

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

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive  
Income for the quarter and year ended 30 September 2019 (Unaudited)**

|                                                                               | Individual Quarter |                   | Cummulative Quarter |                   |
|-------------------------------------------------------------------------------|--------------------|-------------------|---------------------|-------------------|
|                                                                               | Current Year       | Preceding         | Current Year        | Preceding         |
|                                                                               | Quarter            | Year              | To Date             | Year              |
|                                                                               | <u>30.09.2019</u>  | <u>30.09.2018</u> | <u>30.09.2019</u>   | <u>30.09.2018</u> |
|                                                                               | RM '000            | RM '000           | RM '000             | RM '000           |
| Revenue                                                                       | 1,644              | 1,463             | 3,707               | 3,999             |
| Cost of sales                                                                 | (1,483)            | (1,330)           | (3,348)             | (3,635)           |
| Gross profit                                                                  | 161                | 133               | 359                 | 364               |
| Other expenses                                                                | (6,443)            | (504)             | (6,239)             | (5,264)           |
| Administrative expenses                                                       | (856)              | (2,141)           | (2,500)             | (4,526)           |
| Loss from operations                                                          | (7,138)            | (2,512)           | (8,380)             | (9,426)           |
| Interest income                                                               | 348                | 236               | 930                 | 817               |
| Finance cost                                                                  | -                  | (12)              | -                   | (75)              |
| <b>Loss before tax</b>                                                        | (6,790)            | (2,288)           | (7,450)             | (8,684)           |
| Taxation                                                                      | -                  | (2)               | (142)               | (135)             |
| <b>Loss for the period</b>                                                    | (6,790)            | (2,290)           | (7,592)             | (8,819)           |
| Other comprehensive expenses:                                                 |                    |                   |                     |                   |
| Transfer of share options reserve                                             | -                  | -                 | -                   | 10                |
| <b>Loss after tax and other<br/>comperhensive expenses<br/>for the period</b> | <u>(6,790)</u>     | <u>(2,290)</u>    | <u>(7,592)</u>      | <u>(8,809)</u>    |
| <b>Loss after tax for the period<br/>attributable to:</b>                     |                    |                   |                     |                   |
| - Owners of the Company                                                       | (6,790)            | (2,290)           | (7,592)             | (8,819)           |
| - Non-controlling interests                                                   | -                  | -                 | -                   | -                 |
|                                                                               | <u>(6,790)</u>     | <u>(2,290)</u>    | <u>(7,592)</u>      | <u>(8,819)</u>    |
| <b>Loss after tax and other comprehensive<br/>expenses attributable to:</b>   |                    |                   |                     |                   |
| - Owners of the Company                                                       | (6,790)            | (2,290)           | (7,592)             | (8,809)           |
| - Non-controlling interests                                                   | -                  | -                 | -                   | -                 |
|                                                                               | <u>(6,790)</u>     | <u>(2,290)</u>    | <u>(7,592)</u>      | <u>(8,809)</u>    |
| <b>Loss per share (sen)</b>                                                   |                    |                   |                     |                   |
| - Basic                                                                       | (1.00)             | (0.38)            | (1.11)              | (1.45)            |
| - 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 year ended 31 December 2018 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 September 2019 (Unaudited)**

