



PERDANA PETROLEUM BERHAD

**Company No. 372113-A
(Incorporated in Malaysia)**

Interim Report for the Quarter Ended 31 March 2021

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 31 MARCH 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	-----Unaudited-----			
	Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000	Current Period-to-date Ended 31-Mar-21 RM'000	Corresponding Period-to-date Ended 31-Mar-20 RM'000
Revenue	16,840	59,664	16,840	59,664
Cost of services	(36,804)	(52,531)	(36,804)	(52,531)
Gross (loss)/profit	(19,964)	7,133	(19,964)	7,133
Other income	8	79	8	79
Administrative expenses	(2,188)	(1,836)	(2,188)	(1,836)
Other expenses	(3,179)	(15,356)	(3,179)	(15,356)
Results from operating activities	(25,323)	(9,980)	(25,323)	(9,980)
Finance income	85	361	85	361
Finance costs	(2,101)	(3,688)	(2,101)	(3,688)
Net finance costs	(2,016)	(3,327)	(2,016)	(3,327)
Loss before tax	(27,339)	(13,307)	(27,339)	(13,307)
Taxation	(165)	(594)	(165)	(594)
Loss for the period	(27,504)	(13,901)	(27,504)	(13,901)
<i>Other comprehensive income</i>				
<i>Foreign currency translation</i>	35,734	55,224	35,734	55,224
Total comprehensive income for the period attributable to Owners of the Company	8,230	41,323	8,230	41,323
Loss for the period attributable to:				
Owners of the Company	(27,504)	(13,901)	(27,504)	(13,901)
Non-controlling interests	-	-	-	-
	(27,504)	(13,901)	(27,504)	(13,901)
Total comprehensive income for the period attributable to:				
Owners of the Company	8,230	41,326	8,230	41,326
Non-controlling interests	-	(3)	-	(3)
	8,230	41,323	8,230	41,323
Loss per share (Sen)				
a) Basic	(1.24)	(0.87)	(1.24)	(0.87)
b) Diluted	N/A	N/A	N/A	N/A

* Negligible

(The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020)

PERDANA PETROLEUM BERHAD

(Company No. 372113 - A)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER

ENDED 31 MARCH 2021

STATEMENT OF FINANCIAL POSITION

	(Unaudited) 31-Mar-21 RM'000	(Audited) 31-Dec-20 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,043,695	1,024,552
Deposits	12,000	12,000
Deferred tax assets	7,080	7,080
	<u>1,062,775</u>	<u>1,043,632</u>
CURRENT ASSETS		
Inventories	3,176	2,541
Trade receivables - external parties	14,024	20,914
Trade receivables - related company	12,385	30,484
Other receivables, deposits and prepayments	8,641	8,109
Current tax assets	3,543	3,391
Cash and cash equivalents	34,539	46,522
	<u>76,308</u>	<u>111,961</u>
TOTAL ASSETS	<u>1,139,083</u>	<u>1,155,593</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	885,198	885,198
Reserves	(61,703)	(69,933)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>823,495</u>	<u>815,265</u>
Non-controlling interests	-	-
TOTAL EQUITY	<u>823,495</u>	<u>815,265</u>
NON-CURRENT LIABILITIES		
Loans and borrowings	24,426	25,735
Other payables - related company	133,911	140,721
Deferred tax liabilities	3,106	3,106
	<u>161,443</u>	<u>169,562</u>
CURRENT LIABILITIES		
Loans and borrowings	75,413	76,245
Trade payables - external parties	16,588	29,235
Trade payables - related company	4	-
Other payables - external parties	6,446	8,071
Other payables - related company	55,638	57,159
Current tax liabilities	56	56
	<u>154,145</u>	<u>170,766</u>
TOTAL LIABILITIES	<u>315,588</u>	<u>340,328</u>
TOTAL EQUITY AND LIABILITIES	<u>1,139,083</u>	<u>1,155,593</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)		
	0.37	0.37

(The Statement of Financial Position should be read in conjunction
with the audited financial statements of the Group for the financial year ended 31 December 2020)

