



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

**QUARTERLY REPORT
FOR THE THIRD 3RD QUARTER ENDED
31 MARCH 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE THIRD QUARTER ENDED 31 MARCH 2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31/3/2021 RM'000	Corresponding Quarter Ended 31/3/2020 RM'000	Current Period Ended 31/3/2021 RM'000	Corresponding Period Ended 31/3/2020 RM'000
Revenue	22,951	53,520	124,448	312,892
Cost of sales	(18,903)	(54,085)	(98,938)	(283,118)
Gross profit	4,047	(564)	25,510	29,775
Other income	1,632	2,475	3,600	4,146
Administrative expenses	(3,426)	(2,972)	(10,398)	(8,842)
Other expenses	(205)	(547)	(625)	(2,677)
Finance costs	(732)	(1,024)	(2,541)	(3,119)
Share of profit/(loss) from a joint venture	(307)	37	(1,199)	139
Profit/(Loss) before taxation	1,008	(2,595)	14,347	19,421
Income tax expense	(939)	(1,230)	(3,194)	(3,920)
Profit/(Loss) after taxation for the period	69	(3,825)	11,152	15,500
<u>Other Comprehensive Income:</u>				
Item that will be classified subsequently to profit or loss:				
Fair value changes in short term investment	56	(87)	114	(66)
Total comprehensive (expenses)/income for the period	125	(3,912)	11,266	15,434
Profit/(Loss) attributable to:				
Owners of the Company	62	(2,772)	11,081	17,387
Non-controlling interest	6	(1,053)	71	(1,887)
	69	(3,825)	11,152	15,500
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	119	(2,859)	11,195	17,321
Non-controlling interest	6	(1,053)	71	(1,887)
	125	(3,912)	11,266	15,434
Earnings per share attributable to equity holders of the company (sen):				
- Basic	0.03	(1.19)	4.74	7.43
- 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 MARCH 2021**

	Unaudited As at 31/3/2021 RM'000	Audited As at 30/6/2020 RM'000
ASSETS		
Property, plant and equipment	100,962	103,941
Right of Use	2,806	3,037
Investment in joint venture	3,023	4,221
Other investment	50	50
TOTAL NON-CURRENT ASSETS	106,841	111,249
Contract assets	27,900	47,785
Trade receivables	9,056	15,196
Other receivables, deposit and prepayment	4,355	6,711
Amount owing by joint venture	2,130	2,130
Current tax asset	2,392	4,228
Short term Investments	87,154	85,523
Fixed deposits with licensed banks	30,317	28,940
Cash and bank balances	18,320	15,750
TOTAL CURRENT ASSETS	181,624	206,263
TOTAL ASSETS	288,465	317,512
EQUITY AND LIABILITIES		
EQUITY		
Share capital	149,385	149,385
Reserves	24,037	14,011
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	173,422	163,396
Non-controlling interests	(9)	(80)
TOTAL EQUITY	173,413	163,316
LIABILITIES		
Loan and borrowings	21,520	31,053
Lease Liabilities	610	830
Deferred taxation	409	409
TOTAL NON-CURRENT LIABILITIES	22,539	32,292
Trade payables	19,930	34,021
Other payables and accruals	55,616	70,431
Current tax liabilities	3,556	7,027
Lease Liabilities	550	425
Short term borrowings	12,861	10,000
TOTAL CURRENT LIABILITIES	92,513	121,904
TOTAL LIABILITIES	115,052	154,196
TOTAL EQUITY AND LIABILITIES	288,465	317,512
NET ASSETS PER SHARE (SEN)	74.15	69.86

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 THIRD QUARTER ENDED 31 MARCH 2021

