



CARIMIN PETROLEUM BERHAD

Registration No. 201201006787 (908388-K)

**QUARTERLY REPORT
FOR THE SECOND 2ND QUARTER ENDED
31 DECEMBER 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE SECOND QUARTER ENDED 31 DECEMBER 2022**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Current	Corresponding
	Quarter	Quarter	Period	Period
	Ended	Ended	Ended	Ended
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	58,133	57,223	137,175	123,142
Cost of sales	(49,460)	(50,430)	(117,223)	(107,706)
Gross profit	8,673	6,794	19,952	15,437
Other income	100	522	489	1,028
Administrative expenses	(3,843)	(3,569)	(7,235)	(6,631)
Other expenses	(140)	(153)	(295)	(360)
Finance costs	(494)	(662)	(1,033)	(1,464)
Share of profit/(loss) from a joint venture	543	(448)	801	(921)
Profit/(Loss) before taxation	4,839	2,484	12,679	7,089
Income tax expense	230	(457)	(591)	(988)
Profit/(Loss) after taxation for the period	5,069	2,027	12,088	6,101
<u>Other Comprehensive Income:</u>				
Item that will be classified subsequently to profit or loss:				
Fair value changes in short term investment	331	39	588	102
Total comprehensive (expenses)/income for the period	5,400	2,066	12,676	6,203
Profit/(Loss) attributable to:				
Owners of the Company	5,060	2,037	12,112	6,137
Non-controlling interest	9	(10)	(24)	(36)
	5,069	2,027	12,088	6,101
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	5,390	2,076	12,700	6,239
Non-controlling interest	9	(10)	(24)	(36)
	5,400	2,066	12,676	6,203
Earnings per share attributable to equity holders of the company (sen):				
- Basic	2.16	0.87	5.18	2.62
- 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 2022**

	Unaudited As at 31/12/2022 RM'000	Audited As at 30/6/2022 RM'000
ASSETS		
Property, plant and equipment	89,258	91,338
Right of Use	1,775	2,070
Investment in joint venture	801	-
Other investment	590	590
TOTAL NON-CURRENT ASSETS	92,424	93,998
Contract assets	60,209	66,188
Trade receivables	35,929	22,352
Other receivables, deposit and prepayment	13,602	9,577
Amount owing by joint venture	1,163	2,130
Current tax asset	5,847	244
Short term Investments	45,272	49,666
Fixed deposits with licensed banks	35,456	33,838
Cash and bank balances	12,417	7,979
TOTAL CURRENT ASSETS	209,895	191,974
TOTAL ASSETS	302,319	285,972
EQUITY AND LIABILITIES		
EQUITY		
Share capital	149,385	149,385
Reserves	33,219	20,571
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	182,604	169,956
Non-controlling interests	69	205
TOTAL EQUITY	182,673	170,161
LIABILITIES		
Loan and borrowings	2,414	7,683
Lease Liabilities	-	45
Deferred taxation	36	36
TOTAL NON-CURRENT LIABILITIES	2,450	7,764
Trade payables	37,133	32,939
Other payables and accruals	61,977	57,061
Current tax liabilities	4,694	365
Lease Liabilities	184	424
Short term borrowings	13,208	17,258
TOTAL CURRENT LIABILITIES	117,196	108,047
TOTAL LIABILITIES	119,646	115,811
TOTAL EQUITY AND LIABILITIES	302,319	285,972
NET ASSETS PER SHARE (SEN)	78.08	72.67

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 2022

	-----Attributable to the owners of the Company-----								
	Non - Distributable				Distributable			Non-Controlling	
	Share Capital	Share Premium	Capital Reserve	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	RM'000	RM'000
As at 1 July 2022	149,385	-	-	(80,802)	567	100,806	169,956	205	170,161
(Loss)/Profit for the financial period	-	-	-	-	-	12,112	12,112	(24)	12,088
Other comprehensive income for the period									
- Fair value changes of available for sale financial assets	-	-	-	-	588	-	588	-	588
Total comprehensive income/(expenses) for the period	-	-	-	-	588	12,112	12,700	(24)	12,676
Contributions by and distributions to owners of the Company:							-	-	-
- Acquisition of interest in a subsidiary	-	-	-	-	-	(52)	(52)	(112)	(164)
- Dividend by the Company	-	-	-	-	-	-	-	-	-
Total transaction with owners	-	-	-	-	-	(52)	(52)	(112)	(164)
As At 31 Dec 2022	149,385	-	-	(80,802)	1,155	112,866	182,604	69	182,673
As at 1 July 2021	149,385	-	-	(80,802)	15	107,126	175,724	(119)	175,605
Profit/(Loss) for the financial period	-	-	-	-	-	6,543	6,543	324	6,867
Fair value changes of available for sale financial assets					552		552		552
Total comprehensive income/(expenses) for the period	-	-	-	-	552	6,543	7,095	324	7,419
Contributions by and distributions to owners of the Company:							-	-	-
- Dividend by the Company	-	-	-	-	-	(12,863)	(12,863)	-	(12,863)
Total transaction with owners	-	-	-	-	-	(12,863)	(12,863)	-	(12,863)
As at 30 Jun 2022	149,385	-	-	(80,802)	567	100,806	169,956	205	170,161

