



SEALINK INTERNATIONAL BERHAD (800981-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

| | Individual 3 months ended | | Cumulative 6 months ended | |
|--|---|---|---|---|
| | 30 Jun 2024 RM'000 (Unaudited) | 30 Jun 2023 RM'000 (Unaudited) | 30 Jun 2024 RM'000 (Unaudited) | 30 Jun 2023 RM'000 (Unaudited) |
| Revenue | 35,891 | 31,530 | 64,635 | 49,740 |
| Cost of sales | <u>(22,030)</u> | <u>(18,506)</u> | <u>(39,088)</u> | <u>(39,068)</u> |
| Gross profit | 13,861 | 13,024 | 25,547 | 10,672 |
| Other operating income | 618 | 26 | 1,470 | 338 |
| Other operating expenses | (2) | (203) | (2) | (411) |
| Administrative expenses | <u>(3,689)</u> | <u>(3,765)</u> | <u>(8,478)</u> | <u>(8,340)</u> |
| Operating profit | 10,788 | 9,082 | 18,537 | 2,259 |
| Finance income | 102 | 20 | 185 | 91 |
| Finance expenses | (847) | (1,317) | (1,764) | (2,136) |
| Share of result of a jointly controlled entity | - | - | - | 340 |
| Profit before tax | 10,043 | 7,785 | 16,958 | 554 |
| Tax expense | (645) | (438) | (1,227) | (439) |
| Profit for the period, net of tax | <u>9,398</u> | <u>7,347</u> | <u>15,731</u> | <u>115</u> |
| Profit/(Loss) attributable to: | | | | |
| Owners of the Company | 8,703 | 6,584 | 14,415 | (922) |
| Non-Controlling Interest | <u>695</u> | <u>763</u> | <u>1,316</u> | <u>1,037</u> |
| | <u>9,398</u> | <u>7,347</u> | <u>15,731</u> | <u>115</u> |
| Earnings per share (sen) | | | | |
| - Basic EPS | 1.74 | 1.32 | 2.88 | (0.18) |
| - Diluted EPS | 1.74 | 1.32 | 2.88 | (0.18) |

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

(CONTINUED)

| | Individual 3 months ended | | Cumulative 6 months ended | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | 30 Jun 2024 RM'000 (Unaudited) | 30 Jun 2023 RM'000 (Unaudited) | 30 Jun 2024 RM'000 (Unaudited) | 30 Jun 2023 RM'000 (Unaudited) |
| Profit for the period, net of tax | 9,398 | 7,347 | 15,731 | 115 |
| Other comprehensive income : | | | | |
| Exchange differences on translation of foreign operations | (50) | 6,951 | 3,380 | 7,846 |
| Total comprehensive income for the period, net of tax | <u>9,348</u> | <u>14,298</u> | <u>19,111</u> | <u>7,961</u> |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 8,653 | 13,535 | 17,795 | 6,924 |
| Non-Controlling Interest | 695 | 763 | 1,316 | 1,037 |
| | <u>9,348</u> | <u>14,298</u> | <u>19,111</u> | <u>7,961</u> |

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITIONAS AT 30 JUNE 2024

| | As at 30 Jun 2024 RM'000 (Unaudited) | As at 31 Dec 2023 RM'000 (Audited) |
|---|---|---|
| ASSETS | | |
| Non-Current Assets | | |
| Property, plant and equipment | 266,492 | 277,136 |
| | 266,492 | 277,136 |
| Current Assets | | |
| Inventories | 6,975 | 5,228 |
| Trade and other receivables | 35,011 | 22,074 |
| Income tax refundable | 353 | 80 |
| Cash and cash equivalents | 32,592 | 23,176 |
| | 74,931 | 50,558 |
| Total Assets | 341,423 | 327,694 |
| EQUITY AND LIABILITIES | | |
| Current Liabilities | | |
| Loans and borrowings | 38,019 | 40,029 |
| Trade and other payables | 39,738 | 40,930 |
| Lease liabilities | - | 51 |
| Provision for taxation | 2,864 | 1,083 |
| | 80,621 | 82,093 |
| Net Current Liabilities | (5,690) | (31,535) |
| Non-Current Liabilities | | |
| Loans and borrowings | 139 | 2,025 |
| Deferred tax liabilities | 7,402 | 8,256 |
| Other payables | 11,530 | 12,700 |
| | 19,071 | 22,981 |
| Total Liabilities | 99,692 | 105,074 |
| Net Assets | 241,731 | 222,620 |
| Equity | | |
| Share Capital | 329,087 | 329,087 |
| Accumulated losses | (169,277) | (183,692) |
| Other components of equity | 74,527 | 71,147 |
| Total Equity attributable to owners of the Company | 234,337 | 216,542 |
| Non-controlling interest | 7,394 | 6,078 |
| Total Equity | 241,731 | 222,620 |
| Total Equity and Liabilities | 341,423 | 327,694 |
| Net asset per share (sen) | 48.35 | 44.52 |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