	-----Attributable to the owners of the Company-----						
	Non - Distributable			Distributable		Non-Controlling	
	Share Capital	Merger Deficit	Fair Value Reserve	Retained Profits	Total	Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 July 2020	149,385	(80,802)	(164)	94,977	163,396	(80)	163,316
(Loss)/Profit for the financial period	-	-	-	11,081	11,081	71	11,152
Other comprehensive income for the period							
- Fair value changes of available for sale financial assets	-	-	114	-	114	-	114
Total comprehensive income/(expenses) for the period	-	-	114	11,081	11,195	71	11,266
Contributions by and distributions to owners of the Company:					-	-	-
- Dividend by the Company	-	-	-	(1,169)	(1,169)	-	(1,169)
Total transaction with owners	-	-	-	(1,169)	(1,169)	-	(1,169)
As at 31 March 2021	149,385	(80,802)	(50)	104,889	173,422	(9)	173,413
As at 1 July 2019	149,385	(80,802)	37	88,593	157,213	944	158,157
Profit/(Loss) for the financial period	-	-	-	12,933	12,933	(1,384)	11,549
Fair value changes of available for sale financial assets			(201)		(201)		(201)
Total comprehensive income/(expenses) for the period	-	-	(201)	12,933	12,732	(1,384)	11,348
Contributions by and distributions to owners of the Company:					-	-	-
- Dividend by the Company	-	-	-	(6,549)	(6,549)	-	(6,549)
- Issuance of shares	-	-	-	-	-	360	360
Total transaction with owners	-	-	-	(6,549)	(6,549)	360	(6,189)
As at 30 Jun 2020	149,385	(80,802)	(164)	94,977	163,396	(80)	163,316

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 THIRD QUARTER ENDED 31 MARCH 2021**

	Unaudited Quarter Ended 31/3/2021 RM'000	Audited Year Ended 30/6/2020 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	14,347	18,423
Adjustments for:-		
Depreciation of property, plant and equipment	5,082	6,759
Depreciation of right-of-use assets	514	335
Gain on disposal of property, plant and equipment	-	(72)
Impairment on trade receivables	-	2,565
Interest expense	2,541	3,684
Interest income	(1,576)	(3,541)
Impairment of other receivables/ (reversal)	-	(50)
Impairment loss on property, plant and equipment	-	2,357
Share of loss/(profit) of joint venture	1,199	64
Unrealised gain on foreign exchange	(140)	(2)
Impairment on trade receivables - Write Back	(1,817)	(6)
	<u>20,150</u>	<u>30,516</u>
Operating profit before changes in working capital		
Changes in trade and other receivables	25,366	57,158
Changes in trade and other payables	(24,186)	(45,180)
Changes in contract assets	110	31,097
	<u>21,440</u>	<u>73,591</u>
CASH (FOR)/FROM OPERATIONS		
Interest paid	(2,541)	(3,684)
Tax paid	(4,829)	(1,551)
	<u>14,070</u>	<u>68,356</u>
NET CASH (FOR)/FROM OPERATING ACTIVITIES		
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,386)	(2,215)
Proceed from disposal of property, plant & equipment	-	72
Interest received	1,576	3,541
	<u>(810)</u>	<u>1,398</u>
NET CASH FOR INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	360
Net increase in placement of pledged deposits	(1,376)	(2,930)
Repayment of borrowings	(6,673)	(9,938)
Repayment of lease liabilities	(95)	(306)
Dividend paid	(1,169)	(6,549)
	<u>(9,313)</u>	<u>(19,363)</u>
NET CASH FROM FINANCING ACTIVITIES		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,947	50,391
Effect on Foreign Exchange Translation	254	(199)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	101,273	51,081
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>105,474</u>	<u>101,273</u>
Note:		
Cash and cash equivalents comprise of:		
Fixed deposits with licensed banks		
- restricted	30,317	28,940
- non-restricted	87,154	85,523
Cash and bank balances	18,320	15,750
	<u>135,791</u>	<u>130,213</u>
Less: Deposits pledged to licensed banks	(30,317)	(28,940)
	<u>105,474</u>	<u>101,273</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.

UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2021
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 2020.

