



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Second Quarter ended 30 June 2024**

	Current Quarter Ended 30-Jun-24 (Unaudited) RM'000	Corresponding Quarter Ended 30-Jun-23 (Unaudited) RM'000	Cumulative Period-To-Date 30-Jun-24 (Unaudited) RM'000	Corresponding Period-To-Date 30-Jun-23 (Unaudited) RM'000
Revenue	455,838	305,730	702,959	418,151
Cost of services	(232,311)	(158,227)	(394,314)	(260,589)
Gross profit	223,527	147,503	308,645	157,562
Other income	2,837	2,260	2,277	2,772
Administrative expenses	(32,063)	(28,504)	(62,007)	(53,620)
Other expenses	(131)	(19,122)	(10,290)	(19,141)
Results from operating activities	194,170	102,137	238,625	87,573
Finance costs	(2,680)	(8,248)	(5,747)	(15,592)
Finance income	3,443	3,492	6,912	6,236
Net finance income/(costs)	763	(4,756)	1,165	(9,356)
Profit before tax	194,933	97,381	239,790	78,217
Tax expense	(50,821)	(29,550)	(65,562)	(29,331)
Profit for the period	144,112	67,831	174,228	48,886
Other comprehensive income net of tax				
Foreign currency translation	(2,084)	56,363	27,177	54,380
Total comprehensive income for the period	142,028	124,194	201,405	103,266
Profit for the period attributable to:				
Owners of the Company	131,435	64,690	159,341	48,745
Non-controlling interests	12,677	3,141	14,887	141
	144,112	67,831	174,228	48,886
Total comprehensive income for the period attributable to:				
Owners of the Company	130,080	100,577	176,596	83,369
Non-controlling interests	11,948	23,617	24,809	19,897
	142,028	124,194	201,405	103,266
Weighted average number of ordinary shares ('000)	1,157,772	1,157,772	1,157,772	1,157,772
Basic/Diluted earnings per share (sen)	11.35	5.59	13.76	4.21

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Financial Position**
As at 30 June 2024

	(Unaudited) 30-Jun-24 RM'000	(Audited) 31-Dec-23 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,040,816	1,040,871
Right-of-use assets	41,418	36,328
Goodwill	418,261	418,261
Deferred tax assets	8,378	6,246
TOTAL NON-CURRENT ASSETS	1,508,873	1,501,706
CURRENT ASSETS		
Inventories	5,599	7,689
Contract assets	360,937	269,848
Trade and other receivables	300,275	172,508
Deposits and prepayments	9,877	9,599
Current tax assets	2,359	3,711
Other investments	232,533	223,217
Other financial assets	46,716	45,454
Cash and cash equivalents	200,961	271,864
	1,159,257	1,003,890
Assets classified as held for sale	-	3,201
TOTAL CURRENT ASSETS	1,159,257	1,007,091
TOTAL ASSETS	2,668,130	2,508,797
EQUITY AND LIABILITIES		
EQUITY		
Share capital	891,288	891,288
Reserves	901,773	761,250
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	1,793,061	1,652,538
Non-controlling interests	261,095	234,946
TOTAL EQUITY	2,054,156	1,887,484
NON-CURRENT LIABILITIES		
Loans and borrowings	57,956	117,764
Lease liabilities	10,726	5,619
Deferred tax liabilities	70,996	73,281
TOTAL NON-CURRENT LIABILITIES	139,678	196,664

**Condensed Consolidated Statement of Financial Position (Cont'd)**
As at 30 June 2024

	(Unaudited) 30-Jun-24 RM'000	(Audited) 31-Dec-23 RM'000
CURRENT LIABILITIES		
Loans and borrowings	132,382	120,692
Lease liabilities	3,008	2,787
Trade and other payables	259,747	258,265
Current tax liabilities	79,159	42,905
TOTAL CURRENT LIABILITIES	474,296	424,649
TOTAL LIABILITIES	613,974	621,313
TOTAL EQUITY AND LIABILITIES	2,668,130	2,508,797
Net assets per share (sen)	155	143

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Changes in Equity
For the Second Quarter ended 30 June 2024**

	Attributable to the Owners of the Company			Total	Non-controlling interests	Total Equity
	Non-Distributable		Distributable			
	Share Capital	Other Reserves	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	891,288	95,842	458,836	1,445,966	204,429	1,650,395
Profit for the year	-	-	218,980	218,980	16,198	235,178
Foreign currency translation differences for foreign operations	-	23,309	-	23,309	13,335	36,644
Total comprehensive income for the year	-	23,309	218,980	242,289	29,533	271,822
Changes in ownership interests in a subsidiary	-	(168)	(816)	(984)	984	-
Dividends to owners of the Company	-	-	(34,733)	(34,733)	-	(34,733)
Total transactions with owners of the Company	-	(168)	(35,549)	(35,717)	984	(34,733)
At 31 December 2023 (Audited)	891,288	118,983	642,267	1,652,538	234,946	1,887,484



