



CARIMIN PETROLEUM BERHAD
Registration No. 201201006787 (908388-K)

QUARTERLY REPORT
FOR THE FOURTH 4TH QUARTER ENDED
30 JUNE 2020

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE FOURTH QUARTER ENDED 30 JUNE 2020**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30/6/2020	Corresponding Quarter Ended 30/6/2019	Current Period Ended 30/6/2020	Corresponding Period Ended 30/6/2019
	RM'000	RM'000	RM'000	RM'000
Revenue	60,884	166,112	373,776	441,138
Cost of sales	(54,030)	(150,177)	(337,147)	(394,194)
Gross profit	6,854	15,935	36,629	46,944
Other income	928	(1,617)	5,074	2,112
Administrative expenses	(3,716)	(3,384)	(14,561)	(13,031)
Other expenses	(5,218)	(157)	(5,892)	(1,249)
Finance costs	(700)	(972)	(3,820)	(4,687)
Share of profit/(loss) from a joint venture	28	312	167	(158)
Profit/(Loss) before taxation	(1,824)	10,118	17,596	29,931
Income tax expense	(2,889)	(1,472)	(6,809)	(2,490)
Profit/(Loss) after taxation for the period	(4,713)	8,646	10,787	27,441
<u>Other Comprehensive Income:</u>				
Item that will be classified subsequently to profit or loss:				
Fair value changes in short term investment	(135)	107	(201)	41
Total comprehensive (expenses)/income for the period	(4,848)	8,753	10,586	27,482
Profit/(Loss) attributable to:				
Owners of the Company	(5,210)	8,567	12,177	27,679
Non-controlling interest	496	79	(1,391)	(238)
	(4,713)	8,646	10,787	27,441
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	(5,345)	8,674	11,976	27,720
Non-controlling interest	496	79	(1,391)	(238)
	(4,848)	8,753	10,586	27,482
Earnings per share attributable to equity holders of the company (sen):				
- Basic	(2.23)	3.66	5.21	11.83
- 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 30 JUNE 2020**

	Unaudited As at 30/6/2020 RM'000	Audited As at 30/6/2019 RM'000
ASSETS		
Property, plant and equipment	104,850	113,508
Right of Use	2,343	-
Investment in joint venture	4,452	4,285
Other investment	50	50
TOTAL NON-CURRENT ASSETS	111,695	117,843
Contract assets	47,325	78,882
Trade receivables	16,520	73,445
Other receivables, deposit and prepayment	6,911	8,129
Amount owing by joint venture	2,130	2,130
Current tax asset	4,232	2,887
Short term Investments	85,523	37,762
Fixed deposits with licensed banks	28,888	26,010
Cash and bank balances	15,750	15,217
TOTAL CURRENT ASSETS	207,279	244,462
TOTAL ASSETS	318,974	362,305
EQUITY AND LIABILITIES		
EQUITY		
Share capital	149,385	149,385
Reserves	13,256	7,828
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	162,641	157,213
Non-controlling interests	(87)	944
TOTAL EQUITY	162,554	158,157
LIABILITIES		
Loan and borrowings	28,572	38,170
Deferred taxation	627	756
TOTAL NON-CURRENT LIABILITIES	29,199	38,926
Trade payables	34,175	90,494
Other payables and accruals	72,341	59,138
Current tax liabilities	6,974	242
Short term borrowings	13,731	15,348
TOTAL CURRENT LIABILITIES	127,221	165,222
TOTAL LIABILITIES	156,420	204,148
TOTAL EQUITY AND LIABILITIES	318,974	362,305
NET ASSETS PER SHARE (SEN)	69.54	67.22

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 FOURTH QUARTER ENDED 30 JUNE 2020

