



**CARIMIN PETROLEUM BERHAD**  
**(908388-K)**

**QUARTERLY REPORT**  
**FOR THE SECOND 2<sup>ND</sup> QUARTER ENDED**  
**31 DECEMBER 2018**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR  
THE SECOND QUARTER ENDED 31 DECEMBER 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Current	Corresponding
	Quarter	Quarter	Period	Period
	Ended	Ended	Ended	Ended
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
	RM'000	RM'000	RM'000	RM'000
Revenue	96,255	40,253	180,342	64,988
Cost of sales	(86,878)	(40,377)	(155,090)	(61,538)
Gross profit	9,376	(124)	25,252	3,450
Other income	1,532	1,108	2,014	1,515
Administrative expenses	(2,647)	(1,695)	(5,127)	(3,581)
Other expenses	(1,160)	(1,082)	(2,500)	(1,846)
Finance costs	(1,215)	(1,396)	(2,525)	(2,855)
Share of profit/(loss) from a joint venture	(561)	(108)	(143)	(52)
<b>Profit/(Loss) before taxation</b>	<b>5,326</b>	<b>(3,297)</b>	<b>16,970</b>	<b>(3,369)</b>
Income tax expense	(112)	(342)	(226)	(453)
<b>Profit/(Loss) after taxation for the period</b>	<b>5,215</b>	<b>(3,639)</b>	<b>16,743</b>	<b>(3,822)</b>
<u>Other Comprehensive Income:</u>				
Item that will be classified subsequently to profit or loss:				
Fair value changes in short term investment	(18)	3	(4)	(11)
<b>Total comprehensive (expenses)/income for the period</b>	<b>5,197</b>	<b>(3,636)</b>	<b>16,739</b>	<b>(3,833)</b>
Profit/(Loss) attributable to:				
Owners of the Company	5,264	(3,606)	16,979	(3,884)
Non-controlling interest	(49)	(33)	(236)	62
	<b>5,215</b>	<b>(3,639)</b>	<b>16,743</b>	<b>(3,822)</b>
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	5,246	(3,603)	16,975	(3,895)
Non-controlling interest	(49)	(33)	(236)	62
	<b>5,197</b>	<b>(3,636)</b>	<b>16,739</b>	<b>(3,833)</b>
Earnings per share attributable to equity holders of the company (sen):				
- Basic	2.25	(1.54)	7.26	(1.66)
- Diluted	N/A	N/A	N/A	N/A

Notes: These Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2018**

	<b>Unaudited As at 12/31/2018 RM'000</b>	<b>Audited (Restated) As at 6/30/2018 RM'000</b>
<b>ASSETS</b>		
Property, plant and equipment	115,630	117,308
Intangible Assets	714	-
Investment in joint venture	4,300	4,443
Other investment	50	50
<b>TOTAL NON-CURRENT ASSETS</b>	<b>120,694</b>	<b>121,801</b>
Contract assets	75,023	30,196
Trade receivables	26,614	19,455
Other receivables, deposit and prepayment	7,412	3,316
Amount owing by joint venture	2,130	2,130
Tax recoverable	3,969	3,367
Short term Investments	28,053	25,543
Fixed deposits with licensed banks	24,960	25,146
Cash and bank balances	21,428	9,112
<b>TOTAL CURRENT ASSETS</b>	<b>189,589</b>	<b>118,265</b>
<b>TOTAL ASSETS</b>	<b>310,283</b>	<b>240,066</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	149,385	149,385
Reserves	232	(16,744)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>149,617</b>	<b>132,641</b>
Non-controlling interests	1,049	1,285
<b>TOTAL EQUITY</b>	<b>150,666</b>	<b>133,926</b>
<b>LIABILITIES</b>		
Loan and borrowings	45,478	51,123
Deferred taxation	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>45,478</b>	<b>51,123</b>
Trade payables	58,689	19,953
Other payables and accruals	42,383	21,099
Provision for taxation	-	-
Short term borrowings	13,067	13,965
<b>TOTAL CURRENT LIABILITIES</b>	<b>114,139</b>	<b>55,017</b>
<b>TOTAL LIABILITIES</b>	<b>159,617</b>	<b>106,140</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>310,283</b>	<b>240,066</b>
<b>NET ASSETS PER SHARE (SEN)</b>	<b>63.97</b>	<b>56.71</b>