| | Attributable to Owners of the Parent | | | | Non-controlling interests | Total Equity (Unaudited) |
|--|--------------------------------------|--|--|----------------|---------------------------|--------------------------|
| | Share Capital | Distributable (Accumulated losses)/Retained earnings | Non-distributable Foreign currency translation reserve | Total | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Opening balance at 1 January 2024 | 329,087 | (183,692) | 71,147 | 216,542 | 6,078 | 222,620 |
| Profit for the period | - | 14,415 | - | 14,415 | 1,316 | 15,731 |
| Other comprehensive income for the period | - | - | 3,380 | 3,380 | - | 3,380 |
| Total comprehensive income for the period | - | 14,415 | 3,380 | 17,795 | 1,316 | 19,111 |
| Closing balance at 30 June 2024 | 329,087 | (169,277) | 74,527 | 234,337 | 7,394 | 241,731 |
| Opening balance at 1 January 2023 | 329,087 | (179,873) | 65,123 | 214,337 | - | 214,337 |
| Loss for the financial year | - | (3,819) | - | (3,819) | 2,078 | (1,741) |
| Other comprehensive income for the financial year | - | - | 6,024 | 6,024 | - | 6,024 |
| Total comprehensive (loss)/income for the financial year | - | (3,819) | 6,024 | 2,205 | 2,078 | 4,283 |
| Non-controlling interest in subsidiary | - | - | - | - | 4,000 | 4,000 |
| Closing balance at 31 December 2023 | 329,087 | (183,692) | 71,147 | 216,542 | 6,078 | 222,620 |

Note A

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024**

| | Year-to-date Ended | |
|--|--------------------------------------|--------------------------------------|
| | 30 Jun 2024 RM'000 (Unaudited) | 30 Jun 2023 RM'000 (Unaudited) |
| Cash Flows From Operating Activities | | |
| Profit before tax | 16,958 | 554 |
| Adjustments for: | | |
| Interest income | (185) | (91) |
| Interest expenses | 1,764 | 2,136 |
| Depreciation of property, plant and equipment | 15,895 | 15,229 |
| Gain on disposal of property, plant and equipment | 69 | - |
| Gain on bargain purchase | - | (100) |
| Reversal of impairment loss on trade receivables | - | (117) |
| Share of result of a jointly controlled entity | - | (340) |
| Unrealised gain on foreign exchange | (1,710) | (953) |
| Total adjustments | <u>15,833</u> | <u>15,764</u> |
| Operating profit before working capital changes | 32,791 | 16,318 |
| Changes in working capital | | |
| Inventories | 401 | (226) |
| Trade and other receivables | (14,404) | 3,375 |
| Other current assets | 29 | (220) |
| Trade and other payables | (978) | (12,462) |
| Total changes in working capital | <u>(14,952)</u> | <u>(9,533)</u> |
| Cash flows from operations | 17,839 | 6,785 |
| Interest paid | (1,764) | (2,136) |
| Interest received | 185 | 91 |
| Income tax refunded | - | 365 |
| Income tax paid | (1,808) | (614) |
| Real property gain tax paid | (59) | - |
| Net cash flows from operating activities | <u>14,393</u> | <u>4,491</u> |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

