



BUMIARMADA

BUMI ARMADA BERHAD

199501041194 (370398-X)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2022

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2022

The Board of Directors of Bumi Armada Berhad (“Bumi Armada” or “the Company” or “the Group”) would like to announce the following unaudited condensed consolidated financial statements for the second quarter ended 30 June 2022 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Note	Individual Quarter Ended			Cumulative Quarters Period Ended		
		30.06.2022 RM'000	30.06.2021 RM'000 Re-presented	+ / (-) %	30.06.2022 RM'000	30.06.2021 RM'000 Re-presented	+ / (-) %
<u>Continuing operations</u>							
Revenue		618,431	591,863	4	1,147,438	1,131,606	1
Cost of sales		(380,808)	(359,095)		(637,121)	(651,396)	
Gross profit		237,623	232,768	2	510,317	480,210	6
Other operating income		12,824	65,386		26,483	112,191	
Selling and distribution costs		(2,035)	(789)		(3,994)	(1,461)	
Administrative expenses		(6,243)	(22,738)		(34,545)	(41,128)	
Operating profit before impairment		242,169	274,627	(12)	498,261	549,812	(9)
Impairment		-	(12,942)		-	(12,942)	
Operating profit		242,169	261,685	(7)	498,261	536,870	(7)
Finance costs		(87,605)	(103,074)		(172,479)	(204,706)	
Share of results of joint ventures and associates		32,267	41,301		52,737	48,667	
Profit before taxation		186,831	199,912	(7)	378,519	380,831	(1)
Taxation	18	558	(1,232)		(4,850)	(26,839)	
Profit from continuing operations		187,389	198,680	(6)	373,669	353,992	6
<u>Discontinued operations</u>							
Loss from discontinued operations		-	(74,784)		-	(70,497)	
Profit for the financial period		187,389	123,896	51	373,669	283,495	32
Attributable to:							
- Owners of the Company							
- from continuing operations		186,250	214,641	(13)	372,007	373,148	(0)
- from discontinued operations		-	(74,784)		-	(70,497)	
		186,250	139,857		372,007	302,651	
- Non-controlling interests							
- from continuing operations		1,139	(15,961)		1,662	(19,156)	
		187,389	123,896		373,669	283,495	
Basic earnings per share (sen)							
- from continuing operations	27	3.15	3.65	(14)	6.30	6.34	(1)
- from discontinued operations		-	(1.27)		-	(1.20)	
		3.15	2.38		6.30	5.14	
Diluted earnings per share (sen)							
- from continuing operations	27	3.15	3.65	(14)	6.30	6.34	(1)
- from discontinued operations		-	(1.27)		-	(1.20)	
		3.15	2.38		6.30	5.14	

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter Ended		Cumulative Quarters Period Ended	
		30.06.2022 RM'000	30.06.2021 RM'000 Re-presented	30.06.2022 RM'000	30.06.2021 RM'000 Re-presented
Profit for the financial period		187,389	123,896	373,669	283,495
<u>Continuing operations</u>					
Other comprehensive income/(expense)					
Items that may be reclassified subsequently to profit or loss					
- Fair value gain on cash flow hedges		28,826	9,659	171,030	49,657
- Costs of hedging		524	8,238	(4,830)	8,843
- Foreign currency translation differences		180,052	3,332	213,179	94,945
- Share of other comprehensive income of joint ventures		728	505	2,172	1,316
Items that will not be reclassified to profit or loss:					
- Financial assets at fair value through other comprehensive income:					
- Gain/(Loss) on fair value change		16,790	142	17,140	(797)
Other comprehensive income for the financial period, net of tax, from continuing operations		226,920	21,876	398,691	153,964
<u>Discontinued operations</u>					
Other comprehensive (expense)/income for the financial period, net of tax, from discontinued operations		-	(236)	-	987
Other comprehensive income for the financial period, net of tax		226,920	21,640	398,691	154,951
Total comprehensive income for the financial period		414,309	145,536	772,360	438,446
Total comprehensive income/(expense) attributable to:					
- Owners of the Company					
- from continuing operations		415,181	236,540	773,078	527,854
- from discontinued operations		-	(75,020)	-	(69,510)
		415,181	161,520	773,078	458,344
- Non-controlling interests					
- from continuing operations		(872)	(15,984)	(718)	(19,898)
		414,309	145,536	772,360	438,446

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	4,219,905	4,212,753
Investments in joint ventures		1,124,452	1,031,331
Investments in associates		36,945	33,383
Financial assets at fair value through other comprehensive income		30,626	12,651
Finance lease receivables		4,527,995	4,403,444
Accrued lease rental		-	83,330
Amount due from a joint venture		33,850	31,994
Amount due from an associate		349,506	322,801
Derivative financial instruments	22	32,762	364
Deferred tax assets		14,917	28,326
TOTAL NON-CURRENT ASSETS		10,370,958	10,160,377
CURRENT ASSETS			
Inventory		833	-
Finance lease receivables		255,382	225,364
Trade receivables	20	695,492	494,286
Other receivables, deposits and prepayments		44,567	82,909
Contract assets		42,357	12,480
Amounts due from joint ventures		9,692	13,988
Amounts due from associates		9,714	9,775
Derivative financial instruments	22	23,585	487
Tax recoverable		33,355	20,469
Deposits, cash and bank balances		717,382	794,846
		1,832,359	1,654,604
Non-current assets and disposal group classified as held-for-sale		56,057	255,465
TOTAL CURRENT ASSETS		1,888,416	1,910,069
TOTAL ASSETS		12,259,374	12,070,446