Note : These Condensed Consolidated Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018**

-----Attributable to the owners of the Company-----

	<u>Non - Distributable</u>				Fair Value Reserve RM'000	<u>Distributable</u>		<u>Non- Controlling</u>	
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Merger Deficit RM'000		Retained Profits RM'000	Total RM'000	Interest RM'000	Total Equity RM'000
<b>As at 1 July 2018</b>	149,385	-	-	(80,802)	4	64,054	132,641	1,285	133,926
(Loss)/Profit for the financial period	-	-	-	-	-	16,979	16,979	(236)	16,743
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
- Fair value changes of available for sale financial assets	-	-	-	-	(4)	-	(4)	-	(4)
Total comprehensive income/(expenses) for the period	-	-	-	-	(4)	16,979	16,975	(236)	16,739
<b>As at 31 December 2018</b>	<b>149,385</b>	<b>-</b>	<b>-</b>	<b>(80,802)</b>	<b>-</b>	<b>81,034</b>	<b>149,617</b>	<b>1,049</b>	<b>150,666</b>
<b>As at 1 July 2017</b>	116,939	32,429	17	(80,802)	(4)	90,242	158,821	1,315	160,136
Profit/(Loss) for the financial period	-	-	-	-	-	(25,388)	(25,388)	(30)	(25,418)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Fair value changes of available for sale financial assets	-	-	-	-	8	-	8	-	8
Total comprehensive income/(expenses) for the period	-	-	-	-	8	(25,388)	(25,380)	(30)	(25,410)
Contributions by and distributions to owners of the Company:	-	-	-	-	-	-	-	-	-
- Adjustment for effect of Companies Act 2016 (Note A)	32,446	(32,429)	(17)	-	-	-	-	-	-
Total transaction with owners	32,446	(32,429)	(17)	-	-	-	-	-	-
<b>As at 30 Jun 2018</b>	<b>149,385</b>	<b>-</b>	<b>-</b>	<b>(80,802)</b>	<b>4</b>	<b>64,854</b>	<b>133,441</b>	<b>1,285</b>	<b>134,726</b>
Effect of MRFS 9 adoption (Note A2 (a))	-	-	-	-	-	(800)	(800)	-	(800)
<b>As at 1 Jul 2018 (Restated)</b>	<b>149,385</b>	<b>-</b>	<b>-</b>	<b>(80,802)</b>	<b>4</b>	<b>64,054</b>	<b>132,641</b>	<b>1,285</b>	<b>133,926</b>

**Note :**

- The Board of Director has on 21 February 2019 approved the transfer of the credit standing in the share premium and capital reserve of RM32,429,276 and RM16,836 respectively to the share capital account.
- These Condensed Consolidated Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR  
THE SECOND QUARTER ENDED 31 DECEMBER 2018**

	<b>Unaudited Year Ended 12/31/2018 RM'000</b>	<b>Restated Audited Year Ended 6/30/2018 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	16,970	(25,252)
Adjustments for:-		
Depreciation of property, plant and equipment	3,223	7,011
Gain on disposal of property, plant and equipment	-	2
Impairment on trade receivables	448	3,348
Interest expense	2,525	5,450
Interest income	(816)	(2,189)
Gain from Bargain Purchase	-	(220)
Provision for forfeiture of deposit	800	-
Impairment loss on property, plant and equipment / Cash & Cash Equivalent	50	14,502
Share of loss/(profit) of joint venture	143	1,047
Unrealised gain on foreign exchange	(39)	190
Impairment on trade receivables - Write Back	(1,062)	(641)
	<hr/>	<hr/>
Operating profit before changes in working capital	22,242	3,248
Changes in trade and other receivables	(42,749)	(3,512)
Changes in trade and other payables	57,740	16,322
Changes in contract assets	(11,871)	(17,016)
	<hr/>	<hr/>
<b>CASH (FOR)/FROM OPERATIONS</b>	<b>25,362</b>	<b>(958)</b>
Interest paid	(2,525)	(5,450)
Tax paid	(198)	(750)
	<hr/>	<hr/>
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>	<b>22,639</b>	<b>(7,158)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(656)	(448)
Net cash inflow/(outflow) from acquisition of subsidiaries/Joint Venture	(1,600)	(100)
Interest received	816	2,189
	<hr/>	<hr/>
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(1,440)</b>	<b>1,641</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net increase in placement of pledged deposits	238	2,803
Repayment of borrowings	(6,985)	(15,697)
Repayment of hire purchase obligations	442	(197)
Repayment from Joint Venture	-	450
	<hr/>	<hr/>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(6,305)</b>	<b>(12,641)</b>
	<hr/>	<hr/>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>14,894</b>	<b>(18,158)</b>
Effect on Foreign Exchange Translation	35	(182)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>34,775</b>	<b>53,115</b>
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>49,704</b>	<b>34,775</b>



