

**PDZ HOLDINGS BHD (360419 -T)**

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive  
Income for the quarter ended 30 Sep 2018 (Unaudited)**

|  | Individual Quarter    |                     | Cummulative Quarter   |                       |
|--|-----------------------|---------------------|-----------------------|-----------------------|
|  | Current Year          | Preceding           | Current Year          | Preceding             |
|  | Quarter               | Year                | To Date               | Year                  |
|  | <u>30.09.2018</u>     | <u>30.09.2017</u>   | <u>30.09.2018</u>     | <u>30.09.2017</u>     |
|  | RM '000               | RM '000             | RM '000               | RM '000               |
| Revenue  | 1,463                 | 2,514               | 3,999                 | 7,549                 |
| Cost of sales  | <u>(1,330)</u>        | <u>(1,618)</u>      | <u>(3,635)</u>        | <u>(8,950)</u>        |
| Gross profit / (loss)  | 133                   | 896                 | 364                   | (1,401)               |
| Other (expenses) / income  | (504)                 | (327)               | (5,264)               | 3,580                 |
| Administrative expenses  | <u>(2,141)</u>        | <u>(705)</u>        | <u>(4,526)</u>        | <u>(5,246)</u>        |
| Loss from operations   | <u>(2,512)</u>        | <u>(136)</u>        | <u>(9,426)</u>        | <u>(3,067)</u>        |
| Interest income  | 236                   | -                   | 817                   | -                     |
| Finance cost   | <u>(12)</u>           | -                   | <u>(75)</u>           | -                     |
| <b>Loss before tax</b>   | <u>(2,288)</u>        | <u>(136)</u>        | <u>(8,684)</u>        | <u>(3,067)</u>        |
| Taxation   | <u>(2)</u>            | -                   | <u>(135)</u>          | -                     |
| <b>Loss for the period</b>   | <u>(2,290)</u>        | <u>(136)</u>        | <u>(8,819)</u>        | <u>(3,067)</u>        |
| Other comprehensive expenses:  |                       |                     |                       |                       |
| Transfer of share options reserve  | -                     | -                   | 10                    | -                     |
| Foreign currency translation differences<br>for a foreign subsidiary               | -                     | -                   | -                     | (4)                   |
| <b>Loss after taxation and other<br/>comprehensive expenses<br/>for the period</b> | <u><u>(2,290)</u></u> | <u><u>(136)</u></u> | <u><u>(8,809)</u></u> | <u><u>(3,071)</u></u> |
| <b>Loss after taxation for the period<br/>attributable to:</b>                     |                       |                     |                       |                       |
| - Owners of the Company  | (2,290)               | (99)                | (8,819)               | (2,760)               |
| - Non-controlling interests  | -                     | (37)                | -                     | (307)                 |
|  | <u><u>(2,290)</u></u> | <u><u>(136)</u></u> | <u><u>(8,819)</u></u> | <u><u>(3,067)</u></u> |
| <b>Loss after taxation and other comprehensive<br/>expenses attributable to:</b>   |                       |                     |                       |                       |
| - Owners of the Company  | (2,290)               | (99)                | (8,809)               | (2,764)               |
| - Non-controlling interests  | -                     | (37)                | -                     | (307)                 |
|  | <u><u>(2,290)</u></u> | <u><u>(136)</u></u> | <u><u>(8,809)</u></u> | <u><u>(3,071)</u></u> |
| <b>Loss per share (sen)</b>  |                       |                     |                       |                       |
| - Basic  | (0.38)                | (0.01)              | (1.45)                | (0.32)                |
| - Diluted  | N/A                   | N/A                 | N/A                   | N/A                   |

*(The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial period ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.)*