**Condensed Consolidated Statement of Changes in Equity (Cont'd)
For the Second Quarter ended 30 June 2024**

	Attributable to the Owners of the Company			Total	Non-controlling interests	Total Equity
	Non-Distributable		Distributable			
	Share Capital	Other Reserves	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	891,288	118,983	642,267	1,652,538	234,946	1,887,484
Profit for the period	-	-	159,341	159,341	14,887	174,228
Foreign currency translation differences for foreign operations	-	17,255	-	17,255	9,922	27,177
Total comprehensive income for the period	-	17,255	159,341	176,596	24,809	201,405
Changes in ownership interests in a subsidiary	-	-	(1,340)	(1,340)	1,340	-
Dividends to owners of the Company	-	-	(34,733)	(34,733)	-	(34,733)
Total transactions with owners of the Company	-	-	(36,073)	(36,073)	1,340	(34,733)
At 30 June 2024 (Unaudited)	891,288	136,238	765,535	1,793,061	261,095	2,054,156

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Cash Flows
For the Second Quarter ended 30 June 2024**

	Current period-to-date (Unaudited) 30-Jun-24 RM'000	Corresponding period- to-date (Unaudited) 30-Jun-23 RM'000
Cash flows from operating activities		
Profit before tax	239,790	78,217
<i>Adjustments for: -</i>		
Depreciation of right-of-use assets	2,047	1,670
Depreciation of property, plant and equipment	49,396	44,836
Unrealised foreign exchange loss	9,541	18,448
Finance costs	5,747	15,592
Finance income	(6,912)	(6,236)
Property, plant and equipment written off	29	40
Gain on disposal of property, plant and equipment	(1,333)	-
Gain on lease modification	(54)	(203)
Reversal of impairment loss on financial assets	-	(1,677)
Operating profit before changes in working capital	298,251	150,687
<u>Changes in working capital:</u>		
Inventories	2,090	(3,413)
Contract assets	(91,089)	(33,648)
Trade and other payables	(7,310)	(40,164)
Trade and other receivables, deposits and prepayments	(127,600)	15,977
Cash generated from operations	74,342	89,439
Net tax paid	(32,383)	(28,239)
Interest paid	(325)	(272)
Interest received	6,912	6,236
Net cash from operating activities	48,546	67,164
Cash flows from investing activities		
Acquisition of property, plant and equipment	(31,226)	(10,400)
Net movement in other financial assets	(1,262)	3,448
Net movement in other investments	(9,316)	(198,301)
Refundable deposit refunded	-	12,000
Proceeds from disposal of property, plant and equipment	4,333	-
Net cash used in investing activities	(37,471)	(193,253)



Condensed Consolidated Statement of Cash Flows (Cont'd)
For the Second Quarter ended 30 June 2024

	Current period-to-date (Unaudited) 30-Jun-24 RM'000	Corresponding period- to-date (Unaudited) 30-Jun-23 RM'000
Cash flows from financing activities		
Dividend paid to owners of the Company	(34,733)	(17,367)
Repayment of term loans	(60,961)	(8,890)
Repayment of term loan – Islamic	-	(10,455)
Repayment of hire purchase liability	(31)	(30)
Repayment of Sukuk	-	(18,453)
Payment of lease liabilities	(1,721)	(1,415)
Term loans interest paid	(5,594)	(3,482)
Guarantee fee payment arising from Sukuk	-	(890)
Coupon payments arising from Sukuk	-	(10,967)
Net cash used in financing activities	(103,040)	(71,949)
Net decrease in cash and cash equivalents	(91,965)	(198,038)
Effect of exchange rate movements	9,212	21,219
Cash and cash equivalents at the beginning of the financial period	271,864	313,280
Cash and cash equivalents at the end of the financial period	189,111	136,461
Cash and cash equivalents at the end of the financial period comprised the following: -		
Deposits placed with licensed banks with original maturities not exceeding three months	61,446	21,800
Cash on hand and at banks	139,515	114,661
Less: Overdrafts	(11,850)	-
Cash and cash equivalents	189,111	136,461

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying notes attached to this interim financial report).



A. NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134): INTERIM FINANCIAL REPORTING

A1. Basis of Reporting Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023. These explanatory notes attached to the interim financial statements 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 since the year ended 31 December 2023.

A2. Changes in Accounting Policies

A2.1 Adoption of Accounting Standards, Amendments and Interpretations

The significant accounting policies adopted in the preparation of these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2023, except for the adoption of the following Accounting Standards, Amendments and Interpretations:

MFRS / Amendments / Interpretation	Effective date
Amendments to MFRS 16, <i>Leases – Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101, <i>Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 107, <i>Statement of Cash Flows</i> and MFRS 7, <i>Financial Instruments: Disclosures – Supplier Finance Arrangements</i>	1 January 2024

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- From the annual period beginning on 1 January 2024 for those accounting standards, interpretations and amendments, that are effective for annual periods beginning on or after 1 January 2024.