|                                                     | <b>(Unaudited)</b>       | <b>(Audited)</b>         |
|-----------------------------------------------------|--------------------------|--------------------------|
|                                                     | <b>As at</b>             | <b>As at</b>             |
|                                                     | <b><u>30.09.2019</u></b> | <b><u>31.12.2018</u></b> |
|                                                     | <b>RM '000</b>           | <b>RM '000</b>           |
| <b>ASSETS</b>                                       |                          |                          |
| <b>Non-current assets</b>                           |                          |                          |
| Property, plant and equipment                       | 4,745                    | 4,861                    |
| Investments in quoted shares                        | 374                      | 501                      |
|                                                     | <u>5,119</u>             | <u>5,362</u>             |
| <b>Current assets</b>                               |                          |                          |
| Trade receivables                                   | 3,062                    | 3,909                    |
| Other receivables                                   | 8,507                    | 8,528                    |
| Deposits and prepayments                            | 5,434                    | 5,234                    |
| Tax recoverable                                     | 920                      | 1,167                    |
| Fixed deposits                                      | 36,114                   | 36,052                   |
| Cash at bank                                        | 811                      | 2,947                    |
|                                                     | <u>54,848</u>            | <u>57,837</u>            |
| <b>TOTAL ASSETS</b>                                 | <u><u>59,967</u></u>     | <u><u>63,199</u></u>     |
| <b>EQUITY AND LIABILITIES</b>                       |                          |                          |
| Share capital                                       | 80,027                   | 80,027                   |
| Reserves                                            | 3,837                    | 3,837                    |
| Accumulated losses                                  | (37,584)                 | (29,992)                 |
| <b>Equity attributable to owners of the Company</b> | <u>46,280</u>            | <u>53,872</u>            |
| <b>Non-controlling interests</b>                    | <u>263</u>               | <u>263</u>               |
| <b>Total equity</b>                                 | <u><u>46,543</u></u>     | <u><u>54,135</u></u>     |
| <b>Non-current liabilities</b>                      |                          |                          |
| Deferred taxation                                   | 280                      | 280                      |
|                                                     | <u>280</u>               | <u>280</u>               |
| <b>Current liabilities</b>                          |                          |                          |
| Trade payables                                      | 3,066                    | 4,261                    |
| Other payables and accruals                         | 10,078                   | 4,523                    |
|                                                     | <u>13,144</u>            | <u>8,784</u>             |
| <b>Total liabilities</b>                            | <u><u>13,424</u></u>     | <u><u>9,064</u></u>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <u><u>59,967</u></u>     | <u><u>63,199</u></u>     |
| <b>No. of ordinary shares ('000)</b>                | 681,991                  | 681,991                  |
| <b>Net assets per share (sen)</b>                   | <b>6.79</b>              | <b>7.90</b>              |

*(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 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 quarter and year ended 30 September 2019 (Unaudited)**

|                                                | <-----Attributable to owners of the Company--- |              |                      |               | Non-<br>controlling<br>interests | Total<br>equity |
|------------------------------------------------|------------------------------------------------|--------------|----------------------|---------------|----------------------------------|-----------------|
|                                                | Share<br>capital                               | Reserves     | Retained<br>earnings | Total         |                                  |                 |
|                                                | RM '000                                        | RM '000      | RM '000              | RM '000       | RM '000                          | RM '000         |
| At 1 January 2019                              | 80,027                                         | 3,837        | (29,992)             | 53,872        | 263                              | 54,135          |
| Loss for the period                            | -                                              | -            | (7,592)              | (7,592)       | -                                | (7,592)         |
| At 30 September 2019                           | <u>80,027</u>                                  | <u>3,837</u> | <u>(37,584)</u>      | <u>46,280</u> | <u>263</u>                       | <u>46,543</u>   |
| At 1 January 2018                              | 34,521                                         | 981          | (14,908)             | 20,594        | 557                              | 21,151          |
| Share issuance under<br>rights issue           | 43,466                                         | -            | -                    | 43,466        | -                                | 43,466          |
| Fair value adjustments<br>for warrants         | -                                              | 3,260        | (3,260)              | -             | -                                | -               |
| Share issuance under<br>Employee Share Options | 1,840                                          | -            | -                    | 1,840         | -                                | 1,840           |
| Share based payment<br>transactions            | -                                              | 212          | -                    | 212           | -                                | 212             |
| ESOS expired                                   | 200                                            | (212)        | 12                   | -             | -                                | -               |
| Transaction with owners                        | -                                              | -            | -                    | -             | (49)                             | (49)            |
| Loss for the financial<br>year                 | -                                              | -            | (11,836)             | (11,836)      | (245)                            | (12,081)        |
| Other comprehensive<br>expenses                | -                                              | (404)        | -                    | (404)         | -                                | (404)           |
| At 31 December 2018                            | <u>80,027</u>                                  | <u>3,837</u> | <u>(29,992)</u>      | <u>53,872</u> | <u>263</u>                       | <u>54,135</u>   |

*(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year 31 December 2018 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 and year ended 30 September 2019**