**PDZ HOLDINGS BHD (360419 -T)**  
**Condensed Consolidated Statement of Financial Position**  
**as at 30 Sep 2018 (Unaudited)**

|   | <b>(Unaudited)</b> | <b>(Audited)</b>  |
|---|--------------------|-------------------|
|   | <b>As at</b>       | <b>As at</b>      |
|   | <b>30.09.2018</b>  | <b>31.12.2017</b> |
|   | <b>RM '000</b>     | <b>RM '000</b>    |
| <b>ASSETS</b>                                       |                    |                   |
| <b>Non-current assets</b>                           |                    |                   |
| Property, plant and equipment                       | 4,937              | 11,849            |
| Goodwill on consolidation                           | 7                  | 7                 |
|   | <u>4,944</u>       | <u>11,856</u>     |
| <b>Current assets</b>                               |                    |                   |
| Bunker on board                                     | -                  | 422               |
| Trade receivables                                   | 4,579              | 4,421             |
| Other receivables                                   | 8,432              | 4,967             |
| Deposits and prepayments                            | 7,237              | 5,987             |
| Tax recoverable                                     | 1,047              | 805               |
| Fixed deposits                                      | 38,182             | 157               |
| Cash and bank balances                              | 690                | 3,278             |
|   | <u>60,167</u>      | <u>20,037</u>     |
|   | <u>65,111</u>      | <u>31,893</u>     |
| <b>TOTAL ASSETS</b>                                 |                    |                   |
| <b>EQUITY AND LIABILITIES</b>                       |                    |                   |
| Share capital                                       | 79,953             | 34,521            |
| Reserves  | 981                | 981               |
| Accumulated losses                                  | (23,717)           | (14,908)          |
| <b>Equity attributable to owners of the Company</b> | <u>57,217</u>      | <u>20,594</u>     |
| <b>Non-controlling interests</b>                    | 557                | 557               |
| <b>Total equity</b>                                 | <u>57,774</u>      | <u>21,151</u>     |
| <b>Non-current liabilities</b>                      |                    |                   |
| Deferred taxation                                   | 280                | 280               |
|   | <u>280</u>         | <u>280</u>        |
| <b>Current liabilities</b>                          |                    |                   |
| Trade payables                                      | 4,700              | 5,730             |
| Non-trade payables and accruals                     | 2,357              | 3,732             |
| Amount due to the directors                         | -                  | 400               |
| Borrowings  | -                  | 600               |
|   | <u>7,057</u>       | <u>10,462</u>     |
| <b>Total liabilities</b>                            | <u>7,337</u>       | <u>10,742</u>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <u>65,111</u>      | <u>31,893</u>     |
| <b>No. of ordinary shares ('000)</b>                | 681,991            | 217,330           |
| <b>Net assets per share (RM)</b>                    | <b>0.08</b>        | <b>0.09</b>       |

*(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.)*

**PDZ HOLDINGS BHD (360419 -T)**  
**Condensed Consolidated Statement of Changes in Equity**  
**for the financial year ended 30 September 2018 (Unaudited)**

|  | -----Attributable to owners of the Company----- |          |         |             |             |          |         | Non-        | Total   |
|--|---|----------|---------|-------------|-------------|----------|---------|-------------|---------|
|  | Share   | Share    | ESOS    | Revaluation | Currency    | Retained | Total   | controlling | equity  |
|  | capital   | premium  | Reserve | Reserve     | translation | earnings |         | interests   |         |
|  | RM '000   | RM '000  | RM '000 | RM '000     | differences | RM '000  | RM '000 | RM '000     | RM '000 |
| At 1 January 2018  | 34,521  | 0        | 0       | 886         | 95          | (14,908) | 20,594  | 557         | 21,151  |
| Proceeds from rights issue                               | 43,466  | 0        | 0       | 0           | 0           | 0        | 43,466  | 0           | 43,466  |
| Issuance of shares under<br>Employee Share Options       | 1,840   | 0        | 0       | 0           | 0           | 0        | 1,840   | 0           | 1,840   |
| Share based payment ("ESOS")<br>transactions             | 0   | 0        | 136     | 0           | 0           | 0        | 136     | 0           | 136     |
| Transfers of share options<br>exercised and expired      | 126   | 0        | (136)   | 0           | 0           | 10       | 0       | 0           | 0       |
| Loss for the period                                      | 0   | 0        | 0       | 0           | 0           | (8,819)  | (8,819) | 0           | (8,819) |
| At 30 September 2018                                     | 79,953  | 0        | 0       | 886         | 95          | (23,717) | 57,217  | 557         | 57,774  |
| At 1 January 2017  | 86,932  | 27,589   | 0       | 886         | 360         | (85,521) | 30,246  | 1,246       | 31,492  |
| Effect of share consolidation                            | (80,000)  | 0        | 0       | 0           | 0           | 80,000   | 0       | 0           | 0       |
| Transition to no-par value                               | 27,589  | (27,589) |         | 0           | 0           | 0        | 0       | 0           | 0       |
| Foreign currency translation<br>for a foreign subsidiary | 0   | 0        | 0       | 0           | (265)       | 0        | (265)   | 0           | (265)   |
| Loss for the year  | 0   | 0        | 0       | 0           | 0           | (9,387)  | (9,387) | (336)       | (9,723) |
| Dividends  | 0   | 0        | 0       | 0           | 0           | 0        | 0       | (353)       | (353)   |
| At 31 December 2017                                      | 34,521  | 0        | 0       | 886         | 95          | (14,908) | 20,594  | 557         | 21,151  |