A2. Changes in Accounting policies (Cont'd)

A2.2 Accounting Standards, Amendments and Interpretations issued but not yet effective

MFRS / Amendments / Interpretation	Effective date
Amendments to MFRS 121, <i>The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be determined

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- From the annual period beginning on 1 January 2025 for those accounting standards, interpretations and amendments, that are effective for annual periods beginning on or after 1 January 2025.

The initial application of the above accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company.

A3. Disclosure of Audit Report Qualification and Status of Matters Raised

There were no qualifications in the audit report on the preceding annual financial statements.

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**A4. Profit for the period**

	Current quarter ended (Unaudited) 30-Jun-24 RM'000	Corresponding quarter ended (Unaudited) 30-Jun-23 RM'000	Current period-to- date (Unaudited) 30-Jun-24 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-23 RM'000	Preceding quarter ended (Unaudited) 31-Mar-24 RM'000
Profit for the period is arrived at after crediting/(charging):					
<u>Other income</u>					
Government subsidy	-	113	-	122	-
Gain on disposal of property, plant and equipment	1,244	-	1,333	-	89
Gain on lease modification	-	203	54	203	54
Reversal of impairment loss on financial assets	-	1,677	-	1,677	-
Unrealised gain on foreign exchange	899	-	-	-	-
Others	694	267	890	770	196
Total other income	2,837	2,260	2,277	2,772	339
<u>Other expenses</u>					
Realised loss on foreign exchange	(21)	(80)	(361)	(248)	(340)
Unrealised loss on foreign exchange	-	(18,599)	(9,541)	(18,448)	(10,440)
Penalty	(104)	(443)	(115)	(443)	(11)
Others	(6)	-	(273)	(2)	(267)
Total other expenses	(131)	(19,122)	(10,290)	(19,141)	(11,058)
Grand total of other income, net of other expenses	2,706	(16,862)	(8,013)	(16,369)	(10,719)
Depreciation of property, plant and equipment & right-of-use assets	(25,686)	(23,844)	(51,443)	(46,506)	(25,757)

Save for the above, there were no allowance for write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties and material exceptional items that are included in the profit of the Group for the current quarter ended 30 June 2024.



A5. Seasonal or Cyclical Factors

Seasonality due to weather is not foreseen to affect the Group's vessel chartering operations. However, the offshore topside maintenance operations are normally affected by bad weather at the beginning and the end of the year and this factor has been taken into consideration in the Group's annual business plan.

A6. Items of Unusual Nature and Amount

There were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence for the current quarter and financial period-to-date, except for other income/expenses and other comprehensive income/expenses arising from realised/unrealised foreign exchange gain/loss and foreign currency translation of investment in Labuan subsidiaries denominated in US Dollars.

During the current quarter and financial period-to-date, the other income/expenses comprise net realised/unrealised foreign exchange gain of RM0.9 million and net realised/unrealised foreign exchange loss of RM9.9 million respectively, whereas other comprehensive expense/income includes foreign currency translation loss of RM2.1 million and foreign currency translation gain of RM27.2 million respectively.

A7. Material Changes in Estimates

In 2022, an oil-major client agreed to revise the Vessel Age Limit of Anchor Handling Tug Supply ("AHTS") vessels from 15 years to 20 years subject to the fulfillment of the Conditional Assessment Program ("CAP") and Overall Offshore Vessel Management Self-Assessment ("OVMSA").

Following the revision, the subsidiary of the Group had revised the useful lives of AHTS to 20 years and this had resulted in a reduction in the depreciation charges for the vessels in the financial year ended 31 December 2023.

With the above revision and when the conditions call for it (such as improving prospects of the oil market), the subsidiaries of the Group would periodically re-assess the value-in-use, and where appropriate the fair value less cost to sell, of the AHTS and other vessels. Following such a re-assessment in the last quarter of 2023, a net reversal of provision for impairment loss on property, plant and equipment of RM41.7 million was made for the quarter and year ended 31 December 2023. There is no such reversal of provision for impairment loss nor additional provision for impairment loss in the current quarter.

A8. Issuances, Cancellations, Repurchase, Resale and Repayments of Debt and Equity Securities

There were no cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter and financial period to-date other than the conversion of Redeemable Convertible Preference Shares ("RCPS") into new ordinary shares of Perdana Petroleum Berhad ("PPB").

During the current quarter and financial period-to-date, the number of RCPS converted is 4,016,195 and 4,360,965 respectively at a conversion ratio of 1 RCPS : 1 ordinary share of PPB. The conversion price of RM0.325 per share is the same as the issue price of the RCPS.