| | Year-to-date Ended | |
|---|--------------------|----------------|
| | 30 Jun 2024 | 30 Jun 2023 |
| | RM'000 | RM'000 |
| | (Unaudited) | (Unaudited) |
| Cash Flows From Investing Activities | | |
| Purchase of property, plant and equipment | (725) | (33) |
| Acquisition of a subsidiary, net of acquired | - | 5,466 |
| Net cash flows (used in)/ from investing activities | (725) | 5,433 |
| Cash Flows From Financing Activities | | |
| Net movement in revolving credit | - | (3,500) |
| Net movements in short term deposits pledged | - | (445) |
| Net movement in investment securities | 787 | - |
| Proceeds from loans | 204 | - |
| Repayments of principal portion of lease liabilities | (52) | (118) |
| Repayment of loans and borrowings | (4,856) | (4,605) |
| Net cash flows used in financing activities | (3,917) | (8,668) |
| Net increase/(decrease) in Cash and Cash Equivalents | 9,751 | 1,256 |
| Effect of changes in foreign exchange rates | 24 | 94 |
| Cash and Cash Equivalents at the beginning of financial year | 6,115 | (10,724) |
| Cash and Cash Equivalents at the end of financial period | 15,890 | (9,374) |

Cash and cash equivalents at the end of the period comprised the following:

| | | |
|---|---------------|----------------|
| Cash and bank balances | 32,592 | 11,238 |
| Bank overdraft | (14,800) | (17,951) |
| | 17,792 | (6,713) |
| Less: Fixed deposits pledged and cash at bank restricted in use | (1,902) | (2,661) |
| | 15,890 | (9,374) |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

SEALINK INTERNATIONAL BERHAD (800981-X)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024 FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

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

A1. Basis of Preparation

The interim financial statements have been prepared on the historical cost basis, unless otherwise stated.

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by Malaysian Accounting Standards Boards ("MFRS"), the requirements of the Companies Act 2016 in Malaysia and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The 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 financial year ended 31 December 2023.

A1.1 Changes in Accounting Policies

The accounting policies adopted in the preparation of the unaudited interim financial statements are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 December 2023, except for the following MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but not yet effective for the Group and for the Company:-

MFRS and amendment to MFRS effective 1 January 2024:-

- Amendments to MFRS 16, Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements - Non-Current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 107, Statements of Cash Flows and Financial Instruments: Disclosure - Supplier Finance Arrangements

Amendments to MFRS effective 1 January 2025:-

- Amendments to MFRS121, The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Amendments to MFRS (effective date deferred indefinitely):-

- Amendments to MFRS 10 and 128, Consolidated Financial Statements and Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company intend to adopt the above standards and amended standards, if applicable, when they become effective. However, the initial application of the above standards and amendments are not expected to have any financial impact to the financial statements of the Group and of the Company.

A2. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Company ("Sealink International Berhad") and its subsidiaries for the year ended 31 December 2023 were not qualified.

A3. Seasonal or cyclical factors

The Group's performance is affected by the marine industry. The demand for our vessels are closely associated with the cyclical fluctuations of the marine industry.

SEALINK INTERNATIONAL BERHAD (800981-X)

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**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024****(A) NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134) :
INTERIM FINANCIAL REPORTING****A4. Items of unusual nature and amount**

There was no item that affect assets, liabilities, equity, net income, or cash flows that are unusual in nature, size, or incidence during the current financial quarter under review.

A5. Material changes in estimates

There were no changes in the estimates that have had a material effect in the current quarter under review.

A6. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities

There were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter.

A7. Dividends Paid

No dividend was paid in the current quarter under review.

A8. Segmental information

The results and other information of the Group as at 30 June 2024 are as follows:

| | Shipbuilding | Chartering | Others | Eliminations | Total |
|---------------------------------|--------------|------------|--------|--------------|--------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | | |
| External sales | 2,284 | 62,351 | - | - | 64,635 |
| Inter-segment sales | 1,287 | 45,942 | - | (47,229) | - |
| Total revenue | 3,571 | 108,293 | - | (47,229) | 64,635 |
| Segment (loss)/ profit (Note A) | (1,880) | 16,408 | 3,130 | (700) | 16,958 |

Note A

The following items are added to/(deducted from) segment profit to arrive at "Profit before tax from continuing operations" presented in the condensed consolidated income statements:

| | |
|---------------------------------|---------|
| Segment profit | 17,658 |
| Profit from inter-segment sales | (700) |
| Finance costs | 1,545 |
| Unallocated corporate expenses | (1,545) |
| Profit before tax | 16,958 |