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR  
THE SECOND QUARTER ENDED 31 DECEMBER 2018 (CONT'D)

	Unaudited Year Ended 9/30/2018 <u>RM'000</u>	Audited Year Ended 6/30/2018 <u>RM'000</u>
<b>Note:</b>		
Cash and cash equivalents comprise of:		
Fixed deposits with licensed banks		
- restricted	24,908	25,146
- non-restricted	28,106	25,543
Cash and bank balances	21,598	9,232
	<u>74,612</u>	<u>59,921</u>
Less: Deposits pledged to licensed banks	(24,908)	(25,146)
	<u>49,704</u>	<u>34,775</u>

Note: These Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements.

**THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018**
**A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134**
**A1. Basis of Preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the MFRS 134: Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

**A2. Changes in Accounting Policies**

The significant accounting policies and methods of computation adopted in the preparation of these interim financial statements are consistent with those of the audited financial statements for financial year ended 30 June 2018.

At the date of authorisation of these interim financial statements, the following accounting standard(s) and/ or interpretation(s) including the consequential amendments, if any) were issued but are not yet effective for the current financial year and have not been applied by the Group:

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
- MFRS 16 Leases	1 January 2019
- MFRS 17 Insurance Contracts	1 January 2021
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
- IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
- Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
- Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
- Amendments to MFRS 9: Prepayment features with Negative Compensation	1 January 2019
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
- Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
- Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
- Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
- Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
- Annual Improvements to MFRS Standards 2014 – 2016 Cycles: <ul style="list-style-type: none"> <li>• Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters</li> <li>• Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value</li> </ul>	1 January 2018
- Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

**A2. Changes in Accounting Policies (CONT'D)**

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:

- (a) MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the guidance in MFRS 139 on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

Based on the assessments undertaken to date, the Group has determined the impact of its initial application of MFRS 9 as follows:-

Classification and Measurement

Loans and receivables financial assets are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group analysed the contractual cash flow characteristics of these instruments and concluded that they meet the criteria to be measured at amortised cost under MFRS 9. Therefore, the Group does not expect the standard to affect the measurement of its debt financial assets.

In addition, the Group expects to continue measuring at fair value all financial assets currently held at fair value.

Impairment of Financial Assets

MFRS 9 replaces the 'incurred loss' model in MFRS 139 with an 'expected credit loss' ("ECL") model.

The following table is a reconciliation of the carrying amount of the carrying value of the Group's statement of financial position from the adoption of MFRS 9 as at 1 July 2018:-

	<b>MFRS 139</b>	<b>Re-</b>	<b>MFRS 9</b>
	<b>Carrying amount as</b>	<b>measurement</b>	<b>Carrying amount</b>
	<b>at 30 June 2018</b>		<b>as at 1 July 2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Trade receivables</u>			
Opening balance	20,135	-	20,135
Increase in loss allowance	-	(680)	(680)
<b>Total trade receivables</b>	<b>20,135</b>	<b>(680)</b>	<b>19,455</b>
<u>Cash &amp; Cash Equivalents</u>			
Opening balance	34,775	-	34,775
Increase in loss allowance	-	(120)	(120)
<b>Total trade receivables</b>	<b>34,775</b>	<b>(120)</b>	<b>34,655</b>
<u>Retained profits</u>			
Opening balance	64,854	-	64,854
Increase in loss allowance for trade receivables	-	(680)	(680)
Increase in loss allowance for cash & cash equivalents	-	(120)	(120)
<b>Total retained profits</b>	<b>64,864</b>	<b>(800)</b>	<b>64,054</b>

- (b) MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and will replace the current guidance on lease accounting when it becomes effective. Under MFRS 16, the classification of leases as either finance leases or operating leases is eliminated for lessees. All lessees are required to recognise their leased assets and the related lease obligations in the statement of financial position (with limited exceptions). The leased assets are subject to depreciation and the interest on lease liabilities are calculated using the effective interest method. The Group is currently assessing the financial impact that may arise from the adoption of this standard.