The cumulative number of RCPS converted into ordinary shares of PPB since issuance is 1,446,192,275 as at 30 June 2024 and the number of RCPS yet to be converted as at that date is 17,436,924.



A9. Dividends Paid

The first interim single-tier exempt dividend of RM0.015 per ordinary share totalling RM17,366,576 in respect of the financial year ended 31 December 2023 was declared on 23 November 2023 and paid on 20 December 2023.

The second interim single-tier exempt dividend of RM0.03 per ordinary share totalling RM34,733,152 in respect of the financial year ended 31 December 2023 was declared on 22 February 2024 and paid on 22 March 2024.

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**A10. Segmental Information**

The Group is organised into the following operating segments: -

1. Investment holding
2. Offshore Topside Maintenance Services (“Offshore TMS”)
3. Charter of Marine Vessels (“Marine Charter”)
4. Rental of offshore equipment (“Equipment Rental”)

A10.1 Business Segment

Current quarter ended 30 June 2024	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	-	274,589	153,398	-	427,987	27,851	455,838
Inter-segment revenue	22,163	-	43,491	5,032	70,686	(70,686)	-
Total revenue	22,163	274,589	196,889	5,032	498,673	(42,835)	455,838
Results							
Segment results	19,620	118,459	73,375	1,355	212,809	(18,639)	194,170
Finance costs							
Finance costs	(2,050)	(136)	(487)	(7)	(2,680)	-	(2,680)
Inter-segment finance costs	(6,353)	-	(1,230)	-	(7,583)	7,583	-
Total finance costs	(8,403)	(136)	(1,717)	(7)	(10,263)	7,583	(2,680)
Finance income							
Finance income	75	2,393	716	259	3,443	-	3,443
Inter-segment finance income	-	7,583	-	-	7,583	(7,583)	-
Total finance income	75	9,976	716	259	11,026	(7,583)	3,443
Profit before tax	11,292	128,299	72,374	1,607	213,572	(18,639)	194,933
Tax expense							(50,821)
Profit after tax							144,112

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**A10. Segmental Information (Cont'd)****A10.1 Business Segment (Cont'd)**

Corresponding quarter ended 30 June 2023	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	-	179,763	91,842	-	271,605	34,125	305,730
Inter-segment revenue	4,272	-	34,125	5,375	43,772	(43,772)	-
Total revenue	4,272	179,763	125,967	5,375	315,377	(9,647)	305,730
Results							
Segment results	90	66,965	32,629	1,593	101,277	860	102,137
Finance costs	(6,344)	(77)	(1,821)	(6)	(8,248)	-	(8,248)
Inter-segment finance costs	(6,353)	-	(1,491)	-	(7,844)	7,844	-
Total finance costs	(12,697)	(77)	(3,312)	(6)	(16,092)	7,844	(8,248)
Finance income	330	2,275	684	203	3,492	-	3,492
Inter-segment finance income	-	7,844	-	-	7,844	(7,844)	-
Total finance income	330	10,119	684	203	11,336	(7,844)	3,492
(Loss)/Profit before tax	(12,277)	77,007	30,001	1,790	96,521	860	97,381
Tax expense							(29,550)
Profit after tax							67,831

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**A10. Segmental Information (Cont'd)****A10.1 Business Segment (Cont'd)**

Current 6 months ended 30 June 2024	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	-	413,617	257,279	-	670,896	32,063	702,959
Inter-segment revenue	80,128	-	48,506	9,216	137,850	(137,850)	-
Total revenue	80,128	413,617	305,785	9,216	808,746	(105,787)	702,959
Results							
Segment results	75,122	158,318	75,568	2,147	311,155	(72,530)	238,625
Finance costs							
Finance costs	(4,440)	(258)	(1,034)	(15)	(5,747)	-	(5,747)
Inter-segment finance costs	(12,706)	-	(2,478)	-	(15,184)	15,184	-
Total finance costs	(17,146)	(258)	(3,512)	(15)	(20,931)	15,184	(5,747)
Finance income							
Finance income	120	4,743	1,541	508	6,912	-	6,912
Inter-segment finance income	-	15,184	-	-	15,184	(15,184)	-
Total finance income	120	19,927	1,541	508	22,096	(15,184)	6,912
Profit before tax	58,096	177,987	73,597	2,640	312,320	(72,530)	239,790
Tax expense							(65,562)
Profit after tax							174,228

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**A10. Segmental Information (Cont'd)****A10.1 Business Segment (Cont'd)**