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
LESS: CURRENT LIABILITIES			
Trade payables and accruals		175,427	158,928
Other payables and accruals		298,477	285,129
Contract liabilities		24,217	34,219
Amounts due to joint ventures		1,339	1,358
Amounts due to associates		2,346	1,987
Lease liabilities		73,047	61,263
Borrowings	21	1,298,846	1,404,128
Derivative financial instruments	22	10,464	35,671
Taxation		11,890	9,586
		1,896,053	1,992,269
Liabilities directly associated with disposal group classified as held-for-sale		-	53,579
TOTAL CURRENT LIABILITIES		1,896,053	2,045,848
NET CURRENT LIABILITIES		(7,637)	(135,779)
LESS: NON-CURRENT LIABILITIES			
Other payables and accruals		75,528	86,528
Contract liabilities		26,829	27,268
Lease liabilities		2,379	4,072
Borrowings	21	5,073,653	5,514,202
Derivative financial instruments	22	477,270	455,577
Deferred tax liabilities		11,197	15,123
TOTAL NON-CURRENT LIABILITIES		5,666,856	6,102,770
NET ASSETS		4,696,465	3,921,828
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital		4,332,376	4,328,432
Reserves		405,686	(365,725)
		4,738,062	3,962,707
NON-CONTROLLING INTERESTS		(41,597)	(40,879)
TOTAL EQUITY		4,696,465	3,921,828
NET ASSETS PER SHARE (RM)		0.79 *	0.66

* Based on 5,918,047,144 ordinary shares in issue as at 30 June 2022.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company								Non-controlling interests RM'000	Total equity RM'000
	Number of shares '000	Share capital RM'000	Foreign exchange reserve RM'000	Share option reserve RM'000	Hedging reserve RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000		
<u>2022</u>										
At 1 January 2022	5,907,045	4,328,432	1,255,466	4,657	(125,401)	(1,742)	(1,498,705)	3,962,707	(40,879)	3,921,828
Profit for the financial period	-	-	-	-	-	-	372,007	372,007	1,662	373,669
Other comprehensive income/(expense) for the financial period, net of tax	-	-	215,559	-	168,372	17,140	-	401,071	(2,380)	398,691
Total comprehensive income/(expense) for the financial period, net of tax	-	-	215,559	-	168,372	17,140	372,007	773,078	(718)	772,360
Transactions with owners:										
- Shares issued pursuant to the management incentive plan	11,002	3,944	-	(3,944)	-	-	-	-	-	-
- Management incentive plan granted	-	-	-	2,277	-	-	-	2,277	-	2,277
At 30 June 2022	5,918,047	4,332,376	1,471,025	2,990	42,971	15,398	(1,126,698)	4,738,062	(41,597)	4,696,465

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Attributable to Owners of the Company								Non-controlling interests RM'000	Total equity RM'000
	Number of shares '000	Share capital RM'000	Foreign exchange reserve RM'000	Share option reserve RM'000	Hedging reserve RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000		
<u>2021</u>										
At 1 January 2021	5,885,896	4,321,351	1,146,299	6,127	(251,943)	75	(2,072,771)	3,149,138	(23,648)	3,125,490
Profit/(Loss) for the financial period	-	-	-	-	-	-	302,651	302,651	(19,156)	283,495
Other comprehensive income/(expense) for the financial period, net of tax	-	-	96,674	-	59,816	(797)	-	155,693	(742)	154,951
Total comprehensive income/(expense) for the financial period, net of tax	-	-	96,674	-	59,816	(797)	302,651	458,344	(19,898)	438,446
Transaction with owners:										
- Shares issued pursuant to the management incentive plan	21,149	7,081	-	(7,081)	-	-	-	-	-	-
- Management incentive plan granted	-	-	-	1,877	-	-	-	1,877	-	1,877
At 30 June 2021	5,907,045	4,328,432	1,242,973	923	(192,127)	(722)	(1,770,120)	3,609,359	(43,546)	3,565,813

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Period Ended 30.06.2022 RM'000	Period Ended 30.06.2021 RM'000 Re-presented
OPERATING ACTIVITIES		
<u>Continuing operations</u>		
Profit for the financial period	373,669	353,992
Adjustments for non-cash items:		
Share of results of joint ventures and associates	(52,737)	(48,667)
Net gain on disposal of property, plant and equipment and non-current assets held-for-sale	(5)	(18,996)
Depreciation of property, plant and equipment	168,684	238,075
Fair value through profit or loss on derivative financial instruments	(1,478)	(386)
Net allowance for impairment losses / (writeback of allowance for impairment losses)	63,770	(9,718)
Unrealised foreign exchange gain	(31,705)	(2,385)
Share-based payment	2,277	1,877
Impairment of property, plant and equipment	-	12,942
Interest income	(10,476)	(7,427)
Interest expense	171,652	203,246
Accretion of interest	2,305	1,846
Taxation	4,850	26,839
Operating profit before changes in working capital	690,806	751,238
Changes in working capital:		
Inventories	(833)	3,336
Finance lease receivables	110,529	91,968
Trade and other receivables	(157,647)	(87,969)
Trade and other payables	3,743	67,806
Joint ventures and associates	(3,718)	(33,323)
Cash from operations	642,880	793,056
Interest paid	(159,561)	(191,335)
Tax paid	(53)	(1,656)
Net cash flows generated from operating activities for continuing operations	483,266	600,065
Net cash flows generated from operating activities for discontinued operations	-	26,406
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	483,266	626,471
INVESTING ACTIVITIES		
<u>Continuing operations</u>		
Purchase of property, plant and equipment	(468)	(9,550)
Proceeds from disposal of property, plant and equipment	16,756	108,184
Proceeds from disposal of investments in subsidiaries	137,922	-
Advances to an associate	-	(82,901)
Interest received	11,092	7,873
Dividends received from a joint venture	17,250	-
Repayment from a joint venture	-	42,255
Proceeds from redemption of redeemable preference shares in a joint venture	-	8,245
Additional investment in joint ventures	(1,815)	-
Net cash flows generated from investing activities for continuing operations	180,737	74,106
Net cash flows generated from investing activities for discontinued operations	-	228
NET CASH FLOWS GENERATED FROM INVESTING ACTIVITIES	180,737	74,334

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Period Ended 30.06.2022 RM'000	Period Ended 30.06.2021 RM'000 Re-presented
FINANCING ACTIVITIES		
<u>Continuing operations</u>		
Repayment of borrowings	(844,138)	(748,200)
Repayments of lease liabilities	(2,423)	(631)
Net cash flows used in financing activities for continuing operations	(846,561)	(748,831)
Net cash flows used in financing activities for discontinued operations	-	-
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(846,561)	(748,831)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(182,558)	(48,026)
CURRENCY TRANSLATION DIFFERENCES	56,568	29,288
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	843,372	894,781
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	717,382	876,043
Cash and cash equivalents:		
- from continuing operations	717,382	833,883
- from discontinued operations	-	42,160
	717,382	876,043
Cash and cash equivalents consist of:		
Deposits with licensed banks	615,116	725,882
Cash and bank balances	102,266	150,161
	717,382	876,043

EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2022

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the reporting requirement as set out in Malaysian Financial Reporting Standards (“MFRS”) 134 on “Interim Financial Reporting”, Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited condensed consolidated financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 December 2021. The results of the joint ventures and associates are based on unaudited management accounts.