|                                              | <b>(Unaudited)</b><br><b>Year To Date</b><br><b><u>30.09.2019</u></b><br><b>RM '000</b> | <b>(Unaudited)</b><br><b>Year To Date</b><br><b><u>30.09.2018</u></b><br><b>RM '000</b> |
|----------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <b>Operating activities</b>                  |                                                                                         |                                                                                         |
| Loss before tax                              | (7,450)                                                                                 | (8,684)                                                                                 |
| Adjustments for:                             |                                                                                         |                                                                                         |
| Depreciation                                 | 251                                                                                     | 199                                                                                     |
| Equity share based payments expenses (ESOS)  | -                                                                                       | 136                                                                                     |
| Impairment charge / (reversal) of PPE        | -                                                                                       | 1,753                                                                                   |
| Interest expenses                            | -                                                                                       | 75                                                                                      |
| Interest income                              | (930)                                                                                   | (817)                                                                                   |
| Loss on disposal of PPE                      | 129                                                                                     | -                                                                                       |
| Provision for admiralty claims               | 6,149                                                                                   | -                                                                                       |
| (Reversal) / provision of bunker stock       | -                                                                                       | (170)                                                                                   |
| Reversal of allowance for doubtful debts     | (77)                                                                                    | -                                                                                       |
| Unrealised (gain)/loss on foreign exchange   | (62)                                                                                    | 484                                                                                     |
| Unrealised loss on quoted shares             | 127                                                                                     | -                                                                                       |
|                                              | <u>(1,863)</u>                                                                          | <u>(7,024)</u>                                                                          |
| Changes in working capital:                  |                                                                                         |                                                                                         |
| Receivables                                  | 1,076                                                                                   | 2,088                                                                                   |
| Payables                                     | <u>(1,727)</u>                                                                          | <u>(2,964)</u>                                                                          |
| Cash used in operations                      | (2,514)                                                                                 | (7,900)                                                                                 |
| Interest received                            | 599                                                                                     | 817                                                                                     |
| Income tax refund                            | 427                                                                                     | -                                                                                       |
| Income tax paid                              | <u>(322)</u>                                                                            | <u>(377)</u>                                                                            |
| Net cash used in operating activities        | <u>(1,810)</u>                                                                          | <u>(7,460)</u>                                                                          |
| <b>Investing activities</b>                  |                                                                                         |                                                                                         |
| Acquisition of property, plant and equipment | <u>(264)</u>                                                                            | <u>(1,409)</u>                                                                          |
| Net cash used in investing activities        | <u>(264)</u>                                                                            | <u>(1,409)</u>                                                                          |

**PDZ HOLDINGS BHD (360419 -T)**  
**Condensed Consolidated Statement of Cash Flows**  
**for the quarter and year ended 30 September 2019**

|                                                                 | <b>(Unaudited)</b><br><b>Year To Date</b><br><b><u>30.09.2019</u></b><br><b>RM '000</b> | <b>(Unaudited)</b><br><b>Year To Date</b><br><b><u>30.09.2018</u></b><br><b>RM '000</b> |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <b>Financing activities</b>                                     |                                                                                         |                                                                                         |
| Proceeds from issuance of share capital                         | -                                                                                       | 43,466                                                                                  |
| Proceeds from issuance of shares under ESOS                     | -                                                                                       | 1,840                                                                                   |
| Decrease in amount due to directors                             | -                                                                                       | (400)                                                                                   |
| Repayment of short-term borrowings                              | -                                                                                       | (600)                                                                                   |
| Withdrawal of fixed deposits pledged                            | -                                                                                       | 30                                                                                      |
| Net cash from financing activities                              | <u>-</u>                                                                                | <u>44,336</u>                                                                           |
| <b>Net change in cash and cash equivalents</b>                  | <b>(2,074)</b>                                                                          | <b>35,467</b>                                                                           |
| <b>Cash and cash equivalents at beginning of the period</b>     | <b>38,999</b>                                                                           | <b>3,405</b>                                                                            |
| <b>Cash and cash equivalents at end of the financial period</b> | <b><u>36,925</u></b>                                                                    | <b><u>38,872</u></b>                                                                    |

|                                     | <b>(Unaudited)</b><br><b>As at</b><br><b><u>30.09.2019</u></b><br><b>RM '000</b> | <b>(Unaudited)</b><br><b>As at</b><br><b><u>30.09.2018</u></b><br><b>RM '000</b> |
|-------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Cash and cash equivalents comprise: |                                                                                  |                                                                                  |
| Cash and bank balances              | 811                                                                              | 690                                                                              |
| Term deposits at call               | <u>36,114</u>                                                                    | <u>38,182</u>                                                                    |
|                                     | 36,925                                                                           | 38,872                                                                           |
| Fixed deposits pledged              | <u>-</u>                                                                         | <u>-</u>                                                                         |
|                                     | <b><u>36,925</u></b>                                                             | <b><u>38,872</u></b>                                                             |

*(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 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 2018. 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 2018 except for the adoption of new MFRS, amendments and interpretations that are mandatory for the Group for the financial year beginning on 1 January 2019. 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 2018 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 reporting period.

**A9. Subsequent Events**

Subsequent to 30 September 2019, the Court fixed a decision on a legal case against the Company as per Note B7(a). The provision for the claim amount was made accordingly as at the reporting date.