Corresponding 6 months ended 30 June 2023	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	-	258,183	113,639	-	371,822	46,329	418,151
Inter-segment revenue	38,058	-	46,329	8,128	92,515	(92,515)	-
Total revenue	38,058	258,183	159,968	8,128	464,337	(46,186)	418,151
Results							
Segment results	32,973	74,054	10,691	868	118,586	(31,013)	87,573
Finance costs	(12,750)	(218)	(2,614)	(10)	(15,592)	-	(15,592)
Inter-segment finance costs	(12,636)	-	(1,906)	-	(14,542)	14,542	-
Total finance costs	(25,386)	(218)	(4,520)	(10)	(30,134)	14,542	(15,592)
Finance income	812	4,033	1,049	342	6,236	-	6,236
Inter-segment finance income	-	14,542	-	-	14,542	(14,542)	-
Total finance income	812	18,575	1,049	342	20,778	(14,542)	6,236
Profit before tax	8,399	92,411	7,220	1,200	109,230	(31,013)	78,217
Tax expense							(29,331)
Profit after tax							48,886

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**10. Segmental Information (Cont'd)****A10.2 Segment Assets and Liabilities**

As at 30 June 2024 (Unaudited)	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Segment assets	1,145,173	1,535,942	1,312,973	84,114	4,078,202	(1,420,809)	2,657,393
Deferred tax assets	-	-	8,378	-	8,378	-	8,378
Current tax assets	-	-	2,359	-	2,359	-	2,359
Total assets	1,145,173	1,535,942	1,323,710	84,114	4,088,939	(1,420,809)	2,668,130
Segment liabilities	767,918	224,623	232,647	6,613	1,231,801	(767,982)	463,819
Deferred tax liabilities	-	337	50,067	3,138	53,542	17,454	70,996
Current tax liabilities	2,410	58,840	17,375	534	79,159	-	79,159
Total liabilities	770,328	283,800	300,089	10,285	1,364,502	(750,528)	613,974

As at 30 June 2023 (Unaudited)	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Segment assets	1,110,115	1,408,830	1,154,767	75,742	3,749,454	(1,365,917)	2,383,537
Deferred tax assets	-	-	9,329	-	9,329	-	9,329
Current tax assets	-	-	6,585	28	6,613	-	6,613
Total assets	1,110,115	1,408,830	1,170,681	75,770	3,765,396	(1,365,917)	2,399,479
Segment liabilities	925,024	196,115	201,482	2,053	1,324,674	(770,051)	554,623
Deferred tax liabilities	-	465	49,866	4,130	54,461	15,643	70,104
Current tax liabilities	995	28,743	8,720	-	38,458	-	38,458
Total liabilities	926,019	225,323	260,068	6,183	1,417,593	(754,408)	663,185

**A11. Revenue****A11.1 Disaggregation of Revenue**

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers and vessel charter income.

In the following table, revenue is disaggregated by type of services and timing of revenue recognition within the Group's operating segments.

	Current quarter ended (Unaudited) 30-Jun-24 RM'000	Corresponding quarter ended (Unaudited) 30-Jun-23 RM'000	Current period-to-date (Unaudited) 30-Jun-24 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-23 RM'000
Type of services				
Revenue from contracts with customers				
Topside maintenance services				
Unit rate	158,806	99,484	233,926	146,033
Lump sum	116,030	74,371	180,520	102,979
Reimbursable	27,604	40,033	31,234	55,500
Catering services	10,873	18,170	14,823	19,873
	313,313	232,058	460,503	324,385
Other revenue				
Marine offshore support services				
Chartering of vessels	142,525	73,672	242,456	93,766
	455,838	305,730	702,959	418,151
Timing of revenue recognition				
Services transferred over time				
Unit rate	158,806	99,484	233,926	146,033
Lump sum	116,030	74,371	180,520	102,979
Catering services	10,873	18,170	14,823	19,873
Services transferred at a point in time				
Reimbursable	27,604	40,033	31,234	55,500
	313,313	232,058	460,503	324,385

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A11. Revenue (Cont'd)

A11.2 Nature of Services

The following information reflects the typical transactions of the Group.

Type of contracts	Timing of recognition or method used to recognise revenue	Significant payment terms
Lump sum	Revenue is recognised over time using the cost incurred method.	Credit periods of 30 days from invoice date.
Unit rate	Revenue is recognised over time using the cost incurred method.	Credit periods of 30 days from invoice date.
Reimbursable	Revenue is recognised at a point in time when the goods/services are delivered/rendered and accepted by the customers at their premises.	Credit periods of 30 days from invoice date.
Catering services	Revenue is recognised over time when the services are performed and accepted by the customers.	Credit period of 30 to 45 days from invoice date.

A12. Valuation of Goodwill

Under MFRS 136, *Impairment of Assets* the Group is required to annually carry out impairment test on the cash generated units (“CGUs”), of which goodwill is allocated. For the purpose of impairment testing, goodwill is allocated to the Group’s operating activities (i.e. marine charter) which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

MFRS 136 states that the annual impairment test for the following items may be performed at any time within an annual reporting period, provided that the test is performed at the same time every year. The Group reassessed the valuation of its CGUs as at 31 December 2023 to determine whether there is any indication that its CGUs may be impaired.