PERDANA PETROLEUM BERHAD
(Company No. 372113 - A)
(Incorporated in Malaysia)



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 31 MARCH 2021**

STATEMENT OF CASH FLOWS

	(Unaudited) Period Ended 31-Mar-21 RM'000	(Audited) Year Ended 31-Dec-20 RM'000
Cash flows from operating activities		
Loss before tax	(27,339)	(53,885)
<i>Adjustments for:</i>		
Impairment loss on financial assets	-	257
Impairment loss on property, plant and equipment	-	33,667
Depreciation of property, plant and equipment	20,038	81,370
Finance costs	2,101	12,075
Finance income	(85)	(895)
Unrealised loss/(gain) on foreign exchange	3,057	(3,845)
Operating (loss)/profit before changes in working capital	(2,228)	68,744
<i>Changes in working capital:</i>		
Inventories	(635)	(852)
Trade and other receivables, deposits and prepayments	18,214	23,416
Trade and other payables	(12,338)	(6,581)
Cash generated from operations	3,013	84,727
Income tax paid	(320)	(3,194)
Net cash from operating activities	2,693	81,533
Cash flows for investing activities		
Interest received	85	895
Purchase of property, plant and equipment	(3,712)	(16,704)
Net cash used in investing activities	(3,627)	(15,809)

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
 ENDED 31 MARCH 2021**

STATEMENT OF CASH FLOWS

	(Unaudited)	(Audited)
	Period Ended	Year Ended
	31-Mar-21	31-Dec-20
	RM'000	RM'000
Cash flows from financing activities		
Repayment to a related company	(6,810)	(22,700)
Repayment of term loan - Islamic	(589)	(1,964)
Repayment of secured term loans	(4,748)	(17,928)
Repayment of revolving credits	-	(1,748)
Interest paid	(3,728)	(8,401)
Net cash used in financing activities	<u>(15,875)</u>	<u>(52,741)</u>
Net (decrease)/increase in cash and cash equivalents	(16,809)	12,983
Effect of exchange rate movements	4,826	(4,022)
Cash and cash equivalents at the beginning of the financial period/year	<u>46,522</u>	<u>37,561</u>
Cash and cash equivalents at the end of the financial period/year	<u>34,539</u>	<u>46,522</u>
Cash and cash equivalents		
Deposits placed with licensed banks	18,210	28,420
Cash on hand and at banks	<u>16,329</u>	<u>18,102</u>
	<u>34,539</u>	<u>46,522</u>

**(The Statement of Cash Flows should be read in conjunction
 with the audited financial statements of the Group for the financial year ended 31 December 2020)**

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company							Total Equity RM'000
	Ordinary Share Capital RM'000	Redeemable Convertible Preference Shares RM'000	Other Capital Reserve RM'000	Translation Reserve RM'000	Accumulated losses RM'000	Sub- Total RM'000	Non- Controlling Interest RM'000	
[----- Non-distributable -----]								
Financial period ended 31 March 2021 (Unaudited)								
As at 1 January 2021	876,397	8,801	1,635	51,471	(123,039)	815,265	-	815,265
Total transactions with owners of the Company	324	(324)	-	-	-	-	-	-
Total comprehensive expense for the period	-	-	-	35,734	(27,504)	8,230	-	8,230
Balance as at 31 March 2021	876,721	8,477	1,635	87,205	(150,543)	823,495	-	823,495
Financial year ended 31 December 2020 (Audited)								
As at 1 January 2020	411,219	473,979	1,635	70,442	(57,608)	899,667	136	899,803
Total transactions with owners of the Company	465,178	(465,178)	-	(267)	403	136	(136)	-
Total comprehensive expense for the year	-	-	-	(18,704)	(65,834)	(84,538)	-	(84,538)
Balance as at 31 December 2020	876,397	8,801	1,635	51,471	(123,039)	815,265	-	815,265

(The Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 31 MARCH 2021

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2020.