	-----Attributable to the owners of the Company-----						
	Non - Distributable			Distributable		Non-Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Merger Deficit RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Total RM'000		
As at 1 July 2019	149,385	(80,802)	37	88,593	157,213	944	158,157
(Loss)/Profit for the financial period	-	-	-	12,177	12,177	(1,391)	10,786
- Fair value changes of available for sale financial assets	-	-	(201)	-	(201)	-	(201)
Total comprehensive income/(expenses) for the period	-	-	(201)	12,177	11,976	(1,391)	10,585
- Issuance of shares in a subsidiary to non-controlling interest	-	-	-	-	-	360	360
- Dividend	-	-	-	(6,548)	(6,548)	-	(6,548)
Total transaction with owners	-	-	-	(6,548)	(6,548)	360	(6,188)
As at 30 June 2020	149,385	(80,802)	(164)	94,222	162,641	(87)	162,554
As at 1 July 2018	149,385	(80,802)	4	64,854	133,441	1,285	134,726
Changes in accounting policies	-	-	-	(674)	(674)	(127)	(801)
Balance at 1 Jul 2018 (Restated)	149,385	(80,802)	4	64,180	132,767	1,158	133,925
Profit/(Loss) for the financial period	-	-	-	27,679	27,679	(238)	27,441
Fair value changes of available for sale financial assets	-	-	41	-	41	-	41
Total comprehensive income/(expenses) for the period	-	-	41	27,679	27,720	(238)	27,482
Contributions by and distributions to owners of the Company:							
- Dividend by the Company	-	-	-	(3,274)	(3,274)	-	(3,274)
- Acquisition of subsidiary	-	-	-	-	-	24	24
Total transaction with owners	-	-	-	(3,274)	(3,274)	24	(3,250)
Disposal of equity investments	-	-	(8)	8	-	-	-
Total transaction with owners	-	-	(8)	(3,266)	(3,274)	24	(3,250)
As at 30 Jun 2019	149,385	(80,802)	37	88,593	157,213	944	158,157

Note : 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 FOURTH QUARTER ENDED 30 JUNE 2020**

	Unaudited Quarter Ended 30/6/2020 RM'000	Audited Year Ended 30/6/2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	17,596	29,931
Adjustments for:-		
Depreciation of property, plant and equipment	7,100	6,632
Impairment on trade receivables	-	776
Interest expense	3,820	4,687
Interest income	(3,542)	(1,967)
Provision for forfeiture of deposit	-	800
Impairment loss on property, plant and equipment / Trade Receivables	4,917	857
Share of loss/(profit) of joint venture	(167)	158
Unrealised gain on foreign exchange	(2)	(23)
Impairment on trade receivables - Write Back	-	(2,135)
Operating profit before changes in working capital	29,720	39,716
Changes in trade and other receivables	96,682	(58,185)
Changes in trade and other payables	(48,819)	108,575
Changes in contract assets	(3,840)	(48,686)
CASH (FOR)/FROM OPERATIONS	73,743	41,420
Interest paid	(3,820)	(4,687)
Tax paid	(1,551)	(1,237)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	68,372	35,496
 CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,142)	(1,374)
Net cash inflow/(outflow) from acquisition of subsidiaries/Joint Venture	(540)	(1,636)
Interest received	3,542	1,967
NET CASH FOR INVESTING ACTIVITIES	(138)	(1,043)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase in placement of pledged deposits	(2,878)	(864)
Repayment of borrowings	(9,937)	(13,760)
Repayment of hire purchase obligations	621	(313)
Dividend paid	(6,548)	(3,274)
NET CASH FROM FINANCING ACTIVITIES	(17,842)	(18,211)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	50,392	16,242
Effect on Foreign Exchange Translation	(200)	64
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	51,081	34,775
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	101,273	51,081
 Note:		
Cash and cash equivalents comprise of:		
Fixed deposits with licensed banks		
- restricted	28,888	26,010
- non-restricted	85,523	37,762
Cash and bank balances	15,750	13,319
	130,161	77,091
Less: Deposits pledged to licensed banks	(28,888)	(26,010)
	101,273	51,081

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

UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2020
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 2019.

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:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
- MFRS 17 Insurance Contracts	1 January 2021
- IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
- Amendments to MFRS 3: Definition of a Business	1 January 2020
- 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 101 and MFRS 108: Definition of Material	1 January 2020
- Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
- Amendments to MFRS 128: Long term interest in Associate and Joint Venture	1 January 2019
- Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
- Annual Improvements to MFRS Standards 2015 – 2017 Cycles:	1 January 2019

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.

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.

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.

A5. Material Changes in Estimates

The Group did not provide any estimates in the quarter under review.