As at 30 June 2022, the Group’s current liabilities exceeded its current assets by RM7.6 million due to the classification of a secured term loan from Mezzanine Equities N.V. (“MENV”) of RM132.2 million as current liabilities as the repayment is due within 12 months from the balance sheet date. In August 2022, the Group received notification from MENV that the secured term loan will be extended by 12 months.

A cash flow forecast for the 12 months from the reporting date was prepared to assess and confirm the appropriateness of the going concern basis for the preparation of the financial statements of the Group. The actions taken to address the Group’s debt obligations are disclosed in Note 21.

The significant accounting policies and methods of computation applied in the unaudited condensed consolidated financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2021, other than those disclosed below:

- (a) Amendments to published standards and interpretations that are effective:
- (i) Amendments to MFRS and annual improvements which are applicable to the Group beginning on or after 1 January 2022:
- Amendments to MFRS 116 “Property, Plant and Equipment” – Proceeds before Intended Use
 - Amendments to MFRS 137 “Provisions, Contingent Liabilities and Contingent Assets” – Onerous Contracts – Costs of Fulfilling a Contract
 - Amendments to Annual Improvements to MFRS Standards 2018–2020
 - Amendments to References to the Conceptual Framework in MFRS Standards
 - Amendments to MFRS 3 “Business Combinations”

The adoption of the above amendments to MFRS and annual improvements did not have any significant impact on the financial statements of the Group.

- (b) Amendments to published standards and interpretations that have been issued but are not yet effective:
- (i) Amendments to MFRS which are applicable to the Group beginning on or after 1 January 2023:
- Amendments to MFRS 101 “Presentation of Financial Statements” – Classification of Liabilities as Current or Non-current, and Disclosure of Accounting Policies
 - Amendments to MFRS 108 “Accounting Policies, Changes in Accounting Estimates and Errors” - Definition of Accounting Estimates
 - Amendments to MFRS 112 “Income Taxes” – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the above amendments to MFRS may result in a change in accounting policy. The Group will quantify the effect of adopting these standards when the full standards are effective.

2. MANAGEMENT COMMENTARY

(A) Review of performance for the current year to date (“YTD”) results as compared with the previous YTD

Financial Indicators	YTD 30.06.2022 RM'000	YTD 30.06.2021 RM'000 Re-presented	Change RM'000
<u>Continuing operations</u>			
Segment revenue			
Operations	1,094,580	1,060,255	34,325
Others	52,858	71,351	(18,493)
Total revenue	1,147,438	1,131,606	15,832
Profit for the financial period	373,669	353,992	19,677
Finance costs	172,479	204,706	(32,227)
Depreciation of property, plant and equipment	168,684	238,075	(69,391)
Impairment losses on vessels	-	12,942	(12,942)
Net allowance for impairment losses / (writeback of allowance for impairment losses)	63,770	(9,718)	73,488
<u>Discontinued operations</u>			
Loss for the financial period	-	(70,497)	70,497

The Group generated revenue from continuing operations of RM1,147.4 million for the financial period ended 30 June 2022 (“YTD 2022”), an increase of RM15.8 million compared to the financial period ended 30 June 2021 (“YTD 2021”). Revenue from the Operations segment increased mainly due to higher vessel availability for Armada Kraken FPSO⁽¹⁾. Others segment revenue decreased due to the provision of one-off engineering services relating to a FPSO vessel in YTD 2021.

Included in the net allowance for impairment losses for YTD 2022 is an allowance of impairment losses on accrued lease rental of RM88.0 million which was provided for as the Group’s wholly-owned subsidiary, Armada Balnaves Pte Ltd (“ABPL”) was unsuccessful in its appeal against Woodside Energy Julimar Pty Ltd (“WEJ”) (refer to Note 25).

Notwithstanding the higher net allowance for impairment losses in YTD 2022, the Group generated a profit from continuing operations of RM373.7 million for YTD 2022, an increase of RM19.7 million compared to YTD 2021 mainly due to lower depreciation and impairment losses on vessels recognised in YTD 2021.

With reference to Note 10 Segmental Information, the Operations segment results increased to RM677.9 million for YTD 2022 as compared to RM671.0 million for YTD 2021 mainly due to higher vessel availability for Armada Kraken FPSO, while Others segment results increased to RM26.4 million for YTD 2022 as compared a loss of to RM5.0 million for YTD 2021 mainly due to foreign exchange gain arising from translation of intercompany balances denominated in foreign currency.

The financial results for discontinued operations in YTD 2021 relate to the disposal group held-for-sale as disclosed in Note 15.

Note:

⁽¹⁾ FPSO – Floating Production Storage Offloading vessel. This acronym is also used hereinafter.

2. MANAGEMENT COMMENTARY (CONTINUED)

(B) Review of performance of the current quarter as compared with the immediate preceding quarter

Financial Indicators	2nd Quarter 2022 RM'000	1st Quarter 2022 RM'000	Change RM'000
Segment revenue			
Operations	572,456	522,124	50,332
Others	45,975	6,883	39,092
Total revenue	618,431	529,007	89,424
Profit for the financial period	187,389	186,280	1,109
Finance costs	87,605	84,874	2,731
Depreciation of property, plant and equipment	85,400	83,284	2,116
Net allowance for impairment losses / (writeback of allowance for impairment losses)	65,426	(1,656)	67,082

The Group generated revenue of RM618.4 million for the quarter ended 30 June 2022 (“Q2 2022”), an increase of RM89.4 million compared to the quarter ended 31 March 2022 (“Q1 2022”). The increase from the Operations segment was mainly due to higher progress of completion of the Subsea Construction contract work in the Caspian Sea in Q2 2022 compared to Q1 2022, while the increase in revenue from the Others segment was mainly due to preliminary front end engineering and design (“Pre-FEED”) revenue recognised during the quarter.