2. Changes in Accounting Policies

2.1 Adoption of Accounting Standards, Amendments and Interpretations

The significant accounting policies adopted in the preparation of these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2020, except for the adoption of the following Amendments from 1 January 2021:

MFRS / Amendments / Interpretations	Effective Date
Amendments to MFRS 9, <i>Financial Instruments</i> , MFRS 139, <i>Financial Instruments: Recognition and Measurement</i> , MFRS 7, <i>Financial Instruments: Disclosures</i> , MFRS 4, <i>Insurance Contracts</i> and MFRS 16, <i>Leases – Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021

The adoption of the above Amendments does not have a material impact on the financial statements of the Group.

2.2 Accounting Standards, Amendments and Interpretations issued but not yet effective

MFRS / Amendments / Interpretations	Effective Date
Amendments to MFRS 16, <i>Leases – Covid 19 – Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018 - 2020)</i>	1 January 2022
Amendments to MFRS 3, <i>Business Combinations – Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 9, <i>Financial Instruments (Annual Improvements to MFRS Standards 2018 – 2020)</i>	1 January 2022

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 31 MARCH 2021

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. Changes in Accounting Policies (Cont'd)

2.2 Accounting Standards, Amendments and Interpretations issued but not yet effective (Cont'd)

MFRS / Amendments / Interpretations	Effective Date
Amendments to Illustrative Examples accompanying MFRS 16, <i>Leases (Annual Improvements to MFRS Standards 2018 – 2020)</i>	1 January 2022
Amendments to MFRS 116, <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137, <i>Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 141, <i>Agriculture (Annual Improvements to MFRS Standards 2018 – 2020)</i>	1 January 2022
MFRS 17, <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101, <i>Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures – Sale or contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2022 those amendments that are effective for annual periods beginning on or after 1 April 2021 and 1 January 2022, except for amendments to MFRS 1 and MFRS 141 which are not applicable to the Group and the Company.
- from the annual period beginning on 1 January 2023 the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 which is not applicable to the Group and the Company.

The initial application of the abovementioned accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

3. Seasonal or Cyclical Factors

Due to its synergistic tie-up with Dayang Enterprise Holdings Bhd. (“Dayang”), the ultimate holding company, about one third of the Group’s vessel fleet hired out is chartered to Dayang and the latter’s offshore topside maintenance operations are normally affected by bad weather at the beginning and the end of the year. This factor has been taken into consideration in the Group’s annual business plan.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, or cash flows during the current quarter and financial period to-date, except for other income/expenses and other comprehensive income/expenses arising from realised/unrealised foreign exchange gain/loss and foreign currency translation of investment in Labuan subsidiaries denominated in US Dollars.

During the current quarter and financial period to-date, other expenses comprise net realised/unrealised foreign exchange loss of RM3.2 million whereas other comprehensive income includes foreign currency translation gain of RM35.7 million.

5. Material Changes in Estimates

There were no material changes in the estimates of amounts reported in the current quarter and financial period to-date.

6. Issuance and Repayment of Debts and Equity Securities

There have been no cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter and financial period to-date other than the conversion of 996,562 Redeemable Convertible Preference Shares (“RCPS”) into new ordinary shares at a conversion ratio of 1 RCPS : 1 ordinary share of the Company. The conversion price of RM0.325 per share is the same as the issue price of the RCPS.

The cumulative number of RCPS converted into ordinary shares of the Company since issuance is 1,437,450,699 as at 31 March 2021 and the number of RCPS yet to be converted as at that date is 26,178,500.