**A3. Seasonal or Cyclical Factors**

Save as disclosed in Note B1 and B2, the results of the Group were not materially affected by any significant seasonal or cyclical factors during the quarter under review ended 31 December 2018.

**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the quarter under review ended 31 December 2018.

**A5. Material Changes in Estimates**

There were no changes in estimates that have had a material effect in the quarter under review ended 31 December 2018.

**A6. Debts and Equity Securities**

There were no other issuances, cancellation, repurchases, resale and repayment of debt and equity securities by the Group during the quarter under review ended 31 December 2018.

**A7. Segmental Information**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter Ended 12/31/2018 RM'000	Corresponding Quarter Ended 12/31/2017 RM'000	Unaudited Current Period Ended 12/31/2018 RM'000	Corresponding Period Ended 12/31/2017 RM'000
REVENUE BY ACTIVITIES				
Manpower services	20,298	8,772	40,061	12,776
Const. HUC & TMM	59,043	25,454	106,361	36,100
Marine services	13,402	3,407	24,885	7,401
Const. - Civil Works	3,512	2,620	9,035	8,710
Total	96,255	40,253	180,342	64,988

**A8. Material Events Subsequent to the End of the Quarter**

There are no material events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the financial statement for the period ended 31 December 2018.

**A9. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the quarter under review.

**A10. Contingent Liabilities**

The contingent liabilities of the Group comprise of the followings:-

	Unaudited As at 12/31/2018 RM'000	Audited As at 6/30/2018 RM'000
Corporate guarantee to licensed banks for credit facilities granted to subsidiaries	58,804	65,110
Bank/Performance guarantee extended to third parties	13,859	11,289
Total	72,663	76,399

**A11. Significant Related Party Transactions**

There were no related party transactions during the quarter under review.

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS**
**B1. Review of Performance**

	Current Quarter Ended 12/31/2018	Preceding Year Corr. Quarter Ended 12/31/2017	Difference	
	RM'000	RM'000	RM'000	%
Revenue	96,255	40,253	56,002	139%
- Manpower services ("MPS")	20,298	8,772	11,526	131%
- Const, HUC & TMM ("CHUCTMM")	59,043	25,454	33,589	132%
- Marine services ("MS")	13,402	3,407	9,995	293%
- Const. Civil Works ("CIVIL")	3,512	2,620	892	34%
Operating Profit	9,376	-	124	9,500
Profit before interest and Tax	7,102	(1,793)	8,895	
(Loss)/Profit before taxation	5,326	(3,297)	8,623	
(Loss)/Profit after taxation	5,215	(3,639)	8,854	
Profit/(loss) attributable to Ordinary Equity Holders of the Parent	5,264	(3,606)	8,870	

During the current quarter ended 31 December 2018, the Group's revenue improved by RM 56 million or 139% over the preceding year's corresponding quarter with all divisions contributing positively. CHUCTMM and MS continued to execute work orders from its Maintenance, Construction and Modification (MCM) contract registering an increase of RM 33.59 million and RM 9.99 million respectively. The MPS and CIVIL revenues also increased by RM 11.53 million and RM 0.89 million respectively cumulating from higher demand for its manpower services to Petronas Refinery and Petrochemical (RAPID) project and good work progress from the CIVIL division over the preceding year quarter.

The Group registered a pre-tax profit of RM 5.33 million for the current quarter in tandem with the increased revenue as compared to a pre-tax loss of RM 3.30 million recorded in the preceding year corresponding quarter on the back of lower revenues.

