



CARIMIN PETROLEUM BERHAD

Registration No. 201201006787 (908388-K)

**QUARTERLY REPORT
FOR THE FIRST 1ST QUARTER ENDED
30 SEPTEMBER 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE FIRST QUARTER ENDED 30 SEPTEMBER 2021**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Current</u>	<u>Corresponding</u>	<u>Current</u>	<u>Corresponding</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>30/9/2021</u>	<u>30/9/2020</u>	<u>30/9/2021</u>	<u>30/9/2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	65,919	63,412	65,919	63,412
Cost of sales	(57,276)	(50,029)	(57,276)	(50,029)
Gross profit	8,643	13,384	8,643	13,384
Other income	506	750	506	750
Administrative expenses	(3,062)	(3,606)	(3,062)	(3,606)
Other expenses	(207)	(367)	(207)	(367)
Finance costs	(802)	(1,051)	(802)	(1,051)
Share of profit/(loss) from a joint venture	(473)	(317)	(473)	(317)
Profit/(Loss) before taxation	4,606	8,793	4,606	8,793
Income tax expense	(531)	(1,827)	(531)	(1,827)
Profit/(Loss) after taxation for the period	4,075	6,967	4,075	6,967
<u>Other Comprehensive Income:</u>				
Item that will be classified subsequently to profit or loss:				
Fair value changes in short term investment	63	1	63	1
Total comprehensive (expenses)/income for the period	4,138	6,968	4,138	6,968
Profit/(Loss) attributable to:				
Owners of the Company	4,101	6,927	4,101	6,927
Non-controlling interest	(26)	40	(26)	40
	4,075	6,967	4,075	6,967
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	4,164	6,928	4,164	6,928
Non-controlling interest	(26)	40	(26)	40
	4,138	6,968	4,138	6,968
Earnings per share attributable to equity holders of the company (sen):				
- Basic	1.75	2.96	1.75	2.96
- 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 SEPTEMBER 2021**

	Unaudited As at 30/9/2021 RM'000	Audited As at 30/6/2021 RM'000
ASSETS		
Property, plant and equipment	96,554	97,782
Right of Use	2,494	2,652
Investment in joint venture	2,110	2,583
Other investment	50	50
TOTAL NON-CURRENT ASSETS	101,208	103,067
Contract assets	46,350	37,245
Trade receivables	15,885	9,309
Other receivables, deposit and prepayment	5,345	5,029
Amount owing by joint venture	2,130	2,130
Current tax asset	6,610	4,957
Short term Investments	79,553	86,191
Fixed deposits with licensed banks	32,574	30,713
Cash and bank balances	15,732	10,765
TOTAL CURRENT ASSETS	204,179	186,339
TOTAL ASSETS	305,387	289,406
EQUITY AND LIABILITIES		
EQUITY		
Share capital	149,385	149,385
Reserves	30,504	26,339
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	179,889	175,724
Non-controlling interests	(145)	(119)
TOTAL EQUITY	179,744	175,605
LIABILITIES		
Loan and borrowings	15,758	16,780
Lease Liabilities	327	469
Deferred taxation	36	36
TOTAL NON-CURRENT LIABILITIES	16,121	17,285
Trade payables	40,896	32,587
Other payables and accruals	46,587	42,472
Current tax liabilities	7,332	6,801
Lease Liabilities	560	555
Short term borrowings	14,147	14,101
TOTAL CURRENT LIABILITIES	109,522	96,516
TOTAL LIABILITIES	125,643	113,801
TOTAL EQUITY AND LIABILITIES	305,387	289,406
NET ASSETS PER SHARE (SEN)	76.92	75.13

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 FIRST QUARTER ENDED 30 SEPTEMBER 2021

	-----Attributable to the owners of the Company-----						
	<u>Non - Distributable</u>			<u>Distributable</u>		<u>Non-Controlling</u>	
	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 2021	149,385	(80,802)	15	107,126	175,724	(119)	175,605
(Loss)/Profit for the financial period	-	-	-	4,101	4,101	(25)	4,076
Other comprehensive income for the period							
- Fair value changes of available for sale financial assets	-	-	63	-	63	-	63
Total comprehensive income/(expenses) for the period	-	-	63	4,101	4,165	(25)	4,139
Contributions by and distributions to owners of the Company:							
- Dividend by the Company	-	-	-	-	-	-	-
As at 30 September 2021	149,385	(80,802)	78	111,227	179,889	(144)	179,744
As at 1 July 2020	149,385	(80,802)	(164)	94,977	163,396	(80)	163,316
Profit/(Loss) for the financial period	-	-	-	13,318	13,318	(39)	13,279
Fair value changes of available for sale financial assets			179		179		179
Total comprehensive income/(expenses) for the period	-	-	179	13,318	13,497	(39)	13,458
- Dividend by the Company	-	-	-	(1,169)	(1,169)	-	(1,169)
- Issuance of shares	-	-	-	-	-	-	-
Total transaction with owners	-	-	-	(1,169)	(1,169)	-	(1,169)
As at 30 Jun 2021	149,385	(80,802)	15	107,126	175,724	(119)	175,605