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
- Amendments to MFRS 3: Definition of a Business	1 January 2020
- Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
- Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
- Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
- Amendments to MFRS 16: COVID-19-Related Rent Concessions	1 June 2020
- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
- Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
- Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
- Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
- Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
- Amendments to MFRS 101: Classification of Liabilities as Current or Non Current	1 January 2023
- MFRS 17 Insurance Contracts	1 January 2023
- Amendments to MFRS 17 Insurance Contracts	1 January 2023
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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 31/3/2021 RM'000	Corresponding Quarter Ended 31/3/2020 RM'000	Unaudited Current Period Ended 31/3/2021 RM'000	Corresponding Period Ended 31/3/2020 RM'000
REVENUE BY ACTIVITIES				
Manpower services	4,966	9,654	20,792	36,789
Const. HUC & TMM	17,719	36,263	73,134	215,362
Marine services	160	7,563	29,893	59,813
Const. - Civil Works	105	41	629	928
Total	22,951	53,520	124,448	312,892

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 March 2021.

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 31/3/2021 RM'000	Audited As at 30/6/2020 RM'000
Corporate guarantee to licensed banks for credit facilities granted to subsidiaries	34,694	41,458
Bank/Performance guarantee extended to third parties	35,644	23,871
Total	70,338	65,329

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 31/3/2021	Preceding Year Corr. Quarter Ended 31/3/2020	Difference	
	RM'000	RM'000	RM'000	%
Revenue	22,951	53,520	(30,570)	(57%)
- <i>Manpower services ("MPS")</i>	4,966	9,654	(4,688)	(49%)
- <i>Const, HUC & TMM ("CHUCTMM")</i>	17,719	36,263	(18,543)	(51%)
- <i>Marine services ("MS")</i>	160	7,563	(7,403)	(98%)
- <i>Const. Civil Works ("CIVIL")</i>	105	41	64	157%
Operating Profit	4,047	(564)	4,612	
Profit/(Loss) before interest and Tax	2,048	(1,608)	3,656	
Profit/(Loss) before taxation	1,008	(2,595)	3,603	
Profit/(Loss) after taxation	69	(3,825)	3,894	
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	62	(2,772)	2,834	

During the quarter ended 31 March 2021, the Group's recorded RM30.570 million (or -57%) decline in revenue as compared to the preceding year's corresponding quarter. The prolonged Pandemic had impacted our client's capital & operating expenditure for onshore/offshore activities, causing all operating segments of the group to register lower revenues. CHUCTMM and MS division were most impacted, recording a lower revenue by RM18.543 million (or -51%) and RM7.403 million (or -98%) respectively over the preceding year's corresponding quarter.

However, the group managed to register a pre-tax profit of RM1.008 million against a pre-tax loss of RM2.595 million recorded in the previous year corresponding quarter following cost rationalization.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter Ended 31/3/2021	Preceding Quarter Ended 31/12/2020	Difference	
	RM'000	RM'000	RM'000	%
Revenue	22,951	38,085	(15,134)	(40%)
- <i>Manpower services ("MPS")</i>	4,966	8,093	(3,127)	(39%)
- <i>Const, HUC & TMM ("CHUCTMM")</i>	17,719	21,704	(3,984)	(18%)
- <i>Marine services ("MS")</i>	160	7,997	(7,837)	(98%)
- <i>Const. Civil Works ("CIVIL")</i>	105	291	(186)	(64%)
Operating profit	4,047	8,078	(4,031)	
Profit before interest and Tax	2,048	5,876	(3,828)	
Profit before taxation	1,008	4,544	(3,536)	
Profit after taxation	69	4,117	(4,048)	
Profit attributable to Ordinary Equity Holders of the Parent	62	4,092	(4,030)	

The Group's revenue for the current quarter dropped by RM15.134 million (or -40%) as compared to the immediate preceding quarter. All operating segments recorded lower revenues as the project activities were significantly lower mainly due to deferred work activities and disruptions caused by the Pandemic.