The Group has applied a combination of the value-in-use (“VIU”) approach and the fair value less cost of disposal (“FVLCOD”) approach, whichever is higher, to determine the CGU’s recoverable amount and comparing this to the carrying amount of the CGU.

During the current quarter ended 30 June 2024, there was no impairment provided.



A13. Valuation of Property, Plant and Equipment (“PPE”)

The Group periodically reassesses its assets (except for inventories, deferred tax assets and financial assets) to determine whether there is any indication of further impairment to the assets or if there is any reversal of impairment previously provided.

The Group generally adopts value-in-use (“VIU”) estimations for the reassessment which entail discounting the estimated future cash flows from the continuing use of its PPE. The Group may, where warranted, commission valuations to be performed by an independent valuer to determine the recoverable amounts of certain vessels based on their fair value less costs of disposal. The recoverable amounts were compared against the carrying amounts of the PPE.

The Group has evaluated whether the property, plant and equipment, i.e. marine vessels including dry docking used in the operations are stated in excess of their recoverable amounts. The Group has applied a combination of the value-in-use (“VIU”) approach and the fair value less cost of disposal (“FVLCOD”) approach, whichever is higher, in determining the recoverable amounts of the property, plant and equipment.

The Group’s accumulated impairment loss for PPE remained at RM52.2 million as at 30 June 2024 and 31 December 2023.

A14. Capital Commitments

The Group’s capital commitments as at 30 June 2024 are as follows: -

	RM'000
Property, plant and equipment	
Approved and contracted for	<u>23,536</u>

A15. Material Events Subsequent to the Reporting Period

There were no material events subsequent to the current financial quarter ended 30 June 2024 up to the date of this report which is likely to substantially affect the financial results of the Group.

A16. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 30 June 2024.

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A17. Contingent Liabilities

- a) In 2022, there were two (2) incidents of anchor loss involving three (3) offshore support vessels (“OSV”) chartered out by subsidiaries of the Group, Perdana Nautika Sdn Bhd (“PNSB”) and DESB Marine Services Sdn Bhd (“DMSSB”) to two engineering, procurement, construction and commissioning (“EPCC”) contractors.

The Protection and Indemnity Mutual association (“P&I Club”) made an initial offer to indemnify PNSB up to USD2 million for the cost of recovery of the lost anchors with a penalty claim premium of USD200,250 imposed. Following the conclusion of the assessment of the loss and acceptance of the compensation offered, the Club paid compensation of USD333,333.33 to the first EPCC contractor on 2 May 2023 and this claim has been closed.

P&I Club has also made an initial offer to indemnify DMSSB up to USD3.25 million for the cost of recovery of the lost anchors with a penalty claim premium of USD324,975. Currently, DMSSB is waiting for the local oil major to sign settlement agreement which will result in an insurance compensation payment of RM4,964,239.10 by the Club to the local oil major.

As for the remaining claim, the subsidiaries of the Group are reviewing the recovery plan, the quantum of which currently cannot be ascertained. If the final recovery cost exceeds the original estimate, the Club may review the impact of the additional cost on the premiums chargeable going forward.

- b) In the fourth quarter of 2023, there was an incident involving subsidiary of the Group’s offshore support vessels chartered to a client while being used by the client. The mutual insurance association providing indemnity cover has been notified and the investigation together with the client is still ongoing.

As this incident is still under investigation, the cost of the alleged damage cannot be ascertained at this juncture.

All the Group’s legal rights are reserved.

For avoidance of doubt, based on the information made available as at this date and substantiation by the management, the Directors are of the view that no material losses will arise from the possible additional claims at the date of these financial statements.

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**A18. Significant Related Party Transactions**

The Group entered into the following transactions with related parties, in addition to compensations to Directors and other key management personnel, during the current quarter: -

Transactions with Directors and a company in which certain Directors have substantial financial interests: -	Nature	Amount for 6 months ended 30 June 2024 RM'000	Unsettled balance as at 30 June 2024 RM'000
Ling Suk Kiong and Joe Ling Siew Loung @ Lin Shou Long	Rental of open yard fabrication facilities with workshop, warehouse and office in Labuan	405	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office in Miri	18	-
Kunci Prima Sdn Bhd (Directors and shareholders are Joe Ling Siew Loung @ Lin Shou Long, Ling Suk Kiong and his spouse Wong Siew Hong)	Rental of office in Miri	372	-
Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin	Rental of office in Petaling Jaya	418	-
Kunci Prima Sdn Bhd	Rental of office in Kuala Baram	180	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of condominium located at unit B-36-01, Verticas Residensi, No. 10, Jalan Ceylon, 55100 Kuala Lumpur	48	-
Clear Water Services Sdn Bhd	General trading specialising in oil and gas sector	3,322	866
		<u>4,763</u>	<u>866</u>

In the opinion of the Directors, the above transactions have been entered into in the ordinary course of business and have been established under terms no less favorable than those transacted with unrelated parties.