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 FIRST QUARTER ENDED 30 SEPTEMBER 2021**

	Unaudited Quarter Ended 30/9/2021 RM'000	Audited Year Ended 30/6/2021 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	4,606	19,365
Adjustments for:-		
Depreciation of property, plant and equipment	1,199	6,843
Depreciation of right-of-use assets	657	668
Gain on disposal of property, plant and equipment	(17)	(1)
Impairment on trade receivables	-	537
Interest expense	802	1,706
Interest income	(407)	(2,037)
Impairment loss on property, plant and equipment	-	1,638
Share of loss/(profit) of joint venture	473	1,638
Unrealised gain on foreign exchange	(90)	157
Impairment on trade receivables - Write Back	-	(2,352)
	<hr/>	<hr/>
Operating profit before changes in working capital	7,223	28,162
Changes in trade and other receivables	(16,357)	9,384
Changes in trade and other payables	12,439	(29,393)
Changes in contract assets	344	10,540
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CASH (FOR)/FROM OPERATIONS	3,649	18,693
Interest paid	(802)	(1,706)
Tax paid	(1,652)	(7,414)
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NET CASH (FOR)/FROM OPERATING ACTIVITIES	1,195	9,573
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CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(469)	(2,322)
Proceed from disposal of property, plant & equipment	17	1
Interest received	407	2,037
	<hr/>	<hr/>
NET CASH FOR INVESTING ACTIVITIES	(45)	(284)
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CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase in placement of pledged deposits	(1,861)	(1,773)
Repayment of borrowings	(976)	(10,172)
Repayment of lease liabilities	(137)	(514)
Dividend paid	-	(1,169)
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NET CASH FROM FINANCING ACTIVITIES	(2,974)	(13,628)
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NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,824)	(4,339)
Effect on Foreign Exchange Translation	153	22
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	96,956	101,273
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CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	95,285	96,956
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Note:		
Cash and cash equivalents comprise of:		
Fixed deposits with licensed banks		
- restricted	32,574	30,658
- non-restricted	79,553	86,246
Cash and bank balances	15,732	10,765
	<hr/>	<hr/>
	127,859	127,669
Less: Deposits pledged to licensed banks	(32,574)	(30,713)
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	95,285	96,956
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Note: These Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements.

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 2021.

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 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform 2	1 January 2021
- Amendments to MFRS 16: COVID-19-Related Rent Concessions beyond 30 June 2021	1 April 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
- Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
- Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
- Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	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 30/9/2021 RM'000	Corresponding Quarter Ended 30/9/2020 RM'000	Unaudited Current Period Ended 30/9/2021 RM'000	Corresponding Period Ended 30/9/2020 RM'000
REVENUE BY ACTIVITIES				
Manpower services	6,460	7,733	6,460	7,733
Const. HUC & TMM	55,784	33,710	55,784	33,710
Marine services	3,676	21,736	3,676	21,736
Const. - Civil Works	-	233	-	233
Total	65,919	63,412	65,919	63,412

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 September 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 30/9/2021 RM'000	Audited As at 30/6/2021 RM'000
Corporate guarantee to licensed banks for credit facilities granted to subsidiaries	30,162	31,166
Bank/Performance guarantee extended to third parties	41,384	35,644
Total	71,546	66,810

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 30/9/2021	Preceding Year Corr. Quarter Ended 30/9/2020	Difference	
	RM'000	RM'000	RM'000	%
Revenue	65,919	63,412	2,507	4%
- Manpower services ("MPS")	6,460	7,733	(1,274)	(16%)
- Const, HUC & TMM ("CHUCTMM")	55,784	33,710	22,074	65%
- Marine services ("MS")	3,676	21,736	(18,060)	(83%)
- Const. Civil Works ("CIVIL")	-	233	(233)	(100%)
Operating Profit	8,643	13,384	(4,740)	
Profit/(Loss) before interest and Tax	5,880	10,162	(4,282)	
Profit/(Loss) before taxation	4,606	8,793	(4,188)	
Profit/(Loss) after taxation	4,075	6,967	(2,892)	
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	4,101	6,927	(2,826)	

During the quarter ended 30 September 2021, the Group's posted an increase in revenue by RM2.51 million (or 4%) as compared to the preceding year's corresponding quarter.

The CHUCTMM division posted an increase in revenue by RM22.07 million (or 65%) as there were increased activities for its field improvement project, compressor changeout and Kumang redevelopment. On the other hand, MPS and MS both registered lower revenue by RM1.28 million (or -16%) and RM18.06 million (or -83%) over the preceding year's corresponding quarter due to reduction of personnel supply and vessel deployment respectively.