SEALINK INTERNATIONAL BERHAD (800981-X)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024****(A) NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134) :
INTERIM FINANCIAL REPORTING****A8. Segmental information (continued)**

| | Shipbuilding RM'000 | Chartering RM'000 | Others RM'000 | Eliminations RM'000 | Total |
|------------------------------------|------------------------|----------------------|------------------|------------------------|---------|
| Assets and liabilities | | | | | |
| Segment assets | 48,617 | 407,780 | 136,787 | (251,760) | 341,423 |
| Segment liabilities | 55,339 | 279,404 | 43,333 | (278,384) | 99,692 |
| Net assets | (6,722) | 128,376 | 93,454 | 26,624 | 241,731 |
| Other segmental information | | | | | |
| Depreciation | 906 | 8,413 | 7,481 | (905) | 15,895 |

A9. Capital commitments

Capital commitments are as follows:

| | Approved and contracted for RM'000 | Approved but not contracted for RM'000 |
|-------------------------------|--|--|
| Property, plant and equipment | - | - |

A10. Material events subsequent to the end of period reported

There were no material events subsequent to the end of the interim period reported which have not been reflected under the current quarter.

A11. Changes in composition of the Group

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

A12. Contingent liabilitiesThe following is the contingent liability since the last annual balance sheet date:

| | As at 30 Jun 2024 RM'000 | As at 30 Jun 2023 RM'000 |
|---|--------------------------------|--------------------------------|
| Corporate guarantees given to financial institutions in consideration of credit facilities granted to a jointly controlled entity | - | - |

SEALINK INTERNATIONAL BERHAD (800981-X)

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**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024****(A) NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134) :
INTERIM FINANCIAL REPORTING****A13. Related party transactions**

Transactions between the Group and related parties are as follows:

| | Transaction value for 3 months ended 30 Jun 2024 RM | Current Year-to-date 30 Jun 2024 RM |
|--|--|--|
| (i) Transactions with companies in which certain Directors of the Company have substantial interest : | | |
| Manmohan's (Labuan) Sdn Bhd - Rental of office at Lot 20, Labuan | 3,000 | 6,000 |
| Syarikat Guan Teck Enterprise (Sarawak) Sdn Bhd - Lease of office at Lot 1035, Piasau | 45,000 | 90,000 |
| Syarikat Lambir Timber Sdn Bhd - Chartering of vessels | 52,500 | 105,000 |
| Khoo & Co, Advocates and Solicitors - Provision of legal services | 33,850 | 36,950 |
| | <u>134,350</u> | <u>237,950</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.

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024**

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B1. Review of performance of the Company and its principal subsidiaries

(a) Financial review for current quarter and financial year to date

| | Individual Period | | Cumulative Period | |
|-------------------------|-------------------|------------|-------------------|------------|
| | 30/06/2024 | 30/06/2023 | 30/06/2024 | 30/06/2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 35,891 | 31,530 | 64,635 | 49,740 |
| Operating profit | 10,788 | 9,082 | 18,537 | 2,259 |
| Profit before tax | 10,043 | 7,785 | 16,958 | 554 |
| Profit after tax | 9,398 | 7,347 | 15,731 | 115 |
| Revenue | | | | |
| - Shipbuilding Division | 1,491 | 769 | 2,284 | 1,143 |
| - Ship Charter Division | 34,400 | 30,761 | 62,351 | 48,597 |
| | 35,891 | 31,530 | 64,635 | 49,740 |

OPERATING SEGMENTS REVIEW

2Q 2024 vs 2Q 2023

(i) Operating Revenue

- The Group's revenue for the current quarter ended 30 June 2024 achieved at RM64.6 million which was increased by RM14.9 million or 30% as compared to the previous corresponding quarter ended 30 June 2023. The increase in revenue was mostly attributed from ship charter division which was due to higher utilisation of vessel and improved charter rate.
- The current quarter has achieved a profit before tax of about RM10 million as compared to RM7.8 million in the preceding quarter due higher profit from ship chartering and ship building division.

Chartering Division

- The higher revenue for Chartering division in the current period compared to the corresponding period ended 30 June 2024 was mainly due to higher vessel utilisation and improved charter rate.

Shipbuilding Division

- In the current period, Shipbuilding division recorded revenue of RM1.5 million as compared to the revenue recorded in the corresponding period ended 30 June 2023 of RM769K due to an increase in ship repair activities.