7. Dividends Paid

No dividend has been declared or paid for the financial year ended 31 December 2020 and the quarter ended 31 March 2021.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. Segmental Information

	Marine Offshore Support Services	
	Current Quarter/ Period-to-date Ended 31-Mar-21 RM'000	Corresponding Quarter/ Period-to-date Ended 31-Mar-20 RM'000
Segment loss	(22,483)	(6,809)
<i>Included in the measure of segment loss are:</i>		
Revenue from external customers	16,840	59,664
Inter-segment revenue	19,528	74,187
Depreciation and amortization	(20,031)	(19,933)
Impairment loss on property, plant and equipment	-	(10,903)
Finance costs	(474)	(1,044)
Finance income	73	153
Unrealised foreign exchange (loss)/gain	(3,057)	7
Segment assets	972,228	1,218,779
Reconciliation of reportable segment revenues, profit or loss, assets and other material items		
Profit or loss		
Total loss for reportable segments	(22,483)	(6,809)
Other non-reportable segments	(1,800)	(2,188)
Elimination of inter-segment loss	(3,056)	(4,310)
Consolidated loss before tax	(27,339)	(13,307)

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. Segmental Information (Cont'd)

Current Quarter/ Period-to-date Ended 31 March 2021	External revenue RM'000	Depreciation and amortisation RM'000	Finance costs RM'000	Finance income RM'000	Segment assets RM'000
Total reportable segments	16,840	(20,031)	(474)	73	972,228
Other non-reportable segments	-	(7)	(1,627)	12	824,557
Elimination of inter- segment transactions or balances	-	-	-	-	(657,702)
Consolidated total	16,840	(20,038)	(2,101)	85	1,139,083

Corresponding Quarter/ Period-to-date Ended 31 March 2020	External revenue RM'000	Depreciation and amortisation RM'000	Finance costs RM'000	Finance income RM'000	Segment assets RM'000
Total reportable segments	59,664	(19,933)	(1,044)	153	1,218,779
Other non-reportable segments	-	(31)	(2,644)	208	907,139
Elimination of inter- segment transactions or balances	-	-	-	-	(798,705)
Consolidated total	59,664	(19,964)	(3,688)	361	1,327,213

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

10. Revenue

10.1 Disaggregation of Revenue from Contracts with Customers

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers, except for immaterial amounts related to hedge accounting.

In the following table, revenue from contracts with customers is disaggregated by service line and timing of revenue recognition.

	Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000
Major service line		
Catering services	81	1,304
Timing of recognition		
At a point in time	81	1,304

10.2 Nature of services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms
Catering services	Revenue is recognised at a point in time when the services are performed and accepted by the customers.	Credit periods of 30 to 45 days from invoice date.

11. Valuation of Property, Plant and Equipment ("PPE")

The Group periodically reassesses its assets (except for inventories, deferred tax assets and financial assets) to determine whether there is any indication of further impairment to the assets or if there is any reversal of impairment previously provided.

The Group adopts value-in-use ("VIU") estimations for the reassessment which entail discounting the estimated future cash flows from the continuing use of its PPE. The recoverable amounts were compared against the carrying amounts of the PPE.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. Valuation of Property, Plant and Equipment (“PPE”) (Cont’d)

The last reassessment for PPE was performed as at 31 December 2020.

The Group’s accumulated impairment loss for PPE remains at USD17.6 million as at 31 March 2021 and 31 December 2020 (equivalent to RM73.3 million and RM70.7 million respectively).

12. Material Events Subsequent to the Reporting Period

There were no material events subsequent to the current financial quarter ended 31 March 2021 up to the date of this report which is likely to substantially affect the financial results of the Group.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 31 March 2021.

14. Contingent Liabilities

The following are the contingent liabilities of the Group as at 31 March 2021:

	As at 31-Mar-21	
	Group	Company
	RM'000	RM'000
<u>Contingent liabilities not considered remote</u>		
Corporate guarantees favouring banks for facilities granted to:		
- ultimate holding company	600,600	600,600
- subsidiaries	-	87,955
	600,00	688,555

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

14. Contingent Liabilities (Cont'd)

Further to the conclusion of a tax audit conducted for year of assessment (“YA”) 2007 to YA 2010, the Inland Revenue Board (“IRB”) has requested the Group to revise its tax computations for YA2011 and subsequent years. The Group engaged a tax consultant to assist in the matter and assess the tax impacts thereof. In February 2017, the Group responded to the IRB that it disagrees with applying the same computation method used for the earlier tax audit exercise based on reasonable technical grounds. The IRB wrote to the Group on 22 April 2021 seeking clarification on certain asset transfers between group entities and the Group had since replied to the IRB. The Group may need to provide for additional tax payable, if any, arising from any revision of the tax computations for YA2011 and subsequent years, the outcome of which cannot be ascertained at this present stage. As at the latest practicable date of 15 May 2021, the Group has not received any response from the IRB to its reply of February 2017.