Despite the higher revenue, the group posted a lower pre-tax profit of RM4.61 million as compared to RM8.79 million reported in the previous year corresponding quarter due to finalization of projects and cost rationalization of the latter.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter Ended 30/9/2021	Preceding Quarter Ended 30/6/2021	Difference	
	RM'000	RM'000	RM'000	%
Revenue	65,919	40,814	25,105	62%
- Manpower services ("MPS")	6,460	7,266	(806)	(11%)
- Const, HUC & TMM ("CHUCTMM")	55,784	24,436	31,348	128%
- Marine services ("MS")	3,676	9,440	(5,764)	(61%)
- Const. Civil Works ("CIVIL")	-	(327)	327	(100%)
Operating profit	8,643	10,087	(1,443)	
Profit before interest and Tax	5,880	4,767	1,114	
Profit before taxation	4,606	5,018	(413)	
Profit after taxation	4,075	2,127	1,948	
Profit attributable to Ordinary Equity Holders of the Parent	4,101	2,237	1,864	

The Group's revenue for the current quarter increased by RM25.11 million (or 62%) as compared to the immediate preceding quarter. CHUCTMM division registered higher revenue by RM31.35 million (or 128%) on increased offshore activities whilst MPS and MS registered lower revenue by RM0.81 million (or -11%) and RM5.76 million (or -61%) reflecting the reduction in personnel supply and deployment of marine assets respectively.

However, the Group's pre-tax profit of RM4.61 million was lower as compared to RM5.02 million recorded in the immediate preceding quarter due to reduction in revenue by MPS and MS division.

B3. Current Prospect

Although the oil price has largely improved, it is not the exclusive factor that drive oil majors investment decision in its capital and operating expenditure. However, we are cautiously optimistic that the project activities will gradually increase going forward.

The Group would continue to explore new business opportunities for growth and sustainability given the evolving energy landscape.

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
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000
Tax for the current period	531	1,827	531	1,827
Effective Tax Rate	12%	21%	12%	21%

The effective tax rate for the financial period ended 30 September 2021 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 30 September 2021.

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 30 June 2023
Development of minor fabrication yard	12,000	1,905	10,095	84%	
Repayment of bank borrowings	8,000	8,000	-	-	
Working capital	7,950	7,950	-	-	
Estimated listing expenses	3,500	3,500	-	-	
Total	66,770	56,675	10,095	15%	

B9. Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2021 were as follows:-

	As at 1st quarter ended FY 2022		
	Long Term	Short Term	Total Borrowing
	RM'000	RM'000	RM'000
Secured			
Term Loan	15,758	14,147	29,905
Lease Liabilities	327	560	887
Total	16,085	14,707	30,792

	As at 1st quarter ended FY 2021		
	Long Term	Short Term	Total Borrowing
	RM'000	RM'000	RM'000
Secured			
Term Loan	28,489	12,538	41,027
Lease Liabilities	722	426	1,148
Total	29,211	12,964	42,175

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 30 September 2021.

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		Unaudited	
	Current	Corresponding	Current	Corresponding
	Quarter	Quarter	Period	Period
	Ended	Ended	Ended	Ended
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
Basic Earnings Per Share				
Net profit attributable to owners of the Company (RM'000)	4,101	6,927	4,101	6,927
Weighted average number of ordinary shares in issue ('000)	233,878	233,878	233,878	233,878
Basic earnings per share (sen)	1.75	2.96	1.75	2.96

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 30/9/2021 RM'000	Audited As at 30/6/2021 RM'000
Total retained profits of the Company and its subsidiaries:		
-realised	73,646	68,236
-unrealised	18	396
	<u>73,664</u>	<u>68,631</u>
Total share of retained profits of joint venture:		
-realised	3,534	4,093
-unrealised	(1,424)	(1,510)
	<u>2,110</u>	<u>2,583</u>
Less: Consolidation adjustments	35,453	35,912
	<u>111,227</u>	<u>107,126</u>
Total group retained profits as per consolidated financial statements		

B15. Notes to the Condensed Consolidated Statements of Income

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Unaudited Current Quarter Ended 30/9/2021 RM'000</u>	<u>Corresponding Quarter Ended 30/9/2020 RM'000</u>	<u>Unaudited Current Quarter Ended 30/9/2021 RM'000</u>	<u>Corresponding Year Ended 30/9/2020 RM'000</u>
<u>(Loss)/Profit before taxation is arrived at after charging/(crediting):</u>				
Other operation income:				
- Interest income	(407)	(588)	(407)	(588)
- Rental income	(17)	(17)	(17)	(17)
- Gain on disposal of PPE	(17)	-	(17)	-
Unrealised gain on foreign exchange	(90)	-	(90)	-
Realised loss/(gain) on foreign exchange	-	38	-	38
Interest expense	802	1,051	802	1,051
Depreciation of right-of-use assets	657	145	657	145
Depreciation of property, plant and equipment	1,199	1,680	1,199	1,680
Impairment on trade receivable - write back	-	(138)	-	(138)

B16. Authorisation for Issue

The interim financial statements were authorised for issuance by the Board of Directors on **25 November 2021**.