



CARIMIN PETROLEUM BERHAD

Registration No. 201201006787 (908388-K)

**QUARTERLY REPORT
FOR THE THIRD 3RD QUARTER ENDED
31 MARCH 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE THIRD QUARTER ENDED 31 MARCH 2022**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Current	Corresponding
	Quarter	Quarter	Period	Period
	Ended	Ended	Ended	Ended
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	34,635	22,951	157,777	124,448
Cost of sales	(28,061)	(18,903)	(135,766)	(98,938)
Gross profit	6,574	4,048	22,011	25,510
Other income	382	1,632	1,410	3,600
Administrative expenses	(3,202)	(3,616)	(9,833)	(10,398)
Other expenses	(3,310)	(15)	(3,670)	(625)
Finance costs	(818)	(733)	(2,282)	(2,541)
Share of profit/(loss) from a joint venture	(1,376)	(308)	(2,297)	(1,199)
Profit/(Loss) before taxation	(1,750)	1,008	5,338	14,347
Income tax expense	(1,014)	(939)	(2,001)	(3,194)
Profit/(Loss) after taxation for the period	(2,764)	68	3,337	11,152
<u>Other Comprehensive Income:</u>				
Item that will be classified subsequently to profit or loss:				
Fair value changes in short term investment	224	56	326	114
Total comprehensive (expenses)/income for the period	(2,540)	124	3,663	11,266
Profit/(Loss) attributable to:				
Owners of the Company	(2,884)	62	3,253	11,081
Non-controlling interest	120	6	84	71
	(2,764)	68	3,337	11,152
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	(2,659)	118	3,579	11,195
Non-controlling interest	120	6	84	71
	(2,540)	124	3,663	11,266
Earnings per share attributable to equity holders of the company (sen):				
- Basic	(1.23)	0.03	1.39	4.74
- 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 2022**

	Unaudited As at 31/3/2022 RM'000	Audited As at 30/6/2021 RM'000
ASSETS		
Property, plant and equipment	93,310	97,782
Right of Use	2,211	2,652
Investment in joint venture	285	2,583
Other investment	50	50
TOTAL NON-CURRENT ASSETS	95,856	103,067
Contract assets	34,207	37,245
Trade receivables	17,048	9,309
Other receivables, deposit and prepayment	10,926	5,029
Amount owing by joint venture	2,130	2,130
Current tax asset	2,574	4,957
Short term Investments	55,427	86,191
Fixed deposits with licensed banks	33,449	30,713
Cash and bank balances	9,710	10,765
TOTAL CURRENT ASSETS	165,471	186,339
TOTAL ASSETS	261,327	289,406
EQUITY AND LIABILITIES		
EQUITY		
Share capital	149,385	149,385
Reserves	17,056	26,339
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	166,441	175,724
Non-controlling interests	(35)	(119)
TOTAL EQUITY	166,406	175,605
LIABILITIES		
Loan and borrowings	11,249	16,780
Lease Liabilities	88	469
Deferred taxation	36	36
TOTAL NON-CURRENT LIABILITIES	11,373	17,285
Trade payables	25,234	32,587
Other payables and accruals	41,551	42,472
Current tax liabilities	2,103	6,801
Lease Liabilities	533	555
Short term borrowings	14,127	14,101
TOTAL CURRENT LIABILITIES	83,548	96,516
TOTAL LIABILITIES	94,921	113,801
TOTAL EQUITY AND LIABILITIES	261,327	289,406
NET ASSETS PER SHARE (SEN)	71.17	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 THIRD QUARTER ENDED 31 MARCH 2022

	-----Attributable to the owners of the Company-----						
	Non - Distributable			Distributable		Non-Controlling	
	Share Capital RM'000	Merger Deficit RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Total RM'000	Interest RM'000	Total Equity 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	-	-	-	3,253	3,253	84	3,337
<u>Other comprehensive income for the period</u>							
- Fair value changes of available for sale financial assets	-	-	326	-	326	-	326
Total comprehensive income/(expenses) for the period	-	-	326	3,253	3,580	84	3,664
<u>Contributions by and distributions to owners of the Company:</u>					-	-	-
- Dividend by the Company	-	-	-	(12,863)	(12,863)	-	(12,863)
As At 31 March 2022	149,385	(80,802)	341	97,516	166,441	(35)	166,406
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
<u>Fair value changes of available for sale financial assets</u>			179		179		179
Total comprehensive income/(expenses) for the period	-	-	179	13,318	13,497	(39)	13,458
<u>Contributions by and distributions to owners of the Company:</u>					-	-	-
- Dividend by the Company	-	-	-	(1,169)	(1,169)	-	(1,169)
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 THIRD QUARTER ENDED 31 MARCH 2022**