Included in the net allowance for impairment losses for Q2 2022 is an allowance of impairment losses on accrued lease rental of RM88.0 million which was provided for as the Group’s wholly-owned subsidiary, ABPL was unsuccessful in its appeal against WEJ (refer to Note 25).

Notwithstanding the higher net allowance for impairment losses in Q2 2022, the Group generated profit of RM187.4 million for Q2 2022, consistent with Q1 2022, mainly due to higher revenue and favourable foreign exchange movements.

With reference to Note 10 Segmental Information, the Operations segment results increased to RM354.6 million for Q2 2022 as compared to RM323.3 million for Q1 2022 mainly due to lower operating costs and favourable foreign exchange movements during Q2 2022. The Others segment results increased to RM25.6 million for Q2 2022 as compared to RM0.1 million for Q1 2022 mainly due to foreign exchange gain arising from translation of intercompany balances denominated in foreign currency.

(C) Review of consolidated statement of financial position

Financial Indicators	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000	Change RM'000
Total assets	12,259,374	12,070,446	188,928
Total liabilities	(7,562,909)	(8,148,618)	585,709
Total equity	(4,696,465)	(3,921,828)	(774,637)

As at 30 June 2022, the Group had total assets of RM12,259.4 million, an increase of 2% compared to 31 December 2021, mainly arising from higher valuation of balances denominated in USD due to stronger USD rates as at June 2022 and increase in trade receivables which was offset by the disposal of non-current assets and disposal group classified as held-for-sale as at 31 December 2021 in YTD 2022. The increase in trade receivables was mainly due to lower receipts from customers as compared to billings in YTD 2022.

As at 30 June 2022, the Group had total liabilities of RM7,562.9 million, a decrease of 7% compared to 31 December 2021, mainly due to repayment of bank borrowings, offset by higher valuation of balances denominated in USD due to stronger USD rates as at June 2022.

2. MANAGEMENT COMMENTARY (CONTINUED)

(D) Review of consolidated statement of cash flows

Financial Indicators	YTD 30.06.2022 RM'000	YTD 30.06.2021 RM'000 Re-presented	Change RM'000
<u>Continuing operations</u>			
Net cash flows generated from operating activities	483,266	600,065	(116,799)
Net cash flows generated from investing activities	180,737	74,106	106,631
Net cash flows used in financing activities	(846,561)	(748,831)	(97,730)
Net decrease in cash and cash equivalents for continuing operations	(182,558)	(74,660)	(107,898)
<u>Discontinued operations</u>			
Net cash flows generated from operating activities	-	26,406	(26,406)
Net cash flows generated from investing activities	-	228	(228)
Net increase in cash and cash equivalents for discontinued operations	-	26,634	(26,634)
Net (decrease)/increase in cash and cash equivalents	(182,558)	(48,026)	(134,532)

The Group had lower net cash flows generated from operating activities for continuing operations in YTD 2022 compared to YTD 2021 mainly due to lower cash collection from trade and other receivables which have been subsequently received .

The Group had higher net cash flows generated from investing activities for continuing operations in YTD 2022 compared to YTD 2021 mainly due to proceeds from disposal of the Ice Class Vessel Companies (Note 15).

In YTD 2022, the Group repaid bank debt of RM844.1 million.

The cash flows for discontinued operations relate to the disposal group held-for-sale as disclosed in Note 15.

(E) Construction of a FPSO for the ONGC NELP Block KG – DWN 98/2 Development Project Cluster-II field located on the east coast of Kakinada, offshore India (“98/2 Project”)

The Group holds interests in associates involved in the 98/2 Project. As previously reported, the construction of the FPSO is expected to be completed by end of 2022.

3. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2022

We expect our existing business to be stable for the rest of 2022 and are pursuing new opportunities in targeted markets. We will continue to focus on the following areas to improve the prospects of the organisation:

- Safety of all employees, partners and assets;
- Integrated Sustainability Strategy;
- Build on the excellent operational performance of our vessels;
- Secure new contracts; and
- Maintain crucial relationships with clients and partners.

4. QUALIFICATION OF PRECEDING AUDITED FINANCIAL STATEMENTS

There was no qualification to the audited financial statements for the preceding financial year ended 31 December 2021.

5. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial period ended 30 June 2022.

6. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE

There were no items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial period ended 30 June 2022.

7. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the unaudited condensed consolidated financial statements of the Group.

8. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuances or repayments of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period ended 30 June 2022.

9. DIVIDENDS PAID

There were no dividends paid in the financial period ended 30 June 2022.

10. SEGMENT INFORMATION

With effect from 1 January 2022, the Group reorganised its segments to reflect the nature of activities carried out by its business units, in line with the Group's divestment of the Offshore Support Vessel ("OSV") sub-segment through its asset monetisation programme. The Group's reportable segments are as follows:

- (i) Operations – provision of FPSO vessels, Floating Gas Solutions unit, OSV vessels, Subsea Construction assets and marine related services.
- (ii) Others – consists of the following:
 - Technology, Engineering and Projects – provision of engineering consultancy and project support services.
 - Corporate and others – Management services and corporate support services provided to subsidiaries which are considered incidental to the Group's operating business.

The comparative segment information has been restated accordingly.