In addition to the above, the IRB is also conducting transfer pricing tax audits of several subsidiaries of the Group for years of assessment varying from YA2011 to YA2018. The Group has engaged a tax consultant to assist in the matter and has responded to the IRB on its enquiries. The Group is currently awaiting further response from the IRB. The financial impact, if any, from the relevant tax audits by the IRB is not determinable at this juncture.

15. Capital Commitments

As at 31 March 2021, the Group has the following capital commitments:

	Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000
Approved but not contracted for	2,126	11,560
Approved and contracted for	10,874	1,440
	13,000	13,000

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**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 31 MARCH 2021****PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134****16. Significant Related Party Transactions**

- a. The Group / Company had the following transactions with related parties during the financial quarter:

Company	Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000
i. Subsidiaries:		
- management fees income	378	414
ii. Related party:		
- interest expense	1,561	2,611
- rental expense	15	15
Group		
i. Related party:		
- vessel charter income	2,985	21,138
- interest expense	1,561	2,611
- rental expense	85	85

In the opinion of the Directors, the above transactions have been entered into in the ordinary course of business and have been established on terms that are not more favourable to the related parties than those generally available to the public.

- b. Compensation of key management personnel

The remuneration of Directors and other members of key management are as follows:

	Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000
Short-term employee benefits	230	247

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**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 31 MARCH 2021****PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****17. Review of Financial Performance****Current Year Quarter versus Preceding Year Corresponding Quarter**

	Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000	Variance	
			RM'000	%
Revenue	16,840	59,664	(42,824)	(72)
Gross (Loss)/Profit	(19,964)	7,133	(27,097)	(380)
Loss Before Interest and Taxation	(25,323)	(9,980)	(15,343)	(154)
Loss Before Taxation	(27,339)	(13,307)	(14,032)	(105)
Loss After Taxation	(27,504)	(13,901)	(13,603)	(98)
Loss Attributable to Ordinary Equity Holders of the Company	(27,504)	(13,901)	(13,603)	(98)

For the current quarter ended 31 March 2021, the Group has recorded a lower revenue of RM16.8 million and a loss before tax of RM27.3 million, as compared to a revenue of RM59.7 million and a loss before tax of RM13.3 million in the first quarter of 2020.

The decrease in revenue and gross profit in the current quarter is mainly attributable to lower vessel utilisation at 25% as compared to 64% in the first quarter of 2020. This is a result of slower work orders/contracts being awarded from oil majors in the first quarter of 2021 arising from the adverse impact of COVID-19. The loss before tax of RM27.3 million in the current quarter is arrived at, after taking into account a net realised/unrealised foreign exchange loss of RM3.2 million, as compared to a net realised/unrealised foreign exchange loss of RM4.4 million that has been provided in the corresponding quarter of 2020. The loss after tax in the current quarter has taken into account tax expenses amounting to RM0.2 million (see Note 21).

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REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****18. Financial Review for Current Quarter Compared with Immediate Preceding Quarter**

	Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Dec-20 * RM'000	Variance	
			RM'000	%
Revenue	16,840	36,232	(19,392)	(54)
Gross Loss	(19,964)	(10,891)	(9,073)	(83)
Loss Before Interest and Taxation	(25,323)	(15,656)	(9,667)	(62)
Loss Before Taxation	(27,339)	(17,840)	(9,499)	(53)
Loss After Taxation	(27,504)	(18,536)	(8,968)	(48)
Loss Attributable to Ordinary Equity Holders of the Company	(27,504)	(18,536)	(8,968)	(48)

* Adjusted to conform with the 2020 audited financial statements of the Group.