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

There was no change in composition of the Group during the current reporting period.

**A11. Capital commitments**

There were no material capital commitments as at the end of the reporting period.

**A12. Contingent Liabilities and Contingent Assets**

There were no contingent liabilities and contingent assets as at the end of the reporting period.

**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 Year<br>Quarter<br>30/9/19<br>RM'000   | Preceding Year<br>Corresponding<br>Quarter<br>30/9/18<br>RM'000 | Changes<br>(Amount)<br>RM'000 | Current<br>Year to-<br>Date<br>30/9/19<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30/9/18<br>RM'000 | Changes<br>(Amount)<br>RM'000 |
| Revenue                         | 1,644                                          | 1,463                                                           | 181                           | 3,707                                            | 3,999                                                          | (292)                         |
| Operating Loss                  | (7,138)                                        | (2,512)                                                         | (4,626)                       | (8,380)                                          | (9,426)                                                        | 1,046                         |
| Loss Before<br>Interest and Tax | (7,138)                                        | (2,512)                                                         | (4,626)                       | (8,380)                                          | (9,426)                                                        | 1,046                         |
| Loss Before Tax                 | (6,790)                                        | (2,288)                                                         | (4,502)                       | (7,450)                                          | (8,684)                                                        | 1,234                         |
| Loss After Tax                  | (6,790)                                        | (2,290)                                                         | (4,500)                       | (7,592)                                          | (8,819)                                                        | 1,227                         |
| LAOEHC*                         | (6,790)                                        | (2,290)                                                         | (4,500)                       | (7,592)                                          | (8,819)                                                        | 1,227                         |

\* Loss Attributable to Ordinary Equity Holder of the Company

The Group registered lower revenue for the cumulative quarter, compared to the preceding year cumulative quarter, on the back of the lower total trade volume, despite the slight increase in the current quarter, compared to the preceding year corresponding quarter.

The Group recorded a higher Loss After Tax for the current quarter, compared to the preceding year mainly due to the provision made for admiralty claims as per Note B10. For the cumulative quarter, lower Loss After Tax is mainly due to the lower administrative expenses compared to the preceding year cumulative quarter.

Financial review for Current Quarter and Immediate Preceding Quarter:

|                                                                    | <b>Current<br/>Quarter<br/><br/>30/9/19<br/>RM'000</b> | <b>Immediate<br/>Preceding<br/>Quarter<br/><br/>30/6/19<br/>RM'000</b> | <b>Changes<br/>(Amount)<br/><br/><br/>RM'000</b> |
|--------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------|
| <b>Revenue</b>                                                     | 1,644                                                  | 1,023                                                                  | 621                                              |
| <b>Operating Loss</b>                                              | (7,138)                                                | (573)                                                                  | (6,565)                                          |
| <b>Loss Before Interest and Tax</b>                                | (7,138)                                                | (573)                                                                  | (6,565)                                          |
| <b>Profit/(Loss) Before Tax</b>                                    | (6,790)                                                | (300)                                                                  | (6,490)                                          |
| <b>Profit/(Loss) After tax</b>                                     | (6,790)                                                | (365)                                                                  | (6,425)                                          |
| <b>Profit/(Loss) Attributable to the Owners of<br/>the Company</b> | (6,790)                                                | (365)                                                                  | (6,425)                                          |

The Group registered an increase in revenue for the current quarter, compared to the preceding quarter, on the back of higher trade volume.

The Group registered a higher Loss After Tax in the current quarter compared to the immediate preceding quarter, mainly due to the increase in expected credit losses for trade receivables and the provision made for admiralty claims payable as per Note B10.

**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 the end of the reporting period.

**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 (2018: 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 2019 |                         |                         |                                    | 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        | 510                     | 1,277                   | 1,051                   | 224                                | 3,062           |

**B7. Material litigation**

- (a) Injunction against Formosa Plastics Marina Corporation ("Formosa") and Eastgate:  
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 Court awarded Eastgate Group's counter-claim against the Company and its former subsidiary, Perkapalan Dai Zhun Sdn Bhd ("PDZSB") amounting to RM5.2 million being operational expenses incurred by Eastgate Group with interest of RM0.9 million and cost of RM0.1 million. The Company and PDZSB have on 18 November 2019 filed for an appeal against the said judgement. The stay application against the judgement pending disposal of appeal is fixed for hearing on 28 November 2019.
- (b) Claims 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 Court has fixed 10 December 2019 for case management and the hearing dates are fixed on 17 to 20 February 2020 and 3 to 5 March 2020.
- (c) 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.