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 SECOND QUARTER ENDED 31 DECEMBER 2022**

	Unaudited Quarter Ended 31/12/2022	Audited Year Ended 30/6/2022
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	12,679	10,872
Adjustments for:-		
Depreciation of property, plant and equipment	3,280	6,640
Depreciation of right-of-use assets	295	582
Gain on disposal of property, plant and equipment	-	(17)
Impairment on trade receivables	-	4,556
Interest expense	1,033	2,856
Interest income	(286)	(1,092)
Impairment on Investment in JV	-	1,500
Impairment loss on property, plant and equipment	-	448
Share of loss/(profit) of joint venture	(801)	1,083
Unrealised gain on foreign exchange	(32)	(172)
Impairment on trade receivables - Write Back	(171)	(1,294)
	<hr/>	<hr/>
Operating profit before changes in working capital	15,997	25,962
Changes in trade and other receivables	(7,530)	(49,813)
Changes in trade and other payables	9,786	14,715
Changes in contract assets	(3,630)	243
	<hr/>	<hr/>
CASH (FOR)/FROM OPERATIONS	14,623	(8,893)
Interest paid	(1,033)	(2,856)
Tax (paid)/refund	(1,864)	(5,728)
	<hr/>	<hr/>
NET CASH (FOR)/FROM OPERATING ACTIVITIES	11,726	(17,477)
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,201)	(643)
Proceed from disposal of property, plant & equipment	-	17
Interest received	286	1,092
	<hr/>	<hr/>
NET CASH FOR INVESTING ACTIVITIES	(915)	466
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance/(acquisition) of shares/loan stock	(164)	(541)
Net increase in placement of pledged deposits	(1,604)	(1,609)
Repayment of borrowings	(6,205)	(9,054)
Repayment of lease liabilities	(286)	(555)
Dividend paid	-	(12,863)
	<hr/>	<hr/>
NET CASH FROM FINANCING ACTIVITIES	(8,259)	(24,622)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,552	(41,633)
Effect on Foreign Exchange Translation	620	724
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	56,047	96,956
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	59,219	56,047
Note:		
Cash and cash equivalents comprise of:		
Fixed deposits with licensed banks		
- restricted	33,926	32,322
- non-restricted	46,802	51,182
Cash and bank balances	12,417	4,865
	<hr/>	<hr/>
	93,145	88,369
Less: Deposits pledged to licensed banks	(33,926)	(32,322)
	<hr/>	<hr/>
	59,219	56,047

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 2022.

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: 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 31/12/2022 RM'000	Corresponding Quarter Ended 31/12/2021 RM'000	Unaudited Current Period Ended 31/12/2022 RM'000	Corresponding Period Ended 31/12/2021 RM'000
REVENUE BY ACTIVITIES				
Manpower services	14,662	9,917	29,295	16,376
Const. HUC & TMM	30,525	40,383	70,927	96,167
Marine services	12,947	6,923	36,953	10,599
Const. - Civil Works	-	-	-	-
Total	58,133	57,223	137,175	123,142

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 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 following:-

	Unaudited As at 31/12/2022 RM'000	Audited As at 30/6/2022 RM'000
Corporate guarantee to licensed banks for credit facilities granted to subsidiaries	15,730	21,996
Bank/Performance guarantee extended to third parties	18,568	46,113
Total	34,298	68,109

A11. Significant Related Party Transactions

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

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

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

	Current Quarter Ended 31/12/2022	Preceding Year Corr. Quarter Ended 31/12/2021	Difference	
	RM'000	RM'000	RM'000	%
Revenue	58,133	57,223	910	2%
- Manpower services ("MPS")	14,662	9,917	4,745	48%
- Const, HUC & TMM ("CHUCTMM")	30,525	40,383	(9,858)	(24%)
- Marine services ("MS")	12,947	6,923	6,023	87%
- Const. Civil Works ("CIVIL")	-	-	-	--
Operating Profit	8,673	6,794	1,880	
Profit/(Loss) before interest and Tax	4,790	3,593	1,197	
Profit/(Loss) before taxation	4,839	2,484	2,355	
Profit/(Loss) after taxation	5,069	2,027	3,042	
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	5,060	2,037	3,022	

During the quarter ended 31 December 2022, the Group's revenue increased by RM0.91 million (or 2%) as compared to the preceding year's corresponding quarter.