*(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.)*

**PDZ HOLDINGS BHD (360419 -T)**  
**Condensed Consolidated Statement of Cash Flows**  
**for the quarter ended 30 September 2018 (Unaudited)**

|   | <b>Current<br/>Year To Date<br/><u>30.09.2018</u><br/>RM '000</b> | <b>Preceding<br/>Year To Date<br/><u>30.09.2017</u><br/>RM '000</b> |
|---|---|---|
| <b>Operating activities</b>                                 |   |   |
| Loss before tax   | (8,684)   | (3,067)   |
| Adjustments for:  |   |   |
| Depreciation  | 199   | 849   |
| Equity share based payments expenses (ESOS)                 | 136   | -   |
| Impairment charge / (reversal) of PPE                       | 1,753   | (4,485)   |
| Interest expenses   | 75  | -   |
| Interest income   | (817)   | (3)   |
| Income from bunker  | (170)   | -   |
| Unrealised loss / (gain) on foreign exchange                | 484   | (43)  |
|   | <u>(7,024)</u>  | <u>(6,749)</u>  |
| Changes in working capital:                                 |   |   |
| Bunker on board   | -   | 3   |
| Receivables   | 2,088   | (1,465)   |
| Payables  | (2,964)   | 2,164   |
| Cash outflows used in operations                            | <u>(7,900)</u>  | <u>(6,047)</u>  |
| Interest received   | 817   | 3   |
| Income tax paid   | (377)   | (173)   |
| Net cash used in operating activities                       | <u>(7,460)</u>  | <u>(6,217)</u>  |
| <b>Investing activities</b>                                 |   |   |
| Acquisition of property, plant and equipment                | (1,409)   | -   |
| Proceeds from disposal of property, plant and equipment     | -   | -   |
| Net cash outflows used in investing activities              | <u>(1,409)</u>  | <u>-</u>  |
| <b>Financing activities</b>                                 |   |   |
| Dividends paid by subsidiaries to non-controlling interests | -   | (294)   |
| Proceeds from issuance of share capital                     | 43,466  | -   |
| Proceeds from issuance of shares under ESOS                 | 1,840   | -   |
| Decrease of amount due to directors                         | (400)   | -   |
| Repayment of short-term borrowings                          | (600)   | -   |
| Withdrawal of fixed deposits pledged                        | 30  | 1,685   |
| Net cash inflows from financing activities                  | <u>44,336</u>   | <u>1,391</u>  |
| <b>Net change in cash and cash equivalents</b>              | 35,467  | (4,826)   |
| <b>Cash and cash equivalents at beginning of the period</b> | 3,405   | 6,143   |
| <b>Effects of currency translation differences</b>          | -   | 39  |
| <b>Cash and cash equivalents at end of the quarter</b>      | <u><u>38,872</u></u>  | <u><u>1,356</u></u>   |

**PDZ HOLDINGS BHD (360419 -T)**  
**Condensed Consolidated Statement of Cash Flows**  
**for the quarter ended 30 September 2018 (Unaudited)**

|                                     | <b>As at</b><br><b><u>30.09.2018</u></b><br><b>RM '000</b> | <b>As at</b><br><b><u>30.09.2017</u></b><br><b>RM '000</b> |
|-------------------------------------|--|--|
| Cash and cash equivalents comprise: |  |  |
| Cash and bank balances              | 690  | 1,356  |
| Fixed deposits                      | <u>38,182</u>  | <u>31</u>  |
|                                     | 38,872   | 1,387  |
| Fixed deposits pledged              | -  | (31)   |
|                                     | <u><u>38,872</u></u>                                       | <u><u>1,356</u></u>  |