**B2. Comparison with Immediate Preceding Quarter's Results**

	Current Quarter Ended 12/31/2018	Preceding Quarter Ended 9/30/2018	Difference	
	RM'000	RM'000	RM'000	%
Revenue	96,255	84,087	12,168	14%
- Manpower services ("MPS")	20,298	19,763	535	3%
- Const, HUC & TMM ("CHUCTMM")	59,043	47,317	11,726	25%
- Marine services ("MS")	13,402	11,483	1,919	17%
- Const. Civil Works ("CIVIL")	3,512	5,523	(2,011)	(36%)
Operating profit	9,376	15,875	(6,499)	
Profit before interest and Tax	7,102	12,536	(5,434)	
(Loss)/Profit before taxation	5,326	11,643	(6,317)	
(Loss)/Profit after taxation	5,215	11,529	(6,314)	
Profit/(loss) attributable to Ordinary Equity Holders of the Parent	5,264	11,716	(6,452)	

The Group's revenue improved by RM 12.17 million or 14% as compared to the immediate preceding quarter. MPS division performance remained stable recording a marginal increase of RM 0.54 million as demand for services under the RAPID project continued while the CHUCTMM division saw an increase of RM 11.73 million as it actively executed works orders under its MCM contract. Despite the dry docking of Carimin Airis for its mandatory 5 years major maintenance and off hiring of Carimin Acacia during the monsoon season, MS division's performance registered an improvement by 1.92 million with some utilization of 3<sup>rd</sup> party vessels for the MCM contract. However, CIVIL posted a decrease in revenue by RM 2.01 million as its work scope encountered delays on the client part.

The Group's revenue mix differed compared to the last quarter under review where during the current quarter, with the monsoon season saw less offshore activities while onshore activities accelerated that included cost plus procurements. Despite the increase in revenue, the group posted a lower pre-tax profit of RM 5.33 million against RM 11.64 million in the immediate preceding quarter as its contracts including its MCM contract have different margin mix.

### B3. Current Prospect

Despite the volatility and drop in oil price, there has been an increase in project activities and work orders. Major maintenance and hook up & commissioning works, rejuvenation, modification, field improvement projects, major blasting & painting including marine services works are expected to increase as part of client's integrity facilities management.

The Management will continue to enhance its capacity building, internal capabilities, business development and remain focus in achieving profitability and sustainable growth.

### B4. Profit Forecast, Profit Guarantee and Internal Targets

The Group did not provide any profit forecast, profit guarantee and internal targets in any public document or any announcements made.

### B5. Income Tax Expense

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Unaudited		Unaudited	
	Current Quarter Ended	Corresponding Quarter Ended	Current Period Ended	Corresponding Period Ended
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
	RM'000	RM'000	RM'000	RM'000
Tax for the current period	112	342	226	453
Effective Tax Rate	2%	-10%	1%	-13%

The effective tax rate for the financial period ended 31 December 2018 is lower than the statutory tax rate of 24% due to the available unutilized tax losses and unabsorbed capital allowances.

### B6. Profit/ (Loss) on Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investments and/or properties for the current financial period under review.

### B7. Purchase or Disposal of Quoted Securities

There were no purchases or disposals of quoted securities for the current financial period under review. The Company/ Group have not held any quoted securities (other than the Company's own shares, if any) as at 31 December 2018.

### B8. Status of Corporate Proposals

#### i. Status of Corporate Proposals

There is no pending corporate proposal as at the date of this report.

#### ii. Utilisation of Listing Proceeds

Detail of Utilisation	<u>Proposed</u>		<u>Actual</u>		<u>Intended timeframe for utilisation</u>
	<u>Utilisation</u>	<u>Utilisation</u>	<u>Balance Unutilised</u>		
	RM'000	RM'000	RM'000	%	
Purchase of offshore support vessel	35,320	35,320	-	-	
Development of minor fabrication yard	12,000	1,722	10,278	86%	next 12 months
Repayment of bank borrowings	8,000	8,000	-	-	
Working capital	7,950	7,950	-	-	
Estimated listing expenses	3,500	3,500	-	-	
<b>Total</b>	<b>66,770</b>	<b>56,492</b>	<b>10,278</b>	<b>15%</b>	

On 21 February 2019, the Board resolved to further extend the utilization of proceeds on development of minor fabrication yard to another 12 months period until 20 February 2020.

