



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the Second Quarter ended 30 June 2021**

	<b>Current Quarter Ended 30-Jun-21 (Unaudited) RM'000</b>	<b>Corresponding Quarter Ended 30-Jun-20 (Unaudited) RM'000</b>	<b>Cumulative Period To Date 30-Jun-21 (Unaudited) RM'000</b>	<b>Corresponding Period To Date 30-Jun-20 (Unaudited) RM'000</b>
Revenue	159,687	170,947	243,747	343,004
Cost of services	(133,906)	(129,856)	(218,338)	(242,209)
<b>Gross profit</b>	<b>25,781</b>	<b>41,091</b>	<b>25,409</b>	<b>100,795</b>
Other income	372	644	1,033	115
Administrative expenses	(22,858)	(27,907)	(46,349)	(54,254)
Other expenses	(28,018)	(305)	(31,089)	(4,069)
<b>Results from operating activities</b>	<b>(24,723)</b>	<b>13,523</b>	<b>(50,996)</b>	<b>42,587</b>
Finance costs	(10,247)	(11,793)	(19,274)	(24,672)
Finance income	2,117	2,381	3,966	5,215
<b>Net finance costs</b>	<b>(8,130)</b>	<b>(9,412)</b>	<b>(15,308)</b>	<b>(19,457)</b>
<b>(Loss)/Profit before tax</b>	<b>(32,853)</b>	<b>4,111</b>	<b>(66,304)</b>	<b>23,130</b>
Taxation	(3,228)	(6,139)	(7,287)	(16,910)
<b>(Loss)/Profit for the period</b>	<b>(36,081)</b>	<b>(2,028)</b>	<b>(73,591)</b>	<b>6,220</b>
<b>Other comprehensive (expense)/income, net of tax</b>				
Foreign currency translation	(327)	(5,348)	35,405	49,879
<b>Total comprehensive (expense)/income for the period</b>	<b>(36,408)</b>	<b>(7,376)</b>	<b>(38,186)</b>	<b>56,099</b>
<b>(Loss)/Profit for the period attributable to:</b>				
Owners of the Company	(21,891)	(985)	(49,428)	8,340
Non-controlling interest	(14,190)	(1,043)	(24,163)	(2,120)
	<b>(36,081)</b>	<b>(2,028)</b>	<b>(73,591)</b>	<b>6,220</b>
<b>Total comprehensive (expense)/income for the period attributable to:</b>				
Owners of the Company	(22,103)	(4,403)	(26,864)	40,223
Non-controlling interest	(14,305)	(2,973)	(11,322)	15,876
	<b>(36,408)</b>	<b>(7,376)</b>	<b>(38,186)</b>	<b>56,099</b>
Weighted average number of ordinary shares in issue ('000)	1,157,772	1,061,291	1,118,326	1,061,291
Basic (loss)/earnings per ordinary share (sen)	(1.89)	(0.09)	(4.42)	0.79

(The Condensed Consolidated 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 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Financial Position**  
As at 30 June 2021

	(Unaudited) 30-Jun-21 RM'000	(Audited) 31-Dec-20 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,233,000	1,266,273
Right-of-use assets	38,673	40,740
Deposits	12,000	12,000
Goodwill	653,627	653,627
Deferred tax assets	7,080	7,080
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,944,380</b>	<b>1,979,720</b>
<b>CURRENT ASSETS</b>		
Inventories	7,185	6,586
Contract assets	199,355	197,116
Trade and other receivables	117,693	96,648
Other investments	29,795	28,606
Deposits and prepayments	7,408	9,219
Current tax assets	6,581	3,391
Cash and cash equivalents	418,595	424,217
<b>TOTAL CURRENT ASSETS</b>	<b>786,612</b>	<b>765,783</b>
<b>TOTAL ASSETS</b>	<b>2,730,992</b>	<b>2,745,503</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	891,288	761,751
Reserves	702,932	730,216
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>1,594,220</b>	<b>1,491,967</b>
<b>NON-CONTROLLING INTEREST</b>	<b>276,121</b>	<b>287,023</b>
<b>TOTAL EQUITY</b>	<b>1,870,341</b>	<b>1,778,990</b>
<b>NON-CURRENT LIABILITIES</b>		
Loans and borrowings	448,560	526,056
Lease liabilities	6,245	8,031
Deferred tax liabilities	76,783	75,612
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>531,588</b>	<b>609,699</b>
<b>CURRENT LIABILITIES</b>		
Loans and borrowings	161,529	180,251
Lease liabilities	3,643	3,662
Trade and other payables	162,513	164,455
Current tax liabilities	1,378	8,446
<b>TOTAL CURRENT LIABILITIES</b>	<b>329,063</b>	<b>356,814</b>
<b>TOTAL LIABILITIES</b>	<b>860,651</b>	<b>966,513</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,730,992</b>	<b>2,745,503</b>
Net assets per share (sen)	143	141