*(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial period ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.)*

**A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134**

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Paragraph 9.22 Main Market Listing Requirements of the Bursa Malaysia Securities Berhad. The interim financial report also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017. The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the financial statements for the financial year ended 31 December 2017 except for the adoption of new MFRS, amendments and interpretations that are mandatory for the Group for the financial year beginning on 1 January 2018. The adoption of these standards, amendments and interpretations do not have a material impact on the interim financial information of the Group.

**A2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements of the Group for the financial period ended 31 December 2017 was not subject to any qualification.

**A3. Seasonal or Cyclical Factors**

The Group’s turnover is seasonal in nature, as there are low and peak demand periods during the different months of the year.

**A4. Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

**A5. Changes in Estimates**

There were no material changes in estimates that have a material effect on the financial results during the current quarter.

**A6. Changes in Debt and Equity securities**

There were no other issuances, cancellations, repurchases, resale or repayments of debt securities during the current quarter.

**A7. Dividend paid**

There were no dividends paid during the current quarter.

**A8. Valuation of Property and Equipment**

The Group did not revalue any of its property, plant and equipment during the current quarter.

#### A9. Subsequent Events

Reference is made to our announcement dated 25 October 2018, the Company had on 24 October 2018 completed the sale of PDZ Mewah to Somap International Pte Ltd (“SOMAP”) for a disposal consideration of USD1.53 million, following the Company’s receipt of the sealed order from the Kuala Lumpur High Court granting leave for the sale of PDZ Mewah to SOMAP. The sale proceeds (included under Other Receivables) have been retained by the Sheriff of the High Court of Malaysia pending disposal of the Writ per Note B7(b).

#### A10. Changes in Composition of the Group

There was no change in composition of the Group during the quarter.

#### A11. Capital commitments

There were no material capital commitments as at 30 September 2018.

#### A12. Contingent Liabilities and Contingent Assets

##### Corporate guarantee for Formosa Plastic Corporation (“Formosa”)

PDZ Holdings Bhd. had on 5 August 2016 issued a corporate guarantee to Formosa for the sum of RM2.33 million, to secure the payment of one month’s deposit and two hire outstanding for each of the Vessels by Eastgate to Formosa, in six instalments, to support the Novation of the charter parties. Please refer to Note B7(a) for further clarification.

#### B. Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

##### B1. Operating segments review

Financial review for Current Quarter and Cumulative Quarter:

|                                 | Individual Period<br>(3 <sup>rd</sup> Quarter)   |  |                               | Cumulative Period                                 |   |                               |
|---------------------------------|--|--|-------------------------------|---|---|-------------------------------|
|                                 | Current<br>Year<br>Quarter<br>30/09/18<br>RM’000 | Preceding Year<br>Corresponding<br>Quarter<br>30/09/17<br>RM’000 | Changes<br>(Amount)<br>RM’000 | Current<br>Year to-<br>Date<br>30/09/18<br>RM’000 | Preceding Year<br>Corresponding<br>Period<br>30/09/17<br>RM’000 | Changes<br>(Amount)<br>RM’000 |
| Revenue                         | 1,463  | 2,514  | (1,051)                       | 3,999   | 7,549   | (3,550)                       |
| Operating Loss                  | (2,512)  | (136)  | (2,376)                       | (9,426)   | (3,067)   | (6,359)                       |
| Loss Before<br>Interest and Tax | (2,512)  | (136)  | (2,376)                       | (9,426)   | (3,067)   | (6,359)                       |
| Loss Before Tax                 | (2,288)  | (136)  | (2,152)                       | (8,684)   | (3,067)   | (5,617)                       |
| Loss After Tax                  | (2,290)  | (136)  | (2,154)                       | (8,819)   | (3,067)   | (5,752)                       |
| LAOEHC*                         | (2,290)  | (99)   | (2,191)                       | (8,819)   | (2,760)   | (6,059)                       |

\* Loss Attributable to Ordinary Equity Holder of the Company

### Financial review for Current Quarter and Cumulative Quarter: (continued)

The Group registered lower Revenue for the current and cumulative quarter , was due to weak market sentiment. The Group registered a higher Loss After Tax for the current quarter was due to higher administrative cost. The Group registered a higher Loss After Tax for the cumulative quarter is due to additional cost following the disposal of vessel ('PDZ Maju') upon the determination of priority of claims by the Court as well as impairment expense of vessel ('PDZ Mewah'), following its disposal per A9.