	Unaudited Quarter Ended 31/3/2022 RM'000	Audited Year Ended 30/6/2021 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	5,338	19,365
Adjustments for:-		
Depreciation of property, plant and equipment	4,993	6,843
Depreciation of right-of-use assets	441	668
Gain on disposal of property, plant and equipment	(17)	(1)
Impairment on trade receivables	3,165	537
Interest expense	2,282	1,706
Interest income	(934)	(2,037)
Impairment loss on property, plant and equipment	-	1,638
Share of loss/(profit) of joint venture	2,297	1,638
Unrealised gain on foreign exchange	(146)	157
Impairment on trade receivables - Write Back	(183)	(2,352)
Operating profit before changes in working capital	17,236	28,162
Changes in trade and other receivables	(17,702)	9,384
Changes in trade and other payables	(5,549)	(29,393)
Changes in contract assets	1,399	10,540
CASH (FOR)/FROM OPERATIONS	(4,616)	18,693
Interest paid	(2,282)	(1,706)
Tax paid	(4,316)	(7,414)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(11,214)	9,573
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(521)	(2,322)
Proceed from disposal of property, plant & equipment	17	1
Interest received	934	2,037
NET CASH FOR INVESTING ACTIVITIES	430	(284)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase in placement of pledged deposits	(1,220)	(1,773)
Repayment of borrowings	(5,505)	(10,172)
Repayment of lease liabilities	(403)	(514)
Dividend paid	(12,863)	(1,169)
NET CASH FROM FINANCING ACTIVITIES	(19,991)	(13,628)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(30,775)	(4,339)
Effect on Foreign Exchange Translation	472	22
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	96,956	101,273
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	66,653	96,956
Note:		
Cash and cash equivalents comprise of:		
Fixed deposits with licensed banks		
- restricted	31,933	30,658
- non-restricted	56,943	86,246
Cash and bank balances	9,710	10,765
	98,586	127,669
Less: Deposits pledged to licensed banks	(31,933)	(30,713)
	66,653	96,956

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 2022
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 31/3/2022 RM'000	Corresponding Quarter Ended 31/3/2021 RM'000	Unaudited Current Period Ended 31/3/2022 RM'000	Corresponding Period Ended 31/3/2021 RM'000
REVENUE BY ACTIVITIES				
Manpower services	12,694	4,966	29,070	20,792
Const. HUC & TMM	17,887	17,719	114,054	73,134
Marine services	4,055	160	14,654	29,893
Const. - Civil Works	(1)	105	(1)	629
Total	34,635	22,951	157,777	124,448

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 2022.

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 31/3/2022 RM'000	Audited As at 30/6/2021 RM'000
Corporate guarantee to licensed banks for credit facilities granted to subsidiaries	25,585	31,166
Bank/Performance guarantee extended to third parties	46,016	35,644
Total	71,601	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 31/3/2022	Preceding Year Corr. Quarter Ended 31/3/2021	Difference	
	RM'000	RM'000	RM'000	%
Revenue	34,635	22,951	11,684	51%
- Manpower services ("MPS")	12,694	4,966	7,728	156%
- Const, HUC & TMM ("CHUCTMM")	17,887	17,719	167	1%
- Marine services ("MS")	4,055	160	3,895	2430%
- Const. Civil Works ("CIVIL")	(1)	105	(106)	(101%)
Operating Profit	6,574	4,048	2,526	
Profit/(Loss) before interest and Tax	444	2,048	(1,604)	
Profit/(Loss) before taxation	(1,750)	1,008	(2,758)	
Profit/(Loss) after taxation	(2,764)	68	(2,832)	
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	(2,884)	62	(2,946)	

During the quarter ended 31 March 2022, the Group's revenue increased by RM11.68 million (or 51%) as compared to the preceding year's corresponding quarter.

The MPS division posted an increase in revenue by RM7.73 million (or 156%) contributed mainly from the commencement of new contracts. MS division also registered an increase in revenue by RM3.90 million over the preceding year's corresponding quarter arising from completion of an Environment Baseline Study contract.