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**B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS****B1. Review of Group's Financial Performance****B1.1 Financial Review for Current Quarter and Preceding Year Corresponding Quarter**

	Current quarter ended 30-Jun-24 RM'000	Corresponding quarter ended 30-Jun-23 RM'000	Variance	
			RM'000	%
Revenue	455,838	305,730	150,108	49
Gross profit	223,527	147,503	76,024	52
Profit before interest and tax	194,170	102,137	92,033	90
Profit before tax	194,933	97,381	97,552	100
Profit after tax	144,112	67,831	76,281	112
Profit attributable to owners of Company	131,435	64,690	66,745	103

The Group's revenue of RM455.8 million for the second quarter of 2024 rose by RM150.1 million or 49% as compared to the second quarter of 2023 of RM305.7 million. The Group also recorded a higher profit before tax of RM194.9 million as compared to a profit before tax of RM97.4 million in the corresponding quarter ended 30 June 2023.

The higher revenue achieved in the second quarter of 2024 was principally attributable to higher vessels utilisation rates of 91% as compared to 72% in the corresponding quarter. The shortage of offshore support vessels for offshore production and operations activities continue to be the main reason for higher demand and improved daily charter rates ("DCR") for both own and third-party vessels. In addition, more work order/contracts being awarded from oil majors received under topside maintenance contracts also contributed to higher revenue generated.

Besides the higher vessels utilisation rates and better DCR mentioned above, the impact of foreign exchange difference also contributed to a higher profit before tax for the current quarter. A net realised/unrealised foreign exchange gain of RM0.9 million has been recorded in the current quarter, as compared to a net realised/unrealised foreign exchange loss of RM18.7 million in the corresponding quarter of 2023.

In the opinion of the Directors, the results for the current quarter have not been affected by any transactions or events of a material nature which have arisen between 30 June 2024 and the date of this report.

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B1. Review of Group's Financial Performance (Cont'd)

B1.2 Financial Review for Current Period-to-date and Preceding Period-to-date

	Cumulative period-to-date	Corresponding period-to-date	Variance	
	30-Jun-24 RM'000	30-Jun-23 RM'000	RM'000	%
Revenue	702,959	418,151	284,808	68
Gross profit	308,645	157,562	151,083	96
Profit before interest and tax	238,625	87,573	151,052	172
Profit before tax	239,790	78,217	161,573	207
Profit after tax	174,228	48,886	125,342	256
Profit attributable to owners of Company	159,341	48,745	110,596	227

The Group recorded a revenue of RM703.0 million during the current period-to-date, which was 68% higher than the revenue of RM418.2 million in the previous corresponding period-to-date. In current period, the Group also recorded a higher profit before tax of RM239.8 million compared to a profit before tax of RM78.2 million in corresponding period ended 30 June 2023.

The higher revenue in the current period is mainly attributable to improved daily charter rates, increased demand on third-party vessel chartering and more work order/contracts being awarded from oil majors received under topside maintenance contracts. Vessels utilisation rates in current period has improved to 71% as compared to 49% in corresponding period.

The higher profit before tax recorded in the current period has taken into account net realised/unrealised loss on foreign exchange of RM9.9 million, as compared to net realised/unrealised loss on foreign exchange of RM18.7 million negated by a reversal of impairment loss on financial assets of RM1.7 million in the corresponding period-to-date. The better profit achieved also due to lower finance costs incurred as the Group accepted a new secured term loan to fully redeem the Series 5 and Series 6 in respect of the first issuance of Sukuk Murabahah under existing Sukuk Murabahah Programme on 14 November 2023.

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**B2. Financial Review for Current Quarter compared with Immediate Preceding Quarter**

	Current quarter ended 30-Jun-24 RM'000	Preceding quarter ended 31-Mar-24 RM'000	Variance RM'000	%
Revenue	455,838	247,121	208,717	84
Gross profit	223,527	85,118	138,409	163
Profit before interest and tax	194,170	44,455	149,715	337
Profit before tax	194,933	44,857	150,076	335
Profit after tax	144,112	30,116	113,996	379
Profit attributable to owners of Company	131,435	27,906	103,529	371

For the current quarter ended 30 June 2024, the Group has recorded a higher revenue of RM455.8 million and profit before tax of RM194.9 million, as compared to a revenue of RM247.1 million and a profit before tax of RM44.9 million in the preceding quarter of 2024.

The significant increase in revenue in the current quarter is mainly due to higher vessels utilisation at 91% as compared to 48% in the first quarter of 2024 due to shortage of offshore support vessels for offshore production and operation activities. In addition, more work order/contracts being awarded from oil majors received under topside maintenance contracts also helps to boost the revenue in the current quarter.

The profit before tax of RM194.9 million in the current quarter has taken into account a net realised/unrealised foreign exchange gain of RM0.9 million, as compared to a net realised/unrealised foreign exchange loss of RM10.8 million in the preceding quarter.