Both MPS and MS division posted an increase in revenue by RM4.75 million (or 48%) and RM6.02 million (or 87%) respectively contributed by higher demand for its technical personnel supply and utilisation of marine assets. However, CHUCTMM division registered a decrease in revenue by RM9.86 million (or 24%) as compared to preceding year's corresponding quarter due to completion of work orders under its Integrated Hook up and commissioning (iHUC) projects.

The group's pre-tax profit performance increased to RM4.84 million from RM2.49 million reported in the previous year corresponding quarter derived from better margins of its marine asset.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter Ended 31/12/2022	Preceding Quarter Ended 30/9/2022	Difference	
	RM'000	RM'000	RM'000	%
Revenue	58,133	79,042	(20,909)	(26%)
- Manpower services ("MPS")	14,662	14,634	28	0%
- Const, HUC & TMM ("CHUCTMM")	30,525	40,402	(9,877)	(24%)
- Marine services ("MS")	12,947	24,006	(11,060)	(46%)
- Const. Civil Works ("CIVIL")	-	-	-	--
Operating profit	8,673	11,279	(2,606)	
Profit before interest and Tax	4,790	8,121	(3,331)	
Profit before taxation	4,839	7,840	(3,001)	
Profit after taxation	5,069	7,020	(1,951)	
Profit attributable to Ordinary Equity Holders of the Parent	5,060	7,053	(1,994)	

The Group's revenue for the current quarter decreased by RM20.91 million (or 26%) as compared to the immediate preceding quarter. Both CHUCTMM and MS division registered lower revenue contribution by RM9.88 million (or 24%) and RM11.06 million (or 46%) respectively from the reduction in offshore activities due to monsoon during the quarter under review.

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

Consequent to the decreased in revenue performance, the Group registered a lower pre-tax profit of RM4.84 million as compared to RM7.84 million recorded in the immediate preceding quarter.

B3. Current Prospect

The approaching monsoon would see some reduction in the Group's offshore activities and the Group would in turn focus its activities towards onshore fabrication in preparation of offshore operations to resume. In tandem with the positive oil & gas industry outlook and stabilising oil price, the Group anticipates higher offshore activities moving forward.

The positive sentiment is reflected by the Letter of Award received on term charter for both the Group's vessels.

Premise on the Group's financial strength, low gearing and improving business sentiments post pandemic, the Group would actively seek and explore new business opportunities.

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
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Tax for the current period	(230)	457	591	988
Effective Tax Rate	-5%	18%	5%	14%

The effective tax rate for the financial period ended 31 December 2022 is lower than the statutory tax rate of 24% due to the available of unabsorbed tax loss and 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 2022.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

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	3,095	8,905	74%	
Repayment of bank borrowings	8,000	8,000	-	-	
Working capital	7,950	7,950	-	-	
Estimated listing expenses	3,500	3,500	-	-	
Total	66,770	57,865	8,905	13%	

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 December 2022 were as follows:-

	<u>As at 2nd quarter ended FY 2023</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	2,414	13,208	15,622
Lease Liabilities	-	184	184
Total	2,414	13,392	15,806

	<u>As at 2nd 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	14,777	14,140	28,917
Lease Liabilities	184	566	750
Total	14,961	14,706	29,667

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 December 2022.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

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 31/12/2022	Corresponding Quarter Ended 31/12/2021	Unaudited Current Period Ended 31/12/2022	Corresponding Period Ended 31/12/2021
Basic Earnings Per Share				
Net profit attributable to owners of the Company (RM'000)	5,060	2,037	12,112	6,137
Weighted average number of ordinary shares in issue ('000)	233,878	233,878	233,878	233,878
Basic earnings per share (sen)	2.16	0.87	5.18	2.62

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 31/12/2022 RM'000	Audited As at 30/6/2022 RM'000
Total retained profits of the Company and its subsidiaries:		
-realised	61,523	53,506
-unrealised	17	13
	<u>61,540</u>	<u>53,518</u>
Total share of retained profits of joint venture:		
-realised	801	0
-unrealised	-	-
	<u>801</u>	<u>0</u>
Less: Consolidation adjustments	50,525	47,288
	<u>112,866</u>	<u>100,806</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 Ended	Corresponding Quarter Ended	Current Quarter Ended	Corresponding Year Ended
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before taxation is arrived at after charging/(crediting):				
Other operation income:				
- Interest income	(150)	(386)	(286)	(793)
- Rental income	(17)	(17)	(33)	(33)
- Gain on disposal of PPE	-	-	-	(17)
Unrealised gain on foreign exchange	(8)	48	(32)	(138)
Realised loss/(gain) on foreign exchange	(4)	19	(5)	28
Interest expense	494	662	1,033	1,464
Depreciation of right-of-use assets	138	142	295	300
Depreciation of property, plant and equipment	1,645	1,651	3,280	3,349
Impairment on trade receivable - write back	-	(87)	(171)	(87)

B16. Authorisation for Issue

The interim financial statements were authorised for issuance by the Board of Directors on **21 February 2023**.