The Group recorded a lower revenue of RM16.8 million and a loss before tax of RM27.3 million in the current quarter, as compared to a revenue of RM36.2 million and a loss before tax of RM17.8 million in the preceding quarter.

The decrease in revenue in the current quarter is mainly due to lower vessel utilisation at 25% as compared to 41% in the fourth quarter of 2020. The typically lower vessel utilisation in the first quarter of 2021 is a result of slower work orders/contracts awarded from the oil majors arising from the adverse impact of COVID-19. In addition, the loss before tax recorded in the current quarter has taken into account a net realised/unrealised foreign exchange loss of RM3.2 million, as compared to an additional allowance for impairment loss on PPE of RM4.9 million as well as legal expenses of RM1.0 million recognised in the preceding quarter. The loss after taxation in the current quarter has taken into account tax expenses amounting to RM0.2 million (see Note 21).

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19. Prospects

The financial performance of Perdana Petroleum (“the Group”) in the first quarter of 2021 was weaker than expected due to the seasonal monsoon weather and the reimposition of the Movement Control Order (“MCO”) by the Government of Malaysia to contain the spread of COVID-19 pandemic.

Going forward, we are of the opinion that the outlook of the oil and gas industry and hence that of the Group will be healthier in the coming months on the premises that crude oil price would remain at current levels, which are reasonably high enough to spur oil majors to undertake their planned capital expenditure. We also expect that the economic activities would be gradually getting back to normal once the vaccine inoculation programme is substantially rolled out throughout the country by the Malaysian government.

Nevertheless, the Board remains vigilant and will continue to exercise due care and prudence in the running and administration of the Group’s business.

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20. Loss for the Quarter / Period

Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000	Current Period-to-date Ended 31-Mar-21 RM'000	Corresponding Period-to-date Ended 31-Mar-20 RM'000
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Loss for the quarter / period is
arrived at after charging /
(crediting):

Depreciation of property, plant and equipment	20,038	19,964	20,038	19,964
Impairment loss on property, plant and equipment	-	10,903	-	10,903
Interest expense	2,101	3,688	2,101	3,688
Interest income	(85)	(361)	(85)	(361)
Loss on foreign exchange:				
- realised	95	72	95	72
- unrealised	3,057	4,303	3,057	4,303

Save for the above, there were no write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, other income including investment income and exceptional items for the current quarter and financial period ended 31 March 2021.

21. Taxation

The provision of taxation for the current quarter and financial period-to-date under review are as follows:

Current Quarter Ended 31-Mar-21 RM'000	Corresponding Quarter Ended 31-Mar-20 RM'000	Current Period-to-date Ended 31-Mar-20 RM'000	Corresponding Period-to-date Ended 31-Mar-20 RM'000	
Current tax expense:				
Malaysian - current year	165	594	165	594

Despite the consolidated losses for the current quarter and financial period to-date, the Group still incurs a current tax charge of RM0.2 million as the losses incurred by certain group entities cannot be offset against the taxable profits made by other group entities.

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22. Corporate Proposals

There were no corporate proposals announced but not completed as at 15 May 2021, being the latest practicable date not earlier than 7 days from the date of issue of this interim report.

23. Borrowings

Total Group's borrowings as at 31 March 2021 were as follows:

	As at Current Period Ended 31-Mar-2021					
	Non-current		Current		Total borrowings	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured						
- Term loans	3,345	13,919	17,557	73,056	20,902	86,975
- Islamic facility	-	10,507	-	2,357	-	12,864
Total	3,345	24,426	17,557	75,413	20,902	99,839

Exchange rate (USD: MYR) at USD1: MYR4.161

Source of reference: Bank Negara Malaysia website

Total Group's borrowings as at 31 December 2020 were as follows:

	As at Previous Year Ended 31-Dec-2020					
	Non-current		Current		Total borrowings	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured						
- Term loans	3,645	14,638	18,399	73,888	22,044	88,526
- Islamic facility	-	11,097	-	2,357	-	13,454
Total	3,645	25,735	18,399	76,245	22,044	101,980

Exchange rate (USD: MYR) at USD1: MYR4.016

Source of reference: Bank Negara Malaysia website

As at 31 March 2021, the total outstanding borrowings is RM99.8 million as compared to RM102.0 million as at 31 December 2020.