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.

A7. Segmental Information

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter Ended 30/6/2020 RM'000	Corresponding Quarter Ended 30/6/2019 RM'000	Unaudited Current Period Ended 30/6/2020 RM'000	Corresponding Period Ended 30/6/2019 RM'000
REVENUE BY ACTIVITIES				
Manpower services	9,836	24,428	46,625	87,057
Const. HUC & TMM	33,291	103,490	248,652	273,838
Marine services	16,992	37,594	76,806	69,070
Const. - Civil Works	765	600	1,693	11,173
Total	60,884	166,112	373,776	441,138

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 30 June 2020.

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 30/6/2020 RM'000	Audited As at 30/6/2019 RM'000
Corporate guarantee to licensed banks for credit facilities granted to subsidiaries	41,458	51,619
Bank/Performance guarantee extended to third parties	23,871	17,516
Total	65,329	69,135

A11. Significant Related Party Transactions

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

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

	Current Quarter Ended 30/6/2020	Preceding Year Corr. Quarter Ended 30/6/2019	Difference	
	RM'000	RM'000	RM'000	%
Revenue	60,884	166,112	(105,228)	(63%)
- Manpower services ("MPS")	9,836	24,428	(14,592)	(60%)
- Const, HUC & TMM ("CHUCTMM")	33,291	103,490	(70,200)	(68%)
- Marine services ("MS")	16,992	37,594	(20,601)	(55%)
- Const. Civil Works ("CIVIL")	765	600	165	27%
Operating Profit	6,854	15,935	(9,081)	
Profit/(Loss) before interest and Tax	(1,152)	10,909	(12,061)	
Profit/(Loss) before taxation	(1,824)	10,118	(11,942)	
Profit/(Loss) after taxation	(4,713)	8,646	(13,359)	
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	(5,210)	8,567	(13,776)	

During the quarter ended 30 June 2020, the Group recorded a lower revenue by RM105.228 million (or -63%) as compared to the preceding year's corresponding quarter. Both CHUCTMM and MS division revenue declined by RM70.20 million (or -68%) and RM20.601 million (or -55%) respectively as the significant drop in global oil price and the Government imposed Movement Controls affected both the onshore/offshore activities work execution. MPS also posted a lower revenue by RM14.592 million (or -60%) following the completion of manpower contract under its Refinery & Petrochemical Integrated Development (RAPID) in June 2019.

The group registered a pre-tax loss of RM1.824 million against pre-tax profit of RM10.118 million recorded in the previous year corresponding quarter due to reduction in revenue, impairment loss on vessel and trade receivables.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter Ended 30/6/2020	Preceding Quarter Ended 31/3/2020	Difference	
	RM'000	RM'000	RM'000	%
Revenue	60,884	53,520	7,364	14%
- Manpower services ("MPS")	9,836	9,654	182	2%
- Const, HUC & TMM ("CHUCTMM")	33,291	36,263	(2,972)	(8%)
- Marine services ("MS")	16,992	7,563	9,430	125%
- Const. Civil Works ("CIVIL")	765	41	724	1778%
Operating profit	6,854	(564)	7,418	
Profit before interest and Tax	(1,152)	(1,608)	456	
Profit before taxation	(1,824)	(2,595)	771	
Profit after taxation	(4,713)	(3,825)	(888)	
Profit attributable to Ordinary Equity Holders of the Parent	(5,210)	(2,772)	(2,438)	

The Group's revenue was RM7.364 million (or 14%) higher as compared to the immediate preceding quarter. With the higher revenue recorded, the Group posted a lower pre-tax loss of RM1.824 million as compared to RM2.595 million recorded in the immediate preceding quarter.

Although the Group's project margins has improved, there were additional impairment loss provision on its Accommodation Workboat (AWB) and trade receivables amounting to RM1.991 million and RM2.926 million respectively.

B3. Current Prospect

The oil prices remain low due to the continuing uncertainties caused by the prolonged global COVID 19 Pandemic. Several planned projects work activities had been deferred by the oil majors and may result in potential margin compression. Moving forward, the Group will continue to pursue opportunities within its core competency, take proactive and appropriate measures to remain resilient in managing the unprecedented challenges.