B3. Prospects

The current 2nd quarter performance reflects the robust activities in the maintenance, construction and modification (“MCM”) and hook-up and commissioning (“HUC”) projects, coupled with higher vessel utilisation rates. We are confident that we can sustain the similar performance in the 3rd quarter given the overall industry optimism supported by stable crude oil price.

For FY2024, the earnings visibility will remain fairly strong with an outstanding estimated call-out contracts of about RM1.39 billion. Moving forward, we continue to wait for the results of the new umbrella contracts for MCM and HUC.

We will remain prudent in managing our business affairs while continuing to deliver outstanding performance.

**B4. Profit Forecast and Profit Guarantee**

There was no profit guarantee issued by the Group.

B5. Tax Expense

	Current quarter ended 30-Jun-24 (Unaudited) RM'000	Corresponding quarter ended 30-Jun-23 (Unaudited) RM'000	Current period-to-date 30-Jun-24 (Unaudited) RM'000	Corresponding period-to-date 30-Jun-23 (Unaudited) RM'000
Income tax expense				
- Current year	49,827	29,153	68,769	33,642
- Prior year	1,209	-	1,209	-
	51,036	29,153	69,978	33,642
Deferred tax expense				
- Reversal or origination of temporary differences	(215)	397	(4,416)	(4,311)
	50,821	29,550	65,562	29,331

The effective tax rate for the current quarter ended 30 June 2024 is higher than the statutory tax rate of Malaysia mainly due to certain expense items having no tax impact under the relevant local tax jurisdiction.

B6. Profit from Sale of Unquoted Investments and/or Properties

There were no disposals of unquoted investments and properties for the current quarter.

B7. Quoted Securities

There were no movement of quoted securities for the current quarter.

B8. Status of Corporate Proposal

There were no corporate proposal announced but not completed as at 16 August 2024, being the latest practicable date not earlier than 7 days from the date of issue of this interim report.

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**B9. Loans and Borrowings**

Total Group's loans and borrowings were as follows:

	As at 30-Jun-24 (Unaudited)		As at 31-Dec-23 (Audited)	
	USD'000	RM'000	USD'000	RM'000
Current				
Secured				
Term loan	-	110,249	-	110,248
Term loans	2,164	10,219	2,259	10,381
Overdrafts	-	11,850	-	-
Hire purchase liability	-	64	-	63
	2,164	132,382	2,259	120,692
Non-current				
Secured				
Term loan	-	45,937	-	101,061
Term loans	2,525	11,923	3,607	16,574
Hire purchase liability	-	96	-	129
	2,525	57,956	3,607	117,764
Total	4,689	190,338	5,866	238,456

Exchange rate (USD: MYR):

USD1: MYR4.722

USD1: MYR4.595

Source of reference: Bank Negara Malaysia Website

As at 30 June 2024, the total outstanding borrowings have reduced to RM190.3 million as compared to RM238.5 million as at 31 December 2023 mainly due to repayment of term loans.

The Group's borrowings are interest-bearing and denominated in both Ringgit Malaysia ("MYR") and United States Dollar ("USD"), as set out in the tables above. MYR denominated term loan, USD denominated term loans and overdrafts are based on floating interest rate whereas hire purchase liability is based on fixed interest rate.

B10. Material Litigations

There were no material litigations involving the Group since the financial year ended 31 December 2023, being the latest practicable date not earlier than 7 days from the date of issue of this interim report.

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**B11. Dividends**

Dividends recognised by the Group:

	Sen per share	Total amount RM	Date of payment
<u>2024</u>			
In respect of financial year ended 31 December 2023:			
Second tax exempt dividend	3.0	<u>34,733,152</u>	22 March 2024
<u>2023</u>			
In respect of financial year ended 31 December 2022:			
Second tax exempt dividend	1.5	17,366,576	17 March 2023
In respect of financial year ended 31 December 2023:			
First tax exempt dividend	1.5	<u>17,366,576</u>	20 December 2023
		<u>34,733,152</u>	

The Board has approved a single-tier interim dividend of 3.0 sen per ordinary share tax exempt totalling RM34,733,152 in respect of financial year ending 31 December 2024 to be paid on 18 September 2024. The entitlement date shall be on 6 September 2024.

B12. Earnings Per Share**Basic/Diluted earnings per share**

	Current Quarter Ended 30-Jun-24	Corresponding Quarter Ended 30-Jun-23	Cumulative Period-To-Date 30-Jun-24	Corresponding Period-To-Date 30-Jun-23
Profit for the period attributable to Owners of the Company (RM'000)	131,435	64,690	159,341	48,745
Weighted average number of ordinary shares ('000)	1,157,772	1,157,772	1,157,772	1,157,772
Basic/Diluted earnings per share (sen)	11.35	5.59	13.76	4.21

B13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 August 2024.