B2. Material changes in the quarterly results compared to the results of the preceding quarter

| | 2Q 2024 | 1Q 2024 | Variance | % |
|-------------------|---------|---------|----------|------|
| | RM'000 | RM'000 | RM'000 | |
| Revenue | 35,891 | 28,744 | 7,147 | 25% |
| Profit before tax | 10,043 | 6,914 | 3,129 | -45% |

Current Quarter vs preceding quarter

The Group recorded a revenue of RM35.9 million for the current quarter ended 30 June 2024 which was 25% higher than the preceding quarter ended 31 March 2024. The profit before tax for the current quarter ended 30 June 2024 was RM10 million which was higher than the preceding quarter.

B3. Commentary on prospects

The Group holds a positive outlook about its prospects, anticipating improved results driven by increasing demand for our vessels. Our ongoing strong momentum and customer demand, as evidenced by our results, underpin this optimism. This favourable outlook bodes well for the Group's financial performance. The Group has achieved a profit after tax of RM9.4 million in this quarter.

We believe that 2024 holds promise for the O&G industry, aligning with the positive outlook expressed by Petronas regarding the sector's prospects. Based on the recent release of the Petronas Activity Outlook 2024-2026, the activity outlook for Petronas remains positive, in line with the continued recovery that we have seen throughout 2023. Specifically, Petronas mentioned that this is positive for activities relating to repair and maintenance activities required to maintain the integrity of offshore facilities. With this, the demand for OSVs is expected to remain steady going into 2024, especially for vessels supporting drilling and wells projects. It sees higher demand of OSVs in 2024-2026 compared with its previous forecast and this is an opportunity for local players like us. It is expected that capex spending will continue its upwards trend in 2024, surpassing pre-pandemic levels, on the heels of the massive under-investment throughout the past few years. This will reflect well on shipping sector.

We are confident that the demand for OSVs will continue to strengthen throughout this year. Just as encouraging as the acceleration in demand for OSVs is the continued reduction in the available supply of OSVs. The number of OSVs currently available is very limited indicating that the supply of vessels will continue to decline gradually. Accordingly, it is our view that the industry is positioned to benefit from an increase in demand over medium to long term with a slowly shrinking supply of vessels. We believe this imbalance in supply and demand will continue to provide the opportunity for day rate and utilisation to increase.

We have reduced the group's term loans from RM10 million in December 2023 to about RM5.7 million in June 2024, a reduction of about 43%. This speaks well of the viability of the Group's business. At the same time, with reduced gearing the Group will have a stronger balance sheet to take on additional financing to fund expansion when opportunities arise.

The Group remains focused on its core operations of ship chartering, ship repair and shipbuilding. The shipbuilding division will prioritise constructing vessels catering to niche markets and upgrading its docking facilities for ship repair. Concurrently, efforts will be directed towards maximising the utilisation of the Group's vessels. Additionally, the Group aims to develop new vessels with enhanced energy efficiency and environmental friendliness, aligning with the increasingly stringent environmental standards in the maritime sector.

We are looking forward to secure more new charters. We have already embarked on initiatives to enhance our bidding competitiveness. These will augment our business and operational resilience and help us deliver projects in line with our customers' needs and expectations. The Group will continue to pursue and seek opportunities to achieve a better financial performance this year. Moving forward, we will leverage our strengths and improve efficiency to achieve better results for the Group.

SEALINK INTERNATIONAL BERHAD (800981-X)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B4. Variance between actual profit from forecast profit

Not applicable as no profit forecast was published.

B5. Profit before tax

Included in the profit before tax are the following items:

| | 6 months ended | |
|--|----------------|-------------|
| | 30 Jun 2024 | 30 Jun 2023 |
| | RM'000 | RM'000 |
| Interest income | (185) | (91) |
| Interest expenses | 1,764 | 2,136 |
| Depreciation of property, plant and equipment | 15,895 | 15,229 |
| Gain on disposal of property, plant and equipment | 69 | - |
| Gain on bargain purchase | - | (100) |
| Reversal of impairment loss on trade and receivables | - | (117) |
| Share of result of a jointly controlled entity | - | (340) |
| Unrealised gain on foreign exchange | (1,710) | (953) |

B6. Taxation

| | Current | Year-to-date |
|-----------------------|-------------|--------------|
| | Quarter | |
| | 30 Jun 2024 | 30 Jun 2024 |
| | RM'000 | RM'000 |
| Malaysian income tax | 1,047 | 1,936 |
| Deferred tax reversal | (402) | (709) |
| Total tax | 645 | 1,227 |

The effective tax rate for the Group for the financial period was lower than statutory tax rate due to reversal of deferred tax relating to temporary differences as well as the different tax rate applicable to subsidiaries of the Group in other jurisdictions.