The information of each of the Group's business units for the individual and cumulative quarters ended 30 June 2022 and 30 June 2021 are as follows:

Individual Quarter Ended 30.06.2022	Operations RM'000	Others RM'000	Elimination RM'000	Total RM'000
<u>Continuing operations</u>				
Revenue	572,456	45,975	-	618,431
Inter-segment revenue	-	17,880	(17,880)	-
Results				
Segment results	354,606	25,565	-	380,171
Depreciation of property, plant and equipment	(84,586)	(814)	-	(85,400)
Net allowance for impairment losses	(65,426)	-	-	(65,426)
Share of results of joint ventures and associates	31,606	661	-	32,267
Subtotal	236,200	25,412	-	261,612
Other operating income				12,824
Finance costs				(87,605)
Taxation				558
Profit from continuing operations				187,389
Profit from discontinued operations				-
Profit for the financial period				187,389

10. SEGMENT INFORMATION (CONTINUED)

The information of each of the Group's business units for the individual and cumulative quarters ended 30 June 2022 and 30 June 2021 are as follows: (continued)

Individual Quarter Ended 30.06.2021	Operations RM'000 Restated	Others RM'000 Restated	Elimination RM'000	Total RM'000 Restated
<u>Continuing operations</u>				
Revenue	554,091	37,772	-	591,863
Inter-segment revenue	-	-	-	-
Results				
Segment results	336,230	(12,514)	-	323,716
Depreciation of property, plant and equipment	(117,726)	(773)	-	(118,499)
Net writeback of allowance for impairment losses	4,024	-	-	4,024
Impairment	(12,942)	-	-	(12,942)
Share of results of joint ventures and associates	38,982	2,319	-	41,301
Subtotal	248,568	(10,968)	-	237,600
Other operating income				65,386
Finance costs				(103,074)
Taxation				(1,232)
Profit from continuing operations				198,680
Loss from discontinued operations				(74,784)
Profit for the financial period				123,896

Cumulative Quarters Ended 30.06.2022	Operations RM'000	Others RM'000	Elimination RM'000	Total RM'000
<u>Continuing operations</u>				
Revenue	1,094,580	52,858	-	1,147,438
Inter-segment revenue	-	34,065	(34,065)	-
Results				
Segment results	677,874	26,358	-	704,232
Depreciation of property, plant and equipment	(167,078)	(1,606)	-	(168,684)
Net allowance for impairment losses	(63,770)	-	-	(63,770)
Share of results of joint ventures and associates	52,779	(42)	-	52,737
Subtotal	499,805	24,710	-	524,515
Other operating income				26,483
Finance costs				(172,479)
Taxation				(4,850)
Profit from continuing operations				373,669
Profit from discontinued operations				-
Profit for the financial period				373,669

10. SEGMENTAL INFORMATION (CONTINUED)

The information of each of the Group's business units for the individual and cumulative quarters ended 30 June 2022 and 30 June 2021 are as follows: (continued)

Cumulative Quarters Ended 30.06.2021	Operations RM'000 Restated	Others RM'000 Restated	Elimination RM'000	Total RM'000 Restated
<u>Continuing operations</u>				
Revenue	1,060,255	71,351	-	1,131,606
Inter-segment revenue	-	-	-	-
Results				
Segment results	670,990	(5,012)	-	665,978
Depreciation of property, plant and equipment	(236,453)	(1,622)	-	(238,075)
Net writeback of allowance for impairment losses	9,718	-	-	9,718
Impairment	(12,942)	-	-	(12,942)
Share of results of joint ventures and associates	41,049	7,618	-	48,667
Subtotal	472,362	984	-	473,346
Other operating income				112,191
Finance costs				(204,706)
Taxation				(26,839)
Profit from continuing operations				353,992
Loss from discontinued operations				(70,497)
Profit for the financial period				283,495

Segmental revenue for Operations is mainly denominated in USD.

11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

As at 30 June 2022, all property, plant and equipment were stated at cost less accumulated depreciation and accumulated impairment losses.

12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

No material events have arisen in the interval between the end of this reporting period and the date of this report.

13. CAPITAL COMMITMENTS

Capital expenditure for property, plant and equipment approved by the Directors and not provided for in the unaudited condensed consolidated financial statements as at 30 June 2022 and 31 December 2021 are as follows:

	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
- authorised and contracted	585	231
- authorised but not contracted	4,231	5,397
	4,816	5,628

14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group's contingent liabilities comprising bank guarantees extended to third parties amounted to RM75.2 million as at 30 June 2022 as compared to RM44.3 million as at 31 December 2021. There are no material contingent assets to be disclosed.

15. CHANGES IN THE COMPOSITION OF THE GROUP

(a) Changes in the composition of the Group in Q2 2022

There were no changes in the composition of the Group arising from business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructurings, and discontinued operations for the current quarter under review.

(b) Disposal of subsidiaries during YTD 2022

On 19 January 2022, the Group via its subsidiaries, namely Bumi Armada Singapore Holdings Pte Ltd, Bumi Armada Offshore Contractor Limited and Bumi Armada Russia Holdings Limited entered into a sale and purchase agreement for the disposal of the entire issued and paid-up share capital of the following wholly-owned indirect subsidiaries of the Company to AC Management Company Limited and K.N. Holding Limited Liability Company for a total cash consideration of USD44.5 million (equivalent to approximately RM186.6 million) ("Disposal Transaction"):

- (i) Bumi Armada Marine Uray Pte. Ltd.;
 - (ii) Bumi Armada Marine Pokachi Pte. Ltd.;
 - (iii) Bumi Armada Marine Naryan Mar Pte. Ltd.; and
 - (iv) Bumi Armada Marine LLC.
- (collectively, the "Ice Class Vessel Companies").

The Disposal Transaction was completed on 20 January 2022 ("Completion Date") where the Ice Class Vessel Companies ceased to be a part of the Group. The comparative financials for the discontinued operations are re-presented in the condensed consolidated statement of income, consolidated statement of comprehensive income and consolidated statement of cash flows.