#### B9. Group Borrowings and Debt Securities

The Group's borrowings as at 31 December 2018 were as follows:-

	<u>As at 2nd quarter ended FY 2019</u>		
	<u>Long Term</u>	<u>Short Term</u>	<u>Total Borrowing</u>
	RM'000	RM'000	RM'000
<b>Secured</b>			
Term Loan	44,874	12,892	57,766
Hire purchase payables	604	175	779
<b>Total</b>	<b>45,478</b>	<b>13,067</b>	<b>58,544</b>
	<u>As at 2nd quarter ended FY 2018</u>		
	<u>Long Term</u>	<u>Short Term</u>	<u>Total Borrowing</u>
	RM'000	RM'000	RM'000
<b>Secured</b>			
Term Loan	56,865	15,723	72,588
Hire purchase payables	286	148	434
<b>Total</b>	<b>57,151</b>	<b>15,871</b>	<b>73,022</b>

#### B10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risks as at the date of this report.

#### B11. Material Litigation

There is no material litigation pending on the date of this announcement.

#### B12. Proposed Dividends

No dividend was declared or recommended by the Board of Directors during the current quarter under review ended 31 December 2018.

#### B13. Earnings Per Share

The basic earnings per share is arrived at by dividing the Group's profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial period, as follows:-

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Unaudited</u>	<u>Corresponding</u>	<u>Unaudited</u>	<u>Corresponding</u>
	<u>Current</u>		<u>Current</u>	
	<u>Quarter</u>	<u>Quarter</u>	<u>Period</u>	<u>Period</u>
	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>
	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2017</u>
<b>Basic Earnings Per Share</b>				
Net profit attributable to owners of the Company (RM'000)	5,264	(3,606)	16,979	(3,884)
Weighted average number of ordinary shares in issue ('000)	233,878	233,878	233,878	233,878
Basic earnings per share (sen)	2.25	(1.54)	7.26	(1.66)

The diluted earnings per share is equal to the basic earnings per share.

**B14. Realised and Unrealised profits/ (losses)**

The following analysis of realised and unrealised profits/ (losses) is prepared pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Securities Berhad Listing Requirements and in accordance with the Guidance on Special Matter No. 1 - Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad.

	<b>Unaudited As at 12/31/2018 RM'000</b>	<b>Audited As at 6/30/2018 RM'000</b>
Total retained profits of the Company and its subsidiaries:		
-realised	66,568	49,924
-unrealised	39	(190)
	<u>66,607</u>	<u>49,734</u>
Total share of retained profits of joint venture:		
-realised	3,047	3,048
-unrealised	(1,547)	(1,548)
	<u>1,500</u>	<u>1,500</u>
Less: Consolidation adjustments	12,927	12,820
	<u>81,034</u>	<u>64,054</u>
Total group retained profits as per consolidated financial statements		

**B15. Notes to the Condensed Consolidated Statements of Income**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Unaudited Current Quarter Ended 12/31/2018 RM'000</b>	<b>Corresponding Quarter Ended 12/31/2017 RM'000</b>	<b>Unaudited Current Year Ended 12/31/2018 RM'000</b>	<b>Corresponding Year Ended 12/31/2017 RM'000</b>
(Loss)/Profit before taxation is arrived at after charging/(crediting):				
Other operation income:				
- Interest income	(429)	(653)	(816)	(1,088)
- Rental income	(17)	(17)	(33)	(33)
- Gain on disposal of PPE	-	-	-	-
Unrealised gain on foreign exchange	7	120	(39)	180
Realised loss/(gain) on foreign exchange	3	(12)	(2)	(27)
Interest expense	1,215	1,396	2,525	2,855
Depreciation	1,455	1,728	3,223	3,457
Impairment loss on trade receivables	-	-	448	-
Impairment loss on property, plant and equipment / MFRS 9 - Cash & Equivalents	-	35	50	-
Provision for forfeiture of deposit	-	-	800	-
Impairment on trade receivable - write back	(1,035)	(502)	(1,062)	502

**B16. Authorisation for Issue**

The interim financial statements were authorised for issuance by the Board of Directors on **21 February 2019**.