### Financial review for Current Quarter and Immediate Preceding Quarter:

|   | <b>Current<br/>Quarter<br/>30/09/18<br/>RM'000</b> | <b>Immediate<br/>Preceding<br/>Quarter<br/>30/06/18<br/>RM'000</b> | <b>Changes<br/>(Amount)<br/>RM'000</b> |
|---|--|--|--|
| <b>Revenue</b>  | 1,463  | 1,409  | 54                                     |
| <b>Operating Loss</b>                                 | (2,512)  | (6,124)  | 3,612                                  |
| <b>Loss Before Interest and Tax</b>                   | (2,512)  | (6,124)  | 3,612                                  |
| <b>Loss Before Tax</b>                                | (2,288)  | (5,631)  | 3,343                                  |
| <b>Loss After tax</b>                                 | (2,290)  | (5,764)  | 3,474                                  |
| <b>Loss Attributable to the Owners of the Company</b> | (2,290)  | (5,764)  | 3,474                                  |

The Group recorded a slight increase in revenue for the current quarter, compared to the preceding quarter in light of improving market sentiment of the local shipping industry. The lower Loss After Tax in the current quarter compared to the immediate preceding quarter, was due to the additional costs for the disposal of the vessel ('PDZ Maju') and the impairment charge for the vessel ('PDZ Mewah'). This was offset by the higher administrative expenses recorded in the current quarter.

## **B2. Prospects**

Expected growth in the global and local economy is expected to increase demand for freight transport, including container liner services, which transports 90% of the world's manufactured goods. This should positively impact the container liner industry and benefit industry players that offer related services. Notwithstanding the losses reported due to the reasons mentioned as per B1 above, the Group will continue to monitor and strive for efficient cost management of its business, while continuing to look for related business to provide enhancement to the Group's existing and future earnings.

**B3. Profit Forecast and Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee in any public documents.

**B4. Bank borrowings and debt securities**

The Group has no borrowings and debt securities as at 30 September 2018.

**B5. Dividend Payable**

The Board of Directors did not recommend any dividend for the current quarter.

**B6. Trade Receivables**

The Group's normal trade credit terms range from cash term to 9 months (2017: cash terms to 9 months). Other credit terms are assessed and approved on a case by case basis. There are no trade receivables from related parties.

|                          | As at 30 September 2018 |                         |                         |                                    | Total<br>RM'000 |
|--------------------------|-------------------------|-------------------------|-------------------------|------------------------------------|-----------------|
|                          | Current<br>RM'000       | 1-3<br>months<br>RM'000 | 3-6<br>months<br>RM'000 | More<br>than 6<br>months<br>RM'000 |                 |
| <b>Denominated in RM</b> |                         |                         |                         |                                    |                 |
| Trade receivables        | 499                     | 1,422                   | 1,314                   | 1,344                              | 4,579           |