(The Condensed Consolidated 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 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Changes in Equity  
For the Second Quarter ended 30 June 2021**

	Attributable to the Owners of the Company			Total	Non-controlling interest	Total Equity
	Non-Distributable		Distributable			
	Share Capital	Other reserve	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2020</b>	<b>761,751</b>	<b>50,483</b>	<b>622,300</b>	<b>1,434,534</b>	<b>330,597</b>	<b>1,765,131</b>
Profit for the year	-	-	56,412	56,412	(23,850)	32,562
Foreign currency translation differences for foreign operations	-	(11,927)	-	(11,927)	(6,776)	(18,703)
Total comprehensive income for the year	-	(11,927)	56,412	44,485	(30,626)	13,859
Dilution of NCI interest in a subsidiary	-	-	12,812	12,812	(12,812)	-
Changes in ownership interests in a subsidiary	-	(267)	403	136	(136)	-
<b>At 31 December 2020 (Audited)</b>	<b>761,751</b>	<b>38,289</b>	<b>691,927</b>	<b>1,491,967</b>	<b>287,023</b>	<b>1,778,990</b>



**Condensed Consolidated Statement of Changes in Equity (Cont'd)**  
**For the Second Quarter ended 30 June 2021**

	Attributable to the Owners of the Company			Total	Non-controlling interest	Total Equity
	Non-Distributable		Distributable			
	Share Capital	Other reserve	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2021</b>	<b>761,751</b>	<b>38,289</b>	<b>691,927</b>	<b>1,491,967</b>	<b>287,023</b>	<b>1,778,990</b>
Loss for the period	-	-	(49,428)	(49,428)	(24,163)	(73,591)
Foreign currency translation differences for foreign operations	-	22,564	-	22,564	12,841	35,405
Total comprehensive expense for the period	-	22,564	(49,428)	(26,864)	(11,322)	(38,186)
Issuance of ordinary shares under private placement	132,343	-	-	132,343	-	132,343
Share issue expense	(2,806)	-	-	(2,806)	-	(2,806)
Dilution of NCI interest in a subsidiary	-	-	(420)	(420)	420	-
<b>At 30 June 2021 (Unaudited)</b>	<b>891,288</b>	<b>60,853</b>	<b>642,079</b>	<b>1,594,220</b>	<b>276,121</b>	<b>1,870,341</b>

(The Condensed Consolidated Statement 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 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Cash Flows**  
**For the Second Quarter ended 30 June 2021**