Details of the assets, liabilities and net cashflow arising from the Disposal Transaction are as follows:

	As at Completion Date RM'000
Property, plant and equipment	186,406
Trade receivables	1,895
Cash and cash equivalent	48,526
Other assets	1,972
Trade payables	(8,192)
Deferred tax liabilities	(27,709)
Other liabilities	(17,678)
Net assets	185,220
Less: Net consideration received from disposal of subsidiaries	(186,448)
Foreign exchange differences	1,228
Net impact to profit or loss	-
Net consideration received from disposal of subsidiaries	186,448
Less: Cash and cash equivalent in the disposed subsidiaries	(48,526)
Net proceeds from disposal of subsidiaries	137,922

16. SIGNIFICANT RELATED PARTY DISCLOSURES

The significant related party transactions undertaken during the financial period are described below:

	Individual Quarter Ended 30.06.2022 RM'000	Individual Quarter Ended 30.06.2021 RM'000	Cumulative Quarters Period Ended 30.06.2022 RM'000	Cumulative Quarters Period Ended 30.06.2021 RM'000
(a) Management fees and engineering assistance services receivable from joint ventures and associate				
- revenue	-	-	4,630	12,311
- other operating income	-	49,205	8,400	82,088
(b) Payment on behalf of joint ventures	85	68	85	161
(c) Telecommunication expenses to Maxis Berhad ⁽¹⁾	(145)	(185)	(189)	(247)
(d) Rental to Malaysian Landed Property Sdn Bhd ⁽²⁾	(973)	(954)	(1,910)	(1,870)
(e) Management fees to UTSB Management Sdn Bhd ⁽³⁾	(1,853)	(1,765)	(3,677)	(3,530)
(f) Interest expense to Mezzanine Equities N.V. ⁽³⁾	(3,967)	(3,697)	(7,487)	(7,430)
(g) Transactions with an associate				
- advances to an associate	-	64,404	-	82,901
- interest income	3,959	2,876	7,732	5,196
(h) Key management personnel compensation				
- Non-Executive Directors' fees	(670)	(692)	(1,341)	(1,306)
- Consultancy fees	(282)	-	(282)	-
- salaries, bonus and allowances and other staff related costs	(4,418)	(3,792)	(8,769)	(7,462)
- defined contribution plan	(58)	(67)	(152)	(196)
- share-based payment	(1,216)	(1,075)	(2,274)	(1,691)

Usaha Tegas Sdn Bhd ("UTSB") is a party related to the Company by virtue of its substantial equity interest in Objektif Bersatu Sdn Bhd ("OBSB"), a substantial shareholder of the Company. The ultimate holding company of UTSB is PanOcean Management Limited ("PanOcean"). PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of Ananda Krishnan Tatparanandam ("TAK") and foundations including those for charitable purposes. Although PanOcean and TAK are deemed to have an interest in the shares of the Company through UTSB's deemed interest in OBSB, they do not have any economic or beneficial interest in the shares as such interest is held subject to the terms of the discretionary trust.

Notes:

- (1) Subsidiary of a joint venture, in which UTSB has a significant equity interest.
(2) Subsidiary of a company in which TAK has 100% equity interest.
(3) Subsidiary of UTSB, a substantial shareholder of the Company.

17. PROFIT FORECAST OR PROFIT GUARANTEE

This is not applicable as the Group did not publish any profit forecast or issue any profit guarantee.

18. TAXATION

Taxation comprises the following:

	Individual Quarter Ended		Cumulative Quarters Period Ended	
	30.06.2022 RM'000	30.06.2021 RM'000 Re-presented	30.06.2022 RM'000	30.06.2021 RM'000 Re-presented
<u>Continuing operations</u>				
Income tax:				
- Current year	1,201	3,579	4,631	29,211
- Prior year	(10,822)	228	(9,886)	(2,245)
Deferred tax	9,063	(2,575)	10,105	(127)
Taxation from continuing operations	(558)	1,232	4,850	26,839
Taxation from discontinued operations	-	(11,476)	-	(12,718)

The Group's continuing operations' effective tax rates for the individual and cumulative quarters period ended 30 June 2022 were negative 0% and 1% respectively. The difference in the effective tax rates and the Malaysian statutory tax rate of 24% are mainly due to income not subject to tax, tax effect of different tax rates in other countries.

19. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no corporate proposals announced but not completed as at the date of this report other than the announcement on 13 August 2013 that a USD1.5 billion Multi Currency Euro Medium Term Note Programme ("EMTN Programme") has been established on 6 August 2013 by a wholly-owned subsidiary, Bumi Armada Capital Offshore Ltd. To date, no medium term notes have been issued under the EMTN Programme.

20. TRADE RECEIVABLES

The credit terms of trade receivables ranged from 0 to 60 days. Ageing analysis of trade receivables as at 30 June 2022 and 31 December 2021 is as follows:

	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
Current	471,910	376,340
Less than 30 days past due	144,505	104,084
Between 31 and 60 days past due	59,745	4,025
Between 61 and 90 days past due	22	4,517
Between 91 days and 1 year past due	4,156	5,320
More than 1 year past due	15,154	-
	<u>695,492</u>	<u>494,286</u>

The majority of the amounts past due were received in July 2022. We have assessed the remaining balances and believe that they are recoverable.

21. BORROWINGS

	As at 30.06.2022			As at 31.12.2021			As at 30.06.2021		
	Denominated in USD RM'000	Denominated in RM RM'000	Total RM'000	Denominated in USD RM'000	Denominated in RM RM'000	Total RM'000	Denominated in USD RM'000	Denominated in RM RM'000	Total RM'000
SHORT-TERM DEBTS									
Secured:									
Term loans ⁽¹⁾	1,155,489	-	1,155,489	1,060,827	-	1,060,827	958,957	-	958,957
Unsecured:									
Sukuk Murabahah – current	-	30,915	30,915	-	30,393	30,393	-	30,915	30,915
Term loans	112,442	-	112,442	312,908	-	312,908	209,653	-	209,653
Total short-term debts	1,267,931	30,915	1,298,846	1,373,735	30,393	1,404,128	1,168,610	30,915	1,199,525
LONG TERM DEBTS									
Secured:									
Term loans	2,417,988	-	2,417,988	2,755,319	-	2,755,319	3,342,055	-	3,342,055
Unsecured:									
Sukuk Murabahah	-	1,499,838	1,499,838	-	1,499,769	1,499,769	-	1,499,699	1,499,699
Term loans	1,155,827	-	1,155,827	1,259,114	-	1,259,114	1,737,684	-	1,737,684
Total long-term debts	3,573,815	1,499,838	5,073,653	4,014,433	1,499,769	5,514,202	5,079,739	1,499,699	6,579,438
Total borrowings	4,841,746	1,530,753	6,372,499	5,388,168	1,530,162	6,918,330	6,248,349	1,530,614	7,778,963

21. BORROWINGS (CONTINUED)

⁽¹⁾ Included in the short-term secured term loans is a 3-year secured term loan of USD30.0 million (RM132.2 million) from MENV, a wholly-owned subsidiary of UTSB (refer to Note 16) which is classified as current liabilities as the repayment is due within 12 months from the balance sheet date. In August 2022, the Group received notification from MENV that the secured term loan will be extended by 12 months.