During the quarter, our Accommodation workboat underwent dry docking and approximately RM1.30 million was expended in the current quarter. Consistent with the reduction in revenue, the Group posted a lower pre-tax profit of RM1.008 million as compared to RM4.544 million recorded in the immediate preceding quarter.

B3. Current Prospect

Despite the crude oil price ranging between USD60 to USD70 per barrel, the oil majors remain cautious in its capital and operating spending.

In light of the present economic and operating conditions, the Group would constantly assess its capital asset capabilities and optimise its operating efficiency. It would also continue to seek business opportunities within its capabilities and adapt to the present 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
	31/3/2021	31/3/2020	31/3/2021	31/3/2020
	RM'000	RM'000	RM'000	RM'000
Tax for the current period	939	1,230	3,194	3,920
Effective Tax Rate	93%	-47%	22%	20%

The effective tax rate for the financial period ended 31 March 2021 is lower than the statutory tax rate of 24% due to available unutilized tax losses and unabsorbed capital allowances. However the companies within the Group has different tax exposures.

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 March 2021.

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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>	
	<u>RM'000</u>	<u>RM'000</u>			
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 31 March 2021 were as follows:-

	<u>As at 3rd quarter ended FY 2021</u>		
	<u>Long Term</u>	<u>Short Term</u>	<u>Total Borrowing</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Secured			
Term Loan	21,520	12,861	34,381
Lease Liabilities	610	550	1,160
Total	22,130	13,411	35,541

	<u>As at 3rd quarter ended FY 2020</u>		
	<u>Long Term</u>	<u>Short Term</u>	<u>Total Borrowing</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Secured			
Term Loan	27,767	13,312	41,079
Hire purchase payables	313	128	441
Total	28,080	13,440	41,520

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 ended 31 March 2021.

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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 31/3/2021	Corresponding Quarter Ended 31/3/2020	Unaudited Current Period Ended 31/3/2021	Corresponding Period Ended 31/3/2020
Basic Earnings Per Share				
Net profit attributable to owners of the Company (RM'000)	62	(2,772)	11,081	17,387
Weighted average number of ordinary shares in issue ('000)	233,878	233,878	233,878	233,878
Basic earnings per share (sen)	0.03	(1.19)	4.74	7.43

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.

	Unaudited As at 31/3/2021 RM'000	Audited As at 30/6/2020 RM'000
Total retained profits of the Company and its subsidiaries:		
-realised	64,545	52,060
-unrealised	29	123
	<u>64,574</u>	<u>52,183</u>
Total share of retained profits of joint venture:		
-realised	4,661	5,859
-unrealised	(1,638)	(1,638)
	<u>3,023</u>	<u>4,221</u>
Less: Consolidation adjustments	37,292	38,573
	<u>104,889</u>	<u>94,977</u>
Total group retained profits as per consolidated financial statements		

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B15. Notes to the Condensed Consolidated Statements of Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Quarter Ended 31/3/2021 RM'000	Corresponding Quarter Ended 31/3/2020 RM'000	Unaudited Current Quarter Ended 31/3/2021 RM'000	Corresponding Year Ended 31/3/2020 RM'000
<u>(Loss)/Profit before taxation is arrived at after charging/(crediting):</u>				
Other operation income:				
- Interest income	(475)	(947)	(1,576)	(2,612)
- Rental income	(17)	(17)	(50)	(50)
Unrealised gain on foreign exchange	(140)	(11)	(140)	(9)
Realised loss/(gain) on foreign exchange	(1)	(12)	(4)	13
Interest expense	732	1,024	2,541	3,119
Depreciation of right-of-use assets	157	-	514	-
Depreciation of property, plant and equipment	1,718	1,764	5,082	5,314
Impairment on trade receivable - write back	(1,000)	-	(1,817)	-

B16. Authorisation for Issue

The interim financial statements were authorised for issuance by the Board of Directors on **20 May 2021**.