	Current period-to-date (Unaudited) 30-Jun-21 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-20 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax	(66,304)	23,130
<i>Adjustments for:-</i>		
- Non-cash items	85,374	59,971
- Non-operating items	15,308	19,818
<b>Operating profit before changes in working capital</b>	<b>34,378</b>	<b>102,919</b>
<u>Changes in working capital</u>		
Inventories	(599)	(114)
Contract assets	(2,239)	3,643
Trade and other payables	7,862	(67,129)
Trade and other receivables, deposits and prepayments	(25,421)	184,932
<b>Cash generated from operations</b>	<b>13,981</b>	<b>224,251</b>
Income tax paid	(16,376)	(34,014)
Interest paid	(265)	-
Interest received	3,966	5,215
<b>Net cash from operating activities</b>	<b>1,306</b>	<b>195,452</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(11,951)	(28,118)
Proceeds from disposal of property, plant and equipment	-	6
Net movement of deposits with original maturity exceeding three months	(1,189)	-
<b>Net cash used in investing activities</b>	<b>(13,140)</b>	<b>(28,112)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(92,514)	(17,642)
Payment of lease liabilities	(1,806)	-
Proceeds from Private Placement, net of expenses	129,537	-
Term loans interest paid	(6,254)	(3,297)
Net movement in pledged deposits	(536)	-
Guarantee fee payment arising from Sukuk	(1,526)	(1,767)
Coupon payments arising from Sukuk	(13,693)	(20,500)
<b>Net cash from/(used in) financing activities</b>	<b>13,208</b>	<b>(43,206)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,374</b>	<b>124,134</b>
<b>Effect of exchange rate movements</b>	<b>5,003</b>	<b>5,260</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>281,861</b>	<b>316,915</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>288,238</b>	<b>446,309</b>



**Condensed Consolidated Statement of Cash Flows  
For the Second Quarter ended 30 June 2021 (Cont'd)**

<b>Current period-to-date (Unaudited) 30-Jun-21 RM'000</b>	<b>Corresponding period-to-date (Unaudited) 30-Jun-20 RM'000</b>
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**Breakdown of cash and cash equivalents at the end of the period:-**

Fixed deposits placed with original maturities not exceeding three months (excluding deposits pledged)	201,428	371,369
Cash on hand and at banks	86,810	74,940
<b>Cash and cash equivalents</b>	<b>288,238</b>	<b>446,309</b>

(The Condensed Consolidated 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 and the accompanying notes attached to this interim financial report).

**A. NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134): INTERIM FINANCIAL REPORTING****A1. Basis of Reporting Preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard 134 (MFRS134), *Interim Financial Reporting* and with IAS 34, *Interim Financial Reporting* and Appendix 9B part A of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Group and the Company for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**A2. Changes in Accounting Policies****A2.1 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 Accounting Standards, Amendments and Interpretations:

<b>MFRS/ Amendment/ Interpretation</b>	<b>Effective date</b>
Amendment to MFRS 16, <i>Leases – Covid-19 Related Rent Concessions</i>	1 June 2020
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
Amendments to MFRS 16, <i>Leases – Covid-19 Related Rent Concessions beyond 30 June 2021</i>	1 April 2021

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

- From the annual period beginning on 1 January 2021 for those amendments that are effective for annual periods beginning on or after 1 June 2020, 1 January 2021 and 1 April 2021.

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**A2. Changes in Accounting policies (Cont'd)****A2.2 Accounting Standards, Amendments and Interpretations issued but not yet effective**

<b>MFRS/ Amendment/ Interpretation</b>	<b>Effective date</b>
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
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>Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be determined

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

- From the annual period beginning on 1 January 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022, except for Amendments to MFRS 1 and Amendments to MFRS 141, which are assessed as not applicable to the Group and the Company.
- From the annual period beginning on 1 January 2023 for those amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17, which are assessed as not applicable to the Group and the Company.

The initial application of the above accounting standards, amendments or interpretations are not expected to have any material financial impacts on the financial statements of the Group and the Company for the current and prior periods.



**A3. Auditors' Report**

There was no qualification on the audited financial statements of the Group and of the Company for the financial year ended 31 December 2020.