- (d) Claims by Perkapalan Dai Zhun Sdn Bhd (“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 10 February 2020 for hearing. The solicitors acting for the Company is of the view the Company has a strong arguable case to appeal the decision.
- (e) Counter claims by Johany Jaafar:  
Reference is made to our announcement on 23 January 2019, where the Court has on 12 November 2018 dismissed the counter claim against the Company by JJ with cost of RM10,000.00. The Court of Appeal has adjourned hearing to a date pending from court. The solicitors acting for the Company is of the view the Company has a strong arguable case on the matter.

## B8. Taxation

|          | 3 months ended    |                 | Year to date      |                 |
|----------|-------------------|-----------------|-------------------|-----------------|
|          | Individual period |                 | Cumulative period |                 |
|          | <u>30/09/19</u>   | <u>30/09/18</u> | <u>30/09/19</u>   | <u>30/09/18</u> |
|          | RM '000           | RM '000         | RM '000           | RM '000         |
| Taxation | -                 | 2               | 142               | 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:

|                                                     |          | 3 months ended    |                 | Year to date      |                 |
|-----------------------------------------------------|----------|-------------------|-----------------|-------------------|-----------------|
|                                                     |          | Individual period |                 | Cumulative period |                 |
|                                                     |          | <u>30/09/19</u>   | <u>30/09/18</u> | <u>30/09/19</u>   | <u>30/09/18</u> |
|                                                     |          |                   |                 |                   |                 |
| Net loss attributable to ordinary shareholders      | (RM'000) | (6,790)           | (2,290)         | (7,592)           | (8,819)         |
| Weighted average number of ordinary shares in issue | ('000)   | 681,991           | 610,151         | 681,991           | 610,151         |
| Basic loss per share                                | (sen)    | (1.00)            | (0.38)          | (1.11)            | (1.45)          |

**B10. Profit Before Taxation**

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

|                                                          | <b>3 months ended</b>    |                        | <b>Year to date</b>      |                        |
|----------------------------------------------------------|--------------------------|------------------------|--------------------------|------------------------|
|                                                          | <b>Individual period</b> |                        | <b>Cumulative period</b> |                        |
|                                                          | <b><u>30/09/19</u></b>   | <b><u>30/09/18</u></b> | <b><u>30/09/19</u></b>   | <b><u>30/09/18</u></b> |
|                                                          | <b>RM '000</b>           | <b>RM '000</b>         | <b>RM '000</b>           | <b>RM '000</b>         |
| Interest income                                          | (348)                    | (236)                  | (930)                    | (817)                  |
| Interest expense                                         | -                        | 12                     | -                        | 75                     |
| Loss on disposal of PPE                                  | -                        | -                      | 129                      | -                      |
| Impairment charge on PPE                                 | -                        | (80)                   | -                        | 1,753                  |
| Addition to / (reversal) of allowance for doubtful debts | 175                      | -                      | (77)                     | -                      |
| Depreciation                                             | 92                       | 83                     | 251                      | 199                    |
| Share based transactions – ESOS                          | -                        | -                      | -                        | 136                    |
| Income from bunker                                       | -                        | (170)                  | -                        | (170)                  |
| Provision for admiralty claim                            | 6,249                    | -                      | 6,249                    | -                      |
| Unrealised loss on quoted shares                         | 41                       | -                      | 127                      | -                      |
| Loss / (gain) in foreign exchange difference             | 19                       | 151                    | (62)                     | 484                    |

**B11. Status of utilisation of proceeds as at 30 September 2019 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 36 months                                        |
| (ii)   | Regional business expansion                                                   | 1,800                         | 0                        | 1,800                | Within 24 months                                        |
| (iii)  | Working capital                                                               | 8,150                         | (6,650)                  | 1,500                | Within 24 months                                        |
| (iv)   | Security deposit for bank guarantee to port authorities                       | 350                           | 0                        | 350                  | Within 24 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 | 12,346                        | 0                        | 12,346               | Within 24 months                                        |
| (viii) | Estimated expenses for the Corporate Exercises                                | 920                           | (920)                    | 0                    | Immediate                                               |
|        | <b>Total</b>                                                                  | <b>43,466</b>                 | <b>(7,570)</b>           | <b>35,896</b>        |                                                         |

**Remarks:**

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

**B12. Status of corporate proposals**

There is no on-going corporate proposal for the Company and the Group at the end of the reporting period.

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

There were no financial instruments with off-balance sheet risks as at the reporting date.