Despite the higher revenue, the group posted a pre-tax loss of RM1.75 million as compared to pre-tax profit of RM1.0 million reported in the previous year corresponding quarter due to impairment of a major trade receivable account under the MS division.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter Ended 31/3/2022	Preceding Quarter Ended 31/12/2021	Difference	
	RM'000	RM'000	RM'000	%
Revenue	34,635	57,223	(22,589)	(39%)
- Manpower services ("MPS")	12,694	9,917	2,777	28%
- Const, HUC & TMM ("CHUCTMM")	17,887	40,383	(22,496)	(56%)
- Marine services ("MS")	4,055	6,923	(2,868)	(41%)
- Const. Civil Works ("CIVIL")	(1)	-	(1) --	
Operating profit	6,574	6,793	(219)	
Profit before interest and Tax	444	3,593	(3,149)	
Profit before taxation	(1,750)	2,483	(4,234)	
Profit after taxation	(2,764)	2,026	(4,790)	
Profit attributable to Ordinary Equity Holders of the Parent	(2,884)	2,036	(4,920)	

The Group's revenue for the current quarter decreased by RM22.59 million (or -39%) as compared to the immediate preceding quarter. Both CHUCTMM and MS division registered lower revenue by RM22.50 million (or -56%) and RM2.87 million (or -41%) due to deferment of rig schedule and monsoon period.

B2. Comparison with Immediate Preceding Quarter's Results (Cont'd)

In tandem to the decrease in revenue and an impairment of a major trade receivable account, the Group's posted a pre-tax loss of RM1.75 million as compared to pre-tax profit of RM2.48 million recorded in the immediate preceding quarter.

B3. Current Prospect

Despite the global energy crisis, the oil price continued to surge and remain above USD100 per barrel to-date. As such, the group remain optimistic that oil majors would continue to increase their investment in maintenance and capital projects. The outlook remains positive and steady given the recovery in oil price with less restrictions due to Covid and improved logistics.

The Group would continue to actively explore and participate in the above project potentials and opportunities including new growth businesses 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
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
Tax for the current period	1,014	939	2,001	3,194
Effective Tax Rate	-43%	93%	42%	22%

The effective tax rate for the financial period ended 31 March 2022 is higher than the statutory tax rate of 24% due to subsidiaries making losses.

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 2022.

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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>	<u>RM'000</u>		
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%	

On 13 Sep 2021, the Board resolved to further extend the utilization of proceeds on the development of fabrication yard till 30 June 2023.

B9. Group Borrowings and Debt Securities

The Group's borrowings as at 31 March 2022 were as follows:-

	<u>As at 3rd quarter ended FY 2022</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	11,249	14,127	25,376
Lease Liabilities	88	533	621
Total	11,337	14,660	25,997

	<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

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 recommended by the Board of Directors during the current quarter ended 31 March 2022.

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 31/3/2022	Corresponding Quarter Ended 31/3/2021	Unaudited Current Period Ended 31/3/2022	Corresponding Period Ended 31/3/2021
Basic Earnings Per Share				
Net profit attributable to owners of the Company (RM'000)	(2,884)	62	3,253	11,081
Weighted average number of ordinary shares in issue ('000)	233,878	233,878	233,878	233,878
Basic earnings per share (sen)	(1.23)	0.03	1.39	4.74

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 31/3/2022 RM'000	Audited As at 30/6/2021 RM'000
Total retained profits of the Company and its subsidiaries:		
-realised	63,725	68,236
-unrealised	(13)	396
	<u>63,712</u>	<u>68,631</u>
Total share of retained profits of joint venture:		
-realised	1,709	4,093
-unrealised	(1,424)	(1,510)
	<u>285</u>	<u>2,583</u>
Less: Consolidation adjustments	33,519	35,912
	<u>97,516</u>	<u>107,126</u>
Total group retained profits as per consolidated financial statements		

B15. Notes to the Condensed Consolidated Statements of Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited		Unaudited	
	Current Quarter	Corresponding Quarter	Current Quarter	Corresponding Year
	Ended	Ended	Ended	Ended
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
<u>(Loss)/Profit before taxation is arrived at after charging/(crediting):</u>				
Other operation income:				
- Interest income	(141)	(475)	(934)	(1,576)
- Rental income	(17)	(17)	(50)	(50)
- Gain on disposal of PPE	-	-	(17)	-
Unrealised gain on foreign exchange	(8)	140	(146)	(140)
Realised loss/(gain) on foreign exchange	-	(1)	-	75
Interest expense	818	732	2,282	2,541
Depreciation of right-of-use assets	141	157	441	514
Depreciation of property, plant and equipment	1,645	1,718	4,993	5,082
Impairment on trade receivable - write back	(97)	1,000	(183)	(1,817)

B16. Authorisation for Issue

The interim financial statements were authorised for issuance by the Board of Directors on **24 May 2022**.