**B7. Material litigation**

- (a) Injunction against Formosa Plastics Marina Corporation ("Formosa") and Eastgate Group:  
On 21 September 2016, the Company obtained an ex parte injunction against Formosa and the Eastgate Group, amongst others, to restrain them from arresting the Company's vessels, cargo thereon or freight due therefrom. Formosa filed an application to set aside the said injunction and also for a stay of proceedings to refer this dispute to arbitration. On 2 May 2017, the Judge allowed the stay application pending arbitration and also that the injunctions were validly granted. The Judge has fixed Eastgate's counter-claim for the outstanding charter hire including damages against the Company for case management on 25 January 2019 and 25 to 29 March 2019 and 22 to 26 April 2019 for trial.
- (b) Claims by by Dan-Bunkering (Singapore) Pte Ltd ("Dan-Bunkering"):  
Reference is made to our announcement dated 25 January, 2 February 2017, 13 February 2017 and 15 June 2017. The High Court has on 14 June 2017, allowed the application of the Company to strike-out the Admiralty Suit and uplift and set-aside the Warrant of Arrest with cost of RM5,000 being awarded to the Company. The matter has been fixed for case management on 22 November 2018 and 18 to 22 March 2019 for trial.
- (c) Johany Jaafar ("JJ") counter claim against the Company and JJ's counter claim against Pelaburan MARA Berhad ("PMB") & PMB claim against JJ:  
Reference is made to our announcement dated 13 November 2018. the Court has on 12 November 2018, dismissed the counter claim against the Company with cost of RM10,000.

- (d) Claims by Harbour-Link Lines (“Harbour”) and Shin Yang Shipping (“Shin Yang”):  
Reference is made to our announcement dated 2 February 2017. The case is pending assessment of damages which in turn is pending the outcome of appeal per above B7 (b), in view that the damages claimed were caused by the wrongful Arrest of Vessel. The solicitor acting for the Company is of the view the Company stands a strong chance in defending the suit and setting aside the claims.
- (e) Claims by Perkapalan Dai Zhun Sdn Bhd (“PDZSB”) and Winding-Up petition against PDZSB:  
Reference is made to our announcement on 27 June 2018. The court hearing for the application for validation of the transfer of the Sale Shares in PDZSB from the Company to Salvage Point Ltd has been dismissed with cost of RM5,000. The Court of Appeal has fixed 13 December 2018 for case management. The solicitors acting for the Company is of the view the Company has a strong arguable case to appeal the decision.
- (f) Claims by Marine & Offshore Solution Sdn Bhd (“MAROFF”):  
Reference is made to our announcement dated 9 August 2018. The matter is fixed for case management on 5 September 2018. The solicitors acting for the Company is of the view that the Company has a strong arguable case to defend the writ.
- (g) Claims by Continental Platform (M) Sdn Bhd (“CPSB”) against Perkapalan Dai Zhun (Johore) Sdn Bhd  
Reference is made to our announcement dated 25 September 2018. The suit has been withdrawn with cost of RM1,000-00.
- (h) Claims by Continental Platform (M) Sdn Bhd (“CPSB”) against Fokus Marine Sdn Bhd  
Reference is made to our announcement dated 25 September 2018. The suit has been withdrawn with cost of RM1,000-00.

## B8. Taxation

|          | 3 months ended    |                 | 9 months ended    |                 |
|----------|-------------------|-----------------|-------------------|-----------------|
|          | Individual period |                 | Cumulative period |                 |
|          | <u>30/09/18</u>   | <u>30/09/17</u> | <u>30/09/18</u>   | <u>30/09/17</u> |
|          | RM '000           | RM '000         | RM '000           | RM '000         |
| Taxation | 2                 | -               | 135               | -               |

Ministry of Finance has via their letter dated 27 November 2015 granted the extension until the year assessment 2020 of the amended Section 54A of the Income Tax Act, 1967 in Malaysia (“the Act”) which provides that only 70% of the statutory income derived from the operations of sea-going Malaysian registered ships is exempted from tax.

**B9. Earnings/(loss) per share**

Basic earnings per share of the Group is calculated by dividing the profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue:

|   |          | <b>3 months ended</b>    |                        | <b>9 months ended</b>    |                        |
|---|----------|--------------------------|------------------------|--------------------------|------------------------|
|   |          | <b>Individual period</b> |                        | <b>Cumulative period</b> |                        |
|   |          | <b><u>30/09/18</u></b>   | <b><u>30/09/17</u></b> | <b><u>30/09/18</u></b>   | <b><u>30/09/17</u></b> |
| Loss attributable to ordinary shareholders of the Company | (RM'000) | (2,290)                  | (99)                   | (8,819)                  | (2,760)                |
| Weighted average number of ordinary shares in issue       | ('000)   | 610,151                  | 869,321                | 610,151                  | 869,321                |
| Basic loss per share                                      | (sen)    | (0.38)                   | (0.01)                 | (1.45)                   | (0.32)                 |

