021 as compared to RM22.7 million in Q1 2020.

- Production and Development Segment

The segment recorded higher profit before taxation of RM2.8 million in Q1 2021 as compared to loss of 3.0 million in Q1 2020 due to positive contribution from Technical Service Agreement.

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

**11. (Loss)/Profit before taxation**

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

	<i>Current quarter 3 months ended</i>	
	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest income	(490)	(679)
Interest expense	590	573
Loss on foreign exchange - realised	63	25
(Gain)/Loss on foreign exchange - unrealised	(144)	(3)
Depreciation charge		
- property, plant and equipment	7,452	5,781
- right-of-use asset	7,617	4,723

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

**12. Income tax expense**

	<i>Current quarter 3 months ended</i>	
	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Current tax:		
Malaysian income tax	(1,069)	-

**13. Loss per share (sen)**

The calculation of basic loss per share as at 31 March 2021 and 31 March 2020 was based on the loss for the financial year and a weighted average numbers of ordinary shares outstanding, calculated as follows:

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Loss for the financial year	(4,980)	(20,747)
Weighted average numbers of shares ('000)	320,942	320,942
Basic/diluted loss per share (sen)	(1.55)	(6.46)

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

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

**14. Cash and bank balances**

	<b>31 March 2020 RM'000</b>	<b>31 December 2020 RM'000</b>
Short term deposits with licensed banks	108,490	112,072
Cash at banks and on hand	78,977	60,889
	<b>187,467</b>	<b>172,961</b>

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

	<b>31 March 2020 RM'000</b>	<b>31 December 2020 RM'000</b>
Cash and bank balances, representing cash and cash equivalents	187,467	172,961
Less: Cash restricted in use		
- Fixed deposits pledged for borrowing	(303)	(303)
Net cash and cash equivalents	<b>187,164</b>	<b>172,658</b>

**15. Loans and borrowings**

	<b>31 March 2021 RM'000</b>	<b>31 December 2020 RM'000</b>
<b>Short term borrowings</b>		
Secured	30,757	27,170

The Group is not exposed to any transactional currency risk as the borrowings are denominated in RM.

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

**16. 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 March 2021 and 31 March 2020:

	<b>31 March 2021 RM'000</b>	<b>31 March 2020 RM'000</b>
Rental of buildings paid to parties related to a Corporate Shareholder	411	411

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.

**17. 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.

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

**18. Performance review**

Explanatory comment on the performance of each of the Group's business segments is provided in Note 10.

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

The Group revenue of RM77.8 million was lower by 42.9% compared to immediate preceding quarter. This is mainly due to decrease in client's activities executed for HuC/TMM contract.

The Group recorded loss before taxation of RM3.9 million as compared to profit before taxation of RM12.2 million in Q4 2020, in line with the decrease in activities occurred during Q1 2021.

**20. Commentary on prospects**

There are signs that the industry is recovering from a period of low activities. The Group is cautiously optimistic and will explore for new opportunities within the energy sector while continuing its cost management and improving its execution efficiency.

**21. Profit Forecast**

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

**22. Corporate Proposals**

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

**23. Derivative Financial Instruments**

The Group did not enter into any derivatives during the period ended 31 March 2021 nor for the previous year ended 31 December 2020.

**24. 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 March 2021.

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

**25. Changes in Material Litigations**

As at 31 March 2021, there was no material litigation against the Group.

**26. Dividend payable**

The Board has declared a single tier interim dividend of 2 sen per ordinary shares of RM0.50 each on 320,942,200 ordinary shares for the period ending 31 December 2021, amounting to a dividend payable amounting to RM6,418,844. The dividend will be paid on 19 July 2021 to shareholders whose name appear in the Record of Depositors at the close business on 21 June 2021.

**27. 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 18 May 2021.