**A4. (Loss)/Profit for the period**

	Current quarter ended (unaudited) 30-Jun-21 RM'000	Corresponding quarter ended (unaudited) 30-Jun-20 RM'000	Current period-to- date (unaudited) 30-Jun-21 RM'000	Corresponding period-to-date (unaudited) 30-Jun-20 RM'000	Preceding Quarter (unaudited) 31-Mar-21 RM'000
<b>(Loss)/Profit for the period is arrived at after (charging)/crediting:</b>					
<b><u>Other income</u></b>					
Unrealised gain on foreign exchange	85	615	-	-	-
Others	287	29	1,033	115	746
Total other income	372	644	1,033	115	746
<b><u>Other expenses</u></b>					
Impairment loss on property, plant and equipment	(27,882)	-	(27,882)	-	-
Realised loss on foreign exchange	(136)	(305)	(234)	(381)	(98)
Unrealised loss on foreign exchange	-	-	(2,972)	(3,688)	(3,057)
Others	-	-	(1)	-	(1)
Total other expenses	(28,018)	(305)	(31,089)	(4,069)	(3,156)
Grand total of other income, net of other expenses	(27,646)	339	(30,056)	(3,954)	(2,410)
Depreciation of property, plant and equipment & right-of-use assets	(27,442)	(28,949)	(54,520)	(56,282)	(27,078)

Save for the above, there were no allowance for write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties and material exceptional items that are included in the profit of the Group for the current quarter ended 30 June 2021.

**A5. Seasonal or Cyclical Factors**

Seasonality due to weather is not foreseen to affect the Group's vessel chartering operations. However, the offshore topside maintenance operations are normally affected by bad weather at the beginning and the end of the year and this factor has been taken into consideration in the Group's annual business plan.



**A6. Items of Unusual Nature and Amount**

There were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence for 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 as well as impairment loss on property, plant and equipment (“PPE”).

During the current quarter and financial period-to-date, the other expenses comprise net realised/unrealised foreign exchange loss of RM0.1 million and net realised/unrealised foreign exchange loss of RM3.2 million respectively whereas other comprehensive income/expenses include foreign currency translation loss of RM0.3 million and foreign currency translation gain of RM35.4 million respectively.

In addition, the Group has made an additional allowance for impairment loss on PPE of RM27.9 million (see Note A13) during the quarter under review and for the financial period-to-date.

**A7. Material Changes in Estimates**

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

**A8. Issuances, Cancellations, Repurchase, Resale and Repayments of Debt and Equity Securities**

There were no cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter and financial period to-date other than the private placement of up to approximately 10% of the total number of issued shares of the Company [see detail in note B8] and the conversion of Redeemable Convertible Preference Shares (“RCPS”) into new ordinary shares of Perdana Petroleum Berhad (“PPB”).

During the current quarter and financial period-to-date, the number of RCPS converted is 201,393 and 1,197,955 respectively at a conversion ratio of 1 RCPS : 1 ordinary share of PPB. 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 PPB since issuance is 1,437,652,092 as at 30 June 2021 and the number of RCPS yet to be converted as at that date is 25,977,107.

**A9. Dividend**

No dividend has been declared or paid for the financial year ended 31 December 2020 and the current period ended 30 June 2021.

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**A10. Segmental information**

The Group is organized into the following operating segments:-

1. Investment holding
2. Offshore Topside Maintenance Services (“Offshore TMS”)
3. Charter of Marine Vessels (“Marine Charter”)
4. Rental of offshore equipment (“Equipment Rental”)

**A10.1 Business Segment**

<b>Current quarter ended 30 June 2021</b>	<b>Investment Holding RM'000</b>	<b>Offshore TMS RM'000</b>	<b>Marine Charter RM'000</b>	<b>Equipment Rental RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>							
External revenue	-	121,344	25,355	-	146,699	12,988	159,687
Inter-segment revenue	1,050	-	35,557	5,969	42,576	(42,576)	-
Total revenue	1,050	121,344	60,912	5,969	189,275	(29,588)	159,687
<b>Results</b>							
Segment results	88	5,520	(30,998)	3,071	(22,319)	(2,404)	(24,723)
Finance costs	(9,503)	(93)	(646)	(5)	(10,247)	-	(10,247)
Inter-segment finance costs	(5,447)	-	(1,513)	-	(6,960)	6,960	-
Total finance costs	(14,950)	(93)	(2,159)	(5)	(17,207)	6,960	(10,247)
Finance income	682	1,043	321	71	2,117	-	2,117
Inter-segment finance income	-	-	-	-	-	-	-
Total finance income	682	1,043	321	71	2,117	-	2,117
(Loss)/Profit before tax	<b>(14,180)</b>	<b>6,470</b>	<b>(32,836)</b>	<b>3,137</b>	<b>(37,409)</b>	<b>4,556</b>	<b>(32,853)</b>
Taxation							(3,228)
Loss after tax							<b>(36,081)</b>