**B10. Profit Before Taxation**

Profit or loss before tax is after charging/(crediting) the following:

|   |  | <b>3 months ended</b>    |                        | <b>9 months ended</b>    |                        |
|---|--|--------------------------|------------------------|--------------------------|------------------------|
|   |  | <b>Individual period</b> |                        | <b>Cumulative period</b> |                        |
|   |  | <b><u>30/09/18</u></b>   | <b><u>30/09/17</u></b> | <b><u>30/09/18</u></b>   | <b><u>30/09/17</u></b> |
|   |  | <b>RM '000</b>           | <b>RM '000</b>         | <b>RM '000</b>           | <b>RM '000</b>         |
| Interest income                                     |  | (236)                    | -                      | (817)                    | (3)                    |
| Interest expense                                    |  | 12                       | -                      | 75                       | -                      |
| Depreciation  |  | 83                       | 95                     | 199                      | 849                    |
| Impairment charge / (reversal of impairment) on PPE |  | (80)                     | -                      | 1,753                    | (4,485)                |
| Share based transactions – ESOS                     |  | -                        | -                      | 136                      | -                      |
| Income from bunker                                  |  | (170)                    | -                      | (170)                    | -                      |
| Unrealised loss / (gain) on foreign exchange        |  | 151                      | -                      | 484                      | (43)                   |

**B11. Status of utilisation of proceeds as at 30 September 2018 raised from the Rights Issue with Warrants following the quotation for 434,660,560 Rights Shares together with 325,995,328 Warrants on the Main Market of Bursa Securities on 7 February 2018:**

| No     | Purpose   | Proposed utilisation (RM'000) | YTD Utilisation (RM'000) | YTD Balance (RM'000) | Intended Timeframe for utilisation from date of receipt |
|--------|---|-------------------------------|--------------------------|----------------------|---|
| (i)    | Acquisition of a container tug and barge set                                  | 4,000                         | 0                        | 4,000                | Within 18 months <sup>(2)</sup>                         |
| (ii)   | Regional business expansion   | 3,300                         | 0                        | 3,300                | Within 24 months  |
| (iii)  | Working capital   | 6,000                         | (4,442)                  | 1,558                | Within 24 months  |
| (iv)   | Security deposit for bank guarantee to port authorities                       | 1,000                         | 0                        | 1,000                | Within 12 months  |
| (v)    | Purchase of containers  | 4,900                         | 0                        | 4,900                | Within 24 months  |
| (vi)   | Acquisition of a vessel   | 11,000                        | 0                        | 11,000               | Within 24 months  |
| (vii)  | Acquisition and/or investment in other complementary businesses and/or assets | <sup>(3)</sup> 12,346         | 0                        | 12,346               | Within 24 months  |
| (viii) | Estimated expenses for the Corporate Exercises                                | <sup>(1)</sup> 920            | (920)                    | 0                    | Immediate   |
|        | <b>Total</b>  | <b>43,466</b>                 | <b>(5,362)</b>           | <b>38,104</b>        |   |

**Remarks:**

Unutilized proceeds are placed in interest bearing fixed deposit with licensed financial institutions(s) and money market funds.

- (1) Corporate exercise estimated expense surplus is adjusted accordingly into the acquisition and/or investment in other complementary businesses and/or assets.
- (2) The Board on 27 August 2018 approved the proposed utilization for acquisition of a container tug and barge set to be extended by 12 months to 6 August 2019 as the Company has yet to identify a suitable container tug and barge set.
- (3) The Board has decided to re-allocate the utilisation of the Rights Issue Proceeds for dry docking expenditure of PDZ Mewah which was supposed to be due to August 2018 in view that the dry docking did not materialise as scheduled as earlier disclosed in Note (3) of Section 5 of the abridged prospectus dated 5 January 2018 given the arrest of PDZ Mewah, and further to its disposal per announcement on 25 October 2018.

**B12. Status of corporate proposals**

There is no on-going corporate proposal for the Company and the Group during the quarter.

**B13. Off-balance sheet financial instruments**

There were no financial instruments with off-balance sheet risks as at 30 September 2018.