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B7. Sale of unquoted investments and/or properties

There were no sales of unquoted investments and no other sales of properties for the current quarter and financial year ended 30 June 2024.

B8. Quoted securities

There was no purchase or disposal of quoted securities for the current quarter and financial year to date.

B9. Status of corporate proposal

There is no corporate proposal announced but not completed as at end of the financial period under review.

B10. Group borrowings and debt securities

Total Group's borrowings as at 30 June 2024 were as follows:

| As at 30 June 2024 | | | | | | |
|------------------------------------|------------------|--------|------------------|--------|------------------|--------|
| | Short term | | Long term | | Total borrowings | |
| | Foreign currency | RM'000 | Foreign currency | RM'000 | Foreign currency | RM'000 |
| Secured | | | | | | |
| - Bank overdraft | - | 14,800 | - | - | - | 14,800 |
| - Revolving credits | - | 17,500 | - | - | - | 17,500 |
| - Loans (USD) | 1,198 | 5,654 | - | - | 1,198 | 5,654 |
| - Loans (RM) | - | - | - | - | - | - |
| - Hire purchase (RM) | - | 65 | - | 139 | - | 204 |
| - Obligations under finance leases | - | - | - | - | - | - |
| | | 38,019 | | 139 | | 38,158 |

| As at 30 June 2023 | | | | | | |
|------------------------------------|------------------|--------|------------------|--------|------------------|--------|
| | Short term | | Long term | | Total borrowings | |
| | Foreign currency | RM'000 | Foreign currency | RM'000 | Foreign currency | RM'000 |
| Secured | | | | | | |
| - Bank overdraft | - | 17,951 | - | - | - | 17,951 |
| - Revolving credits | - | 18,515 | - | - | - | 18,515 |
| - Loans (USD) | 1,514 | 7,062 | 1,198 | 5,588 | 2,712 | 12,650 |
| - Loans (RM) | - | 2,355 | - | 23 | - | 2,378 |
| - Hire purchase (RM) | - | 127 | - | - | - | 127 |
| - Obligations under finance leases | - | 4 | - | - | - | 4 |
| | | 46,014 | | 5,611 | | 51,625 |

SEALINK INTERNATIONAL BERHAD (800981-X)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2024
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2024

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS

B11. Derivative Financial Instruments

There are no outstanding derivatives at the reporting period.

B12. Material litigation

There was no material litigation for the current quarter and financial year to date.

B13. Dividend payable

No interim dividend has been declared for the current quarter ended 31 December 2023.

B14. Earnings per Share

| | 3 months ended | | 6 months ended | |
|---|----------------|----------------|----------------|----------------|
| | 30 Jun 2024 | 30 Jun 2023 | 30 Jun 2024 | 30 Jun 2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit/(loss) attributable to Owners of the Parent (RM'000) | <u>8,703</u> | <u>6,584</u> | <u>14,415</u> | <u>(922)</u> |
| Weighted average number of shares in issue ('000) | <u>500,000</u> | <u>500,000</u> | <u>500,000</u> | <u>500,000</u> |
| Basic profit/ (loss) per share (sen) | <u>1.74</u> | <u>1.32</u> | <u>2.88</u> | <u>(0.18)</u> |
| Diluted profit/ (loss) per share (sen) | <u>1.74</u> | <u>1.32</u> | <u>2.88</u> | <u>(0.18)</u> |

Basic profit/(loss) per share of the Company is calculated by dividing net loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

The computation of diluted loss per share is the same as basic loss per share as there were no new shares issued during the reporting period.

B15. Authorisation For Issue

The quarterly report for the second quarter ended 30 June 2024 was authorised for issue by the Board resolution of the directors dated 28 August 2024.

By Order Of The Board
28-August-2024