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**A10. Segmental Information (Cont'd)****A10.1 Business Segment (Cont'd)**

<b>Corresponding quarter ended 30 June 2020</b>	<b>Investment Holding RM'000</b>	<b>Offshore TMS RM'000</b>	<b>Marine Charter RM'000</b>	<b>Equipment Rental RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>							
External revenue	-	112,436	45,585	-	158,021	12,926	170,947
Inter-segment revenue	838	-	32,571	4,563	37,972	(37,972)	-
Total revenue	838	112,436	78,156	4,563	195,993	(25,046)	170,947
<b>Results</b>							
Segment results	27	22,015	(2,354)	1,439	21,127	(7,604)	13,523
Finance costs	(10,549)	-	(1,244)	-	(11,793)	-	(11,793)
Inter-segment finance costs	(5,038)	-	(2,543)	-	(7,581)	7,581	-
Total finance costs	(15,587)	-	(3,787)	-	(19,374)	7,581	(11,793)
Finance income	1,136	966	255	24	2,381	-	2,381
Inter-segment finance income	-	-	-	-	-	-	-
Total finance income	1,136	966	255	24	2,381	-	2,381
(Loss)/Profit before tax	<b>(14,424)</b>	<b>22,981</b>	<b>(5,886)</b>	<b>1,463</b>	<b>4,134</b>	<b>(23)</b>	<b>4,111</b>
Taxation							(6,139)
Loss after tax							<b>(2,028)</b>

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**A10. Segmental Information (Cont'd)****A10.1 Business Segment (Cont'd)**

<b>Current 6 months ended 30 June 2021</b>	<b>Investment Holding RM'000</b>	<b>Offshore TMS RM'000</b>	<b>Marine Charter RM'000</b>	<b>Equipment Rental RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>							
External revenue	-	189,769	39,210	-	228,979	14,768	243,747
Inter-segment revenue	2,100	-	41,270	10,570	53,940	(53,940)	-
Total revenue	2,100	189,769	80,480	10,570	282,919	(39,172)	243,747
<b>Results</b>							
Segment results	279	15,648	(65,047)	4,930	(44,190)	(6,806)	(50,996)
<b>Finance costs</b>							
Inter-segment finance costs	(17,748)	(200)	(1,315)	(11)	(19,274)	-	(19,274)
Total finance costs	(10,744)	-	(3,074)	-	(13,818)	13,818	-
Total finance costs	(28,492)	(200)	(4,389)	(11)	(33,092)	13,818	(19,274)
<b>Finance income</b>							
Inter-segment finance income	1,132	2,242	448	144	3,966	-	3,966
Total finance income	-	-	-	-	-	-	-
Total finance income	1,132	2,242	448	144	3,966	-	3,966
(Loss)/Profit before tax	(27,081)	17,690	(68,988)	5,063	(73,316)	7,012	(66,304)
Taxation							(7,287)
Loss after tax							<b>(73,591)</b>

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**A10. Segmental Information (Cont'd)****A10.1 Business Segment (Cont'd)**