The Group's borrowings are interest-bearing and denominated in both Ringgit Malaysia ("MYR") and United States Dollar ("USD"), as set out in the tables above. The Islamic facility of the Group is based on fixed interest rate whereas the term loans are based on floating interest rate.

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24. Material Litigations

Save for the following, there were no material litigations involving the Group since the last financial year ended 31 December 2019 up to 15 May 2021, being the latest practicable date not earlier than 7 days from the date of issue of this interim report.

On 7 August 2018, Tengku Dato' Ibrahim Petra Bin Tengku Indra Petra, Datin Che Nariza Hajjar Hashim, Wong Fook Heng and Tiong Young Kong (the "Plaintiffs") filed a claim for indemnification of legal fees they have incurred in defending the prior suits (and the appeals emanated therefrom) brought by the Company against them.

On 29 May 2019, the High Court has allowed the Plaintiff's claim against the Company for the cost incurred on an indemnity basis in defending the suits (and the appeals emanated therefrom) since 2009. The total amount to be paid by the Company to the Plaintiffs including the costs and the allocator fee is RM2,652,447.13. The said amount has been fully settled in September 2019.

On 27 June 2019, the Company has filed a notice of appeal to the Court of Appeal against the decision made by the High Court. The Company's solicitors attended court on 13 August 2019 for case management and updated the court on the current progress of the appeal. This matter came up for e-review on 30 October 2019 before the Deputy Registrar of the Court of Appeal. The Court of Appeal was informed that the Company has yet to obtain the grounds of judgement from the High Court and that the Company has issued several reminders to the High Court. Therefore, the Court of Appeal has adjourned the matter to 17 December 2019 for further e-review and for the Company to update the Court of Appeal on the availability of the said grounds of judgement.

The Company has received the ground of judgment from the High Court in January 2020 and all the parties have agreed that the Company would file its supplementary record of appeal in the Court of Appeal by 2 March 2020.

The Appeal came up for e-review on 13 February 2020 and the Court of Appeal has fixed the Appeal for further e-review on 5 March 2020 for the Company to update the Court of Appeal on the status of filing of the said supplementary record of appeal. The case management has subsequently been fixed on 21 September 2020 and the hearing for the full e-Appellate is scheduled to take place on 21 June 2021.

25. Proposed Dividends

No interim dividends have been declared for the current quarter under review.

The Board of Directors did not recommend the payment of any dividends for the financial year ended 31 December 2020.

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26. Loss Per Share

a) Basic

	Current Quarter Ended 31-Mar-21	Corresponding Quarter Ended 31-Mar-20	Current Period-to-date Ended 31-Mar-21	Corresponding Period-to-date Ended 31-Mar-20
Net loss attributable to shareholders (RM'000)	(27,504)	(13,901)	(27,504)	(13,901)
Number of ordinary shares at the beginning of the quarter/period	2,214,925,086	778,470,949	2,214,925,086	778,470,949
Effect of conversion of RCPS to ordinary shares	373,147	813,344,065	373,147	813,344,065
Weighted average number of ordinary shares in issue	2,215,298,233	1,591,815,014	2,215,928,233	1,591,815,014
Basic loss per ordinary share (Sen)	(1.24)	(0.87)	(1.24)	(0.87)

b) Diluted

The Company has on 31 December 2019 issued and allotted 1,463,629,199 RCPS that are convertible into new ordinary shares in the Company (see Note 7). As at the financial period ended 31 March 2021, only 26,178,500 RCPS have yet to be converted into ordinary shares. Diluted loss per share to account for the effect of conversion of the remaining RCPS into ordinary shares, which is anti-dilutive, has not been computed.

By Order of the Board

*Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin
Managing Director*

Date: 21 May 2021