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	Corresponding Quarter	Current Period	Corresponding Period
	30/6/2020	30/6/2019	30/6/2020	30/6/2019
	RM'000	RM'000	RM'000	RM'000
Tax for the current period	2,889	1,472	6,809	2,490
Effective Tax Rate	-158%	15%	39%	8%

The effective tax rate for the financial period ended 30 June 2020 is higher than the statutory tax rate of 24% as the unutilized tax losses and unabsorbed capital allowances are claimable by specific subsidiaries only.

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 30 June 2020.

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>Balance Unutilised</u>		<u>Intended timeframe for utilisation</u>
	<u>Utilisation</u>	<u>Utilisation</u>	<u>RM'000</u>	<u>%</u>	
	RM'000	RM'000	RM'000		
Purchase of offshore support vessel	35,320	35,320	-	-	Extended till 21 Aug 2021
Development of minor fabrication yard	12,000	1,846	10,154	85%	
Repayment of bank borrowings	8,000	8,000	-	-	
Working capital	7,950	7,950	-	-	
Estimated listing expenses	3,500	3,500	-	-	
Total	66,770	56,616	10,154	15%	

On 19 February 2020, the Board resolved to further extend the utilization of proceeds on the development of minor fabrication yard to another 18 months until 21 August 2021.

B9. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2020 were as follows:-

	As at 4th quarter ended FY 2020		
	Long Term RM'000	Short Term RM'000	Total Borrowing RM'000
Secured			
Term Loan	27,738	13,315	41,053
Lease Liability	548	297	844
Hire purchase payables	285	119	405
Total	28,572	13,731	42,302
	As at 4th quarter ended FY 2019		
	Long Term RM'000	Short Term RM'000	Total Borrowing RM'000
Secured			
Term Loan	37,765	13,226	50,991
Overdraft	-	1,898	1,898
Hire purchase payables	405	224	629
Total	38,170	15,348	53,518

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 30 June 2020.

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:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter Ended	Corresponding Quarter Ended	Unaudited Current Period Ended	Corresponding Period Ended
	30/6/2020	30/6/2019	30/6/2020	30/6/2019
Basic Earnings Per Share				
Net profit attributable to owners of the Company (RM'000)	(5,210)	8,567	12,177	27,679
Weighted average number of ordinary shares in issue ('000)	233,878	233,878	233,878	233,878
Basic earnings per share (sen)	(2.23)	3.66	5.21	11.83

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

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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.

	Unaudited As at 30/6/2020 RM'000	Audited As at 30/6/2019 RM'000
Total retained profits of the Company and its subsidiaries:		
-realised	68,700	64,607
-unrealised	131	(507)
	68,830	64,100
Total share of retained profits of joint venture:		
-realised	5,949	5,832
-unrealised	-1,497	-1,547
	4,452	4,285
Less: Consolidation adjustments	20,940	20,208
Total group retained profits as per consolidated financial statements	94,222	88,593

B15. Notes to the Condensed Consolidated Statements of Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter Ended 30/6/2020 RM'000	Corresponding Quarter Ended 30/6/2019 RM'000	Unaudited Current Quarter Ended 30/6/2020 RM'000	Corresponding Year Ended 30/6/2019 RM'000
<u>(Loss)/Profit before taxation is arrived at after charging/(crediting):</u>				
Other operation income:				
- Interest income	(930)	(569)	(3,542)	(1,967)
- Rental income	(17)	(17)	(66)	66
- Gain on disposal of PPE	-	-	(72)	-
Unrealised gain on foreign exchange	7	(1)	(2)	(23)
Realised loss/(gain) on foreign exchange	16	(2)	29	(4)
Interest expense	700	1,100	3,820	4,687
Depreciation	1,786	1,775	7,100	6,632
Impairment loss on trade receivables	2,926	863	2,926	776
Impairment loss on property, plant and equipment	1,991	-	1,991	857
Provision for forfeiture of deposit	-	-	-	800
Impairment on trade receivable - write back	-	(37)	-	(2,135)

B16. Authorisation for Issue

The interim financial statements were authorised for issuance by the Board of Directors on **28 August 2020**.