<b>Corresponding 6 months ended 30 June 2020</b>	<b>Investment Holding RM'000</b>	<b>Offshore TMS RM'000</b>	<b>Marine Charter RM'000</b>	<b>Equipment Rental RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>							
External revenue	-	245,943	84,135	-	330,078	12,926	343,004
Inter-segment revenue	2,100	-	65,092	9,069	76,261	(76,261)	-
Total revenue	2,100	245,943	149,227	9,069	406,339	(63,335)	343,004
<b>Results</b>							
Segment results	362	60,551	(17,831)	3,541	46,623	(4,036)	42,587
Finance costs	(22,039)	-	(2,633)	-	(24,672)	-	(24,672)
Inter-segment finance costs	(9,786)	-	(5,154)	-	(14,940)	14,940	-
Total finance costs	(31,825)	-	(7,787)	-	(39,612)	14,940	(24,672)
Finance income	2,581	1,925	669	40	5,215	-	5,215
Inter-segment finance income	-	-	-	-	-	-	-
Total finance income	2,581	1,925	669	40	5,215	-	5,215
(Loss)/Profit before tax	<b>(28,882)</b>	<b>62,476</b>	<b>(24,949)</b>	<b>3,581</b>	<b>12,226</b>	<b>10,904</b>	<b>23,130</b>
Taxation							(16,910)
Profit after tax							<b>6,220</b>

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**10. Segmental Information (Cont'd)****A10.2 Segment Assets and Liabilities**

As at 30 June 2021	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Segment assets	1,493,700	1,246,807	1,403,448	67,865	4,211,820	(1,494,489)	2,717,331
Deferred tax assets	-	-	7,080	-	7,080	-	7,080
Current tax assets	-	1,943	4,638	-	6,581	-	6,581
<b>Total assets</b>	<b>1,493,700</b>	<b>1,248,750</b>	<b>1,415,166</b>	<b>67,865</b>	<b>4,225,481</b>	<b>(1,494,489)</b>	<b>2,730,992</b>

Segment liabilities	990,720	205,223	320,302	1,747	1,517,992	(735,502)	782,490
Deferred tax liabilities	-	3,866	57,048	2,302	63,216	13,567	76,783
Current tax liabilities	71	-	55	1,252	1,378	-	1,378
<b>Total liabilities</b>	<b>990,791</b>	<b>209,089</b>	<b>377,405</b>	<b>5,301</b>	<b>1,582,586</b>	<b>(721,935)</b>	<b>860,651</b>

As at 30 June 2020	Investment Holding RM'000	Offshore TMS RM'000	Marine Charter RM'000	Equipment Rental RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Segment assets	1,709,997	1,185,175	1,612,800	65,185	4,573,157	(1,690,202)	2,882,955
Deferred tax assets	-	-	17,833	-	17,833	-	17,833
Current tax assets	-	-	4,990	623	5,613	-	5,613
<b>Total assets</b>	<b>1,709,997</b>	<b>1,185,175</b>	<b>1,635,623</b>	<b>65,808</b>	<b>4,596,603</b>	<b>(1,690,202)</b>	<b>2,906,401</b>
Segment liabilities	1,098,362	185,968	398,253	8,559	1,691,142	(712,023)	979,119
Deferred tax liabilities	-	3,689	59,618	2,459	65,766	10,029	75,795
Current tax liabilities	390	29,243	624	-	30,257	-	30,257
<b>Total liabilities</b>	<b>1,098,752</b>	<b>218,900</b>	<b>458,495</b>	<b>11,018</b>	<b>1,787,165</b>	<b>(701,994)</b>	<b>1,085,171</b>

**A11. Revenue****A11.1 Disaggregation of Revenue**

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 and vessel charter income.

In the following table, revenue is disaggregated by type of services and timing of revenue recognition within the Group's operating segments.

	<b>Current quarter ended (unaudited) 30-Jun-21 RM'000</b>	<b>Corresponding quarter ended (unaudited) 30-Jun-20 RM'000</b>	<b>Current period-to-date (unaudited) 30-Jun-21 RM'000</b>	<b>Corresponding period-to-date (unaudited) 30-Jun-20 RM'000</b>
<b>Type of services</b>				
<b>Revenue from contracts with customers</b>				
<b>Topside maintenance services</b>				
Unit rate	52,426	40,137	86,879	93,840
Lump sum	66,441	72,808	95,729	152,971
Reimbursable	15,465	12,417	21,929	12,058
Catering services	677	1,223	758	2,527
	135,009	126,585	205,295	261,396
<b>Other revenue</b>				
<b>Marine offshore support services</b>				
Chartering of vessels	24,678	44,362	38,452	81,608
	159,687	170,947	243,747	343,004
<b>Timing of revenue recognition</b>				
<b>Services transferred over time</b>				
Unit rate	52,426	40,137	86,879	93,840
Lump sum	66,441	72,808	95,729	152,971
<b>Services transferred at a point in time</b>				
Reimbursable	15,465	12,417	21,929	12,058
Catering services	677	1,223	758	2,527
	135,009	126,585	205,295	261,396