In order to further manage and strengthen the cash flow position, the Group is taking the following measures:

- Pursue collections from customers; and
- Optimise cost structure.

As at 30 June 2022, the proportion of borrowings between floating interest rates and fixed interest rates is 76%:24%. The term loan facility that has a floating interest rate has been partially hedged using Interest Rate Swap, while Sukuk Murabahah has been hedged using Cross Currency Interest Rate Swap, as disclosed in Note 22.

The weighted contractual interest/profit rates per annum of borrowings that were effective as at the end of the financial period are as follows:

	30.06.2022	31.12.2021	30.06.2021
	%	%	%
Term loans	4.92	3.55	3.59
Sukuk Murabahah	6.35	6.35	6.35

Borrowings as at 30 June 2022 decreased by 8% as compared to 31 December 2021 mainly due to repayment of bank borrowings.

22. DERIVATIVE FINANCIAL INSTRUMENTS

Details of derivative financial instruments outstanding as at 30 June 2022 and 31 December 2021 are as set out below:

Types of Derivative	As at 30.06.2022		As at 31.12.2021	
	Contract/ Notional amount RM'000	Fair value assets/ (liabilities) RM'000	Contract/ Notional amount RM'000	Fair value liabilities RM'000
Derivatives used for hedging:				
Interest rate swaps				
- Less than 1 year	656,665	23,374	602,419	(28,215)
- 1 to 3 years	789,031	27,328	902,091	(15,577)
- More than 3 years	914,657	5,081	1,023,309	(11,337)
	<u>2,360,353</u>	<u>55,783</u>	<u>2,527,819</u>	<u>(55,129)</u>
Cross currency interest rate swaps				
- Less than 1 year	-	(10,253)	-	(6,970)
- 1 to 3 years	1,500,000	(476,917)	1,500,000	(428,298)
	<u>1,500,000</u>	<u>(487,170)</u>	<u>1,500,000</u>	<u>(435,268)</u>

There have been no changes since the end of the previous financial year ended 31 December 2021 in respect of the following:

- the credit risk associated with the derivatives as these are used for hedging purposes;
- the cash requirements of the derivatives;
- the policies in place for mitigating or controlling the risks associated with the derivatives; and
- the related accounting policies.

The Group's hedging reserve as at 30 June 2022 represents the effective portion of the deferred fair value losses relating to the derivative financial instruments which qualified for hedge accounting. The gains and losses recognised in the hedging reserve will be released to the profit or loss within finance costs over the period of the underlying borrowings.

23. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value and amortised cost, the different levels have been identified as follows:

- Level 1 - Quoted prices (unadjusted in active markets for identical assets or liabilities)
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as price) or indirectly (that is, derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

(a) Financial instruments carried at amortised cost

The carrying amounts of financial assets and liabilities of the Group approximated their fair values as at 30 June 2022 and 31 December 2021 except as set out below:

	As at 30.06.2022		As at 31.12.2021	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Finance lease receivables	4,783,377	5,376,679	4,628,808	5,219,676
Amount due from a joint venture	33,850	48,814	31,994	47,513
Amount due from an associate	349,506	329,118	322,801	317,745
Sukuk Murabahah	1,530,753	1,479,375	1,530,162	1,543,054

The fair value of finance lease receivables, amount due from a joint venture, amount due from an associate and fixed rate Sukuk Murabahah are within Level 3 of the fair value hierarchy.

(b) Financial instruments carried at fair value

The table below analyses financial instruments carried at fair value as at 30 June 2022 and 31 December 2021, by valuation method.

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
As at 30.06.2022				
Financial assets:				
Financial assets at fair value through other comprehensive income	30,626	-	-	30,626
Derivatives used for hedging				
- Interest rate swaps	-	56,136	-	56,136
- Cross currency interest rate swaps	-	211	-	211
Financial liabilities:				
Derivatives used for hedging				
- Interest rate swaps	-	(352)	-	(352)
- Cross currency interest rate swaps	-	(487,382)	-	(487,382)

23. FAIR VALUE HIERARCHY (CONTINUED)

(b) Financial instruments carried at fair value (continued)

The table below analyses financial instruments carried at fair value as at 30 June 2022 and 31 December 2021, by valuation method. (continued)

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
As at 31.12.2021				
Financial assets:				
Financial assets at fair value through other comprehensive income	12,651	-	-	12,651
Derivatives used for hedging				
- Interest rate swaps	-	364	-	364
- Cross currency interest rate swaps	<u>-</u>	<u>487</u>	<u>-</u>	<u>487</u>
Financial liabilities:				
Derivatives used for hedging				
- Interest rate swaps	-	(55,493)	-	(55,493)
- Cross currency interest rate swaps	<u>-</u>	<u>(435,755)</u>	<u>-</u>	<u>(435,755)</u>

The fair value of financial instruments traded in an active market is based on quoted market price at the statement of financial position date. This instrument is included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques, such as estimated discounted cash flows. These valuation techniques are used to determine the fair value of derivative financial instruments. The fair value of cross currency interest rate swaps and interest rate swaps are calculated as the present value of the estimated future cash flows based on forward interest rates and exchange rates from observable yield curves.

No transfers between any levels of the fair value estimation took place during the current period and the comparative period. There were also no changes in the purpose of any financial instruments that subsequently caused a change in classification of those instruments.

24. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Individual Quarter Ended 30.06.2022 RM'000	Individual Quarter Ended 30.06.2021 RM'000 Re-presented	Cumulative Quarters Ended 30.06.2022 RM'000	Cumulative Quarters Ended 30.06.2021 RM'000 Re-presented
<u>Continuing operations</u>				
Profit before taxation is arrived at after (crediting)/charging:				
(a) Other operating income				
- Interest income	(5,495)	(4,015)	(10,476)	(7,427)
- Gain on disposal of property, plant and equipment and non-current assets held-for- sale	(5)	(12,166)	(5)	(19,124)
- Management fees charged to a joint venture and an associate	-	(49,205)	(8,400)	(82,088)
- Others	(7,324)	-	(7,602)	(3,552)
(b) Interest expense	87,647	101,872	171,652	203,246
(c) Accretion of interest	1,178	932	2,305	1,846
(d) Depreciation of property, plant and equipment	85,400	118,499	168,684	238,075
(e) Net (writeback of allowance for impairment losses / allowance for impairment losses				
- Trade receivables	(22,584)	(4,024)	(24,240)	(9,718)
- Accrued lease rental	88,010	-	88,010	-
(f) Impairment of property, plant and equipment	-	12,942	-	12,942
(g) Loss on disposal of property, plant and equipment and non-current assets held-for-sale	-	25	-	128
(h) Net foreign exchange (gain)/loss				
- realised	(8,558)	(3,518)	1,175	(941)
- unrealised	(25,234)	(532)	(31,705)	(2,385)
(i) Fair value through profit and loss on derivative financial instruments	(1,220)	270	(1,478)	(386)
(j) Retrenchment expenses	-	5,084	104	7,107

24. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF INCOME (CONTINUED)

	Individual Quarter Ended 30.06.2022 RM'000	Individual Quarter Ended 30.06.2021 RM'000 Re-presented	Cumulative Quarters Ended 30.06.2022 RM'000	Cumulative Quarters Ended 30.06.2021 RM'000 Re-presented
<u>Discontinued operations</u>				
Loss from discontinued operations after (crediting)/charging:				
(a) Other operating income				
- Interest income	-	(102)	-	(228)
- Others	-	-	-	(24)
(b) Depreciation of property, plant and equipment	-	7,547	-	15,003
(c) Impairment of property, plant and equipment	-	90,792	-	90,792
(d) Net foreign exchange loss/(gain)				
- realised	-	11	-	(133)
- unrealised	-	(240)	-	(117)
	<u>-</u>	<u>(240)</u>	<u>-</u>	<u>(117)</u>

Other than as presented in the statements of income and as disclosed above, there was no allowance for and write-off of inventories, gain or loss on disposal of quoted or unquoted investments or properties and other exceptional items for the current quarter ended 30 June 2022.

25. MATERIAL LITIGATION

Save for the following, as at 30 June 2022, the Group was not involved in any material litigation, claims or arbitration, and is not aware of any material litigation, claims or arbitration pending or threatened against the Group:

(a) In the Supreme Court of Western Australia between Armada Balnaves Pte Ltd and Woodside Energy Julimar Pty Ltd

The matter arose out of a dispute between Armada Balnaves Pte Ltd (“ABPL”), our wholly-owned subsidiary, and Woodside Energy Julimar Pty Ltd (“WEJ”) in relation to a contract for the provision of floating production storage and offloading services dated 30 September 2011 (“Contract”). On 4 March 2016, WEJ purported to terminate the Contract by issuing a notice of termination to ABPL which ABPL considered as a repudiation of the Contract, which entitled ABPL to damages.

On 14 March 2016, ABPL commenced a writ action in the Supreme Court of Western Australia (“Supreme Court”) against WEJ for, inter alia, (i) a declaration that WEJ was in repudiatory breach of the Contract and (ii) damages for WEJ’s breach of the Contract. On 24 January 2020, the Supreme Court delivered its judgment in favour of WEJ on ABPL’s main claim of repudiation of the Contract.

ABPL filed an appeal against the Supreme Court’s decision at the Court of Appeal on 11 March 2020 which was heard on 20 - 23 July 2021. Judgment was delivered by the Court of Appeal on 24 June 2022. ABPL was unsuccessful in its appeal and ordered to pay WEJ’s costs. Bumi Armada is currently considering its options.

26. DIVIDENDS

No dividend was declared or recommended for the current financial period ended 30 June 2022.

27. EARNINGS PER SHARE

The basic earnings per share (“EPS”) is calculated by dividing the Group’s profit attributable to Owners of the Company by the average number of ordinary shares in issue during the financial period.

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares from the MIP.

The impact of the above to the diluted EPS is insignificant.

	Individual Quarter Ended		Cumulative Quarters Ended	
	30.06.2022	30.06.2021 Re-presented	30.06.2022	30.06.2021 Re-presented
Profit/(Loss) attributable to Owners of the Company (RM'000)				
- from continuing operations	186,250	214,641	372,007	373,148
- from discontinued operations	-	(74,784)	-	(70,497)
	186,250	139,857	372,007	302,651
Weighted average/adjusted weighted average number of ordinary shares in issue for basic EPS ('000)	5,909,474	5,888,551	5,909,474	5,888,551
Basic EPS (sen)				
- from continuing operations	3.15	3.65	6.30	6.34
- from discontinued operations	-	(1.27)	-	(1.20)
	3.15	2.38	6.30	5.14
Diluted EPS (sen)				
- from continuing operations	3.15	3.65	6.30	6.34
- from discontinued operations	-	(1.27)	-	(1.20)
	3.15	2.38	6.30	5.14

BY ORDER OF THE BOARD

SHAMSUL SHAHRINA BINTI MOHD HUSSEIN (MAICSA 7047477)
(SSM Practicing Certificate No. 201908002446)

SEUHAILEY BINTI SHAMSUDIN @ AZRAAIN (MAICSA 7046575)
(SSM Practicing Certificate no. 202008001650)
Joint Company Secretaries

Kuala Lumpur
26 August 2022