**A11. Revenue (Cont'd)****A11.2 Nature of Services**

The following information reflects the typical transactions of the Group.

Type of contracts	Timing of recognition or method used to recognise revenue	Significant payment terms
Lump sum	Revenue is recognised over time using the cost incurred method.	Credit periods of 30 days from invoice date.
Unit rate	Revenue is recognised over time using the cost incurred method.	Credit periods of 30 days from invoice date.
Reimbursable	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Credit periods of 30 days from invoice date.
Catering services	Revenue is recognised at a point in time when the services are performed and accepted by the customers.	Credit period of 30 days from invoice date.

**A12. Valuation of Goodwill**

Under MFRS 136, Impairment of Assets the Group is required to annually carry out impairment test on the cash generated units (“CGUs”), of which goodwill is allocated. For the purpose of impairment testing, goodwill is allocated to the Group’s operating activities (i.e. marine charter) which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

MFRS 136 states that the annual impairment test for the following items may be performed at any time within an annual reporting period, provided that the test is performed at the same time every year. The Group reassessed the valuation of its CGUs as at 31 December 2020 to determine whether there is any indication that its CGUs may be impaired.

The Group has adopted value-in-use (“VIU”) estimations which entail discounting the estimated future cash flows from the continuing use of the CGUs. The recoverable amounts were compared against the carrying amounts of the CGUs.

During the current quarter ended 30 June 2021, there was no impairment provided.

**A13. Valuation of Property, Plant and Equipment (“PPE”)**

The Group reassessed its assets (except for inventories, deferred tax assets and financial assets) as at 30 June 2021 to determine whether there is any indication that its assets may be further impaired or recovered.

The Group has adopted value-in-use (“VIU”) estimations which entail discounting the estimated future cash flows from the continuing use of PPE. The recoverable amounts were compared against the carrying amounts of the PPE.



**A13. Valuation of Property, Plant and Equipment (“PPE”) (Cont’d)**

Following reassessment, an additional allowance for impairment loss on PPE of RM27.9 million was made for the quarter and period ended 30 June 2021.

As a result, the Group’s accumulated impairment loss for has increased from RM16.6 million as at 31 December 2020 to RM44.5 million as at 30 June 2021.

**A14. Capital Commitments**

Capital commitments as at end of the current quarter are as follows:-

	<b>RM'000</b>
<b>Property, plant and equipment</b>	
Approved and contracted for	27,742

**A15. Material Events Subsequent to the Reporting Period**

There were no material events subsequent to the current financial quarter ended 30 June 2021 up to the date of this report which is likely to substantially affect the financial results of the Group.

**A16. Changes in Composition of the Group**

There were no changes in the composition of the Group for the current quarter ended 30 June 2021.

**A17. Contingent Liabilities**

The following are the contingent liabilities outstanding as at 30 June 2021:

	<b>30-Jun-21</b>	
	<b>Group RM'000</b>	<b>Company RM'000</b>
Corporate guarantee given to a licensed bank for credit facilities granted to a subsidiary	-	7,142

The Directors are of the opinion that provision is not required in respect of the following contingent liabilities as it is not probable as at the end of the reporting period that a future sacrifice of economic benefits will be required.

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**A17. Contingent Liabilities (Cont'd)**

Further to the conclusion of a tax audit conducted for year of assessment (“YA”) 2007 to YA2010, the Inland Revenue Board (IRB) has requested the subsidiary of the Group to revise its tax computations for YA2011 and subsequent years. The subsidiary of the Group engaged a tax consultant to assist in the matter and assess the tax impacts thereof. In February 2017, the subsidiary of 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 subsidiary of 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 14 September 2021, the subsidiary of the Group has not received any response from the IRB to its reply of February 2017.

On 28 August 2019, the IRB has requested the subsidiary of the Group to furnish documents relating to YA2015 to YA2017. The subsidiary of the Group has engaged a tax consultant to assist in the matter and responded to the IRB’s request. The tax audit has resulted in a voluntary tax adjustment of RM2.2 million for YA2016. Furthermore, the IRB wrote to the subsidiary of the Group on 22 April 2021 seeking clarification on certain asset transfers between group entities and the subsidiary of the Group had since replied to the IRB. As at the latest practicable date of 14 September 2021, the IRB has responded with their view and stance on the tax treatment of certain asset transfers between group entities and the tax consultant had assisted to draft an appeal reply to the IRB to rebut on the IRB’s view. The subsidiary of the Group may need to provide for additional tax payable, if any, arising from any revision of the tax computations for YA2015 and subsequent years, the outcome of which cannot be ascertained at this present stage.

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 YA2012 to YA2017. The subsidiary of the Group has engaged a tax consultant to assist in the matter and has responded to the IRB on its enquiries. The subsidiary of 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.

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**A18. Significant Related Party Transactions**

The Group entered into the following transactions with related parties, in addition to compensations to Directors and other key management personnel, during the current quarter:-

<b>Transactions with Directors and a company in which certain Directors have substantial financial interests:-</b>	<b>Nature</b>	<b>Amount for 6 months ended 30 June 2021</b>	<b>Unsettled balance as at 30 June 2021</b>
		<b>RM'000</b>	<b>RM'000</b>
Ling Suk Kiong and Joe Ling Siew Loung @ Lin Shou Long	Rental of open yard fabrication facilities with workshop, warehouse and office in Labuan	306	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office in Miri	18	-
Kunci Prima Sdn Bhd (Directors and shareholders are Joe Ling Siew Loung @ Lin Shou Long, Ling Suk Kiong and his spouse Wong Siew Hong)	Rental of office in Miri	372	-
Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin	Rental of office in Petaling Jaya	398	-
Kunci Prima Sdn Bhd	Rental of office in Kuala Baram	137	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of condominium located at unit B-36-01, Verticas Residensi, No. 10, Jalan Ceylon, 55100 Kuala Lumpur	48	-
Clear Water Services Sdn Bhd	General trading specialising in oil and gas sector	5,367	1,834
		<b>6,646</b>	<b>1,834</b>

In the opinion of the Directors, the above transactions have been entered into in the ordinary course of business and have been established under terms no less favorable than those transacted with unrelated parties.

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**B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS****B1. Review of Financial Performance****B1.1 The Group's Performance for the Current Quarter under review versus the Corresponding Quarter of the Previous Financial Year is tabled below:**

	Current quarter ended 30-Jun-21 RM'000	Corresponding quarter ended 30-Jun-20 RM'000	Variance	
			RM'000	%
Revenue	159,687	170,947	(11,260)	(7)
Gross profit	25,781	41,091	(15,310)	(37)
(Loss)/Profit before interest and tax	(24,723)	13,523	(38,246)	(283)
(Loss)/Profit before tax	(32,853)	4,111	(36,964)	(899)
Loss after tax	(36,081)	(2,028)	(34,053)	(1,679)
Loss attributable to Ordinary Equity Holders of the Parent	(21,891)	(985)	(20,906)	(2,122)

In the current quarter, the Group recorded a lower revenue of RM159.7 million and loss before tax of RM32.9 million, as compared to a revenue of RM170.9 million and profit before tax of RM4.1 million in the corresponding quarter ended 30 June 2020.

The slight decrease in revenue in the current quarter is mainly attributable to lower vessel utilisation at 51% as compared to 52% in the second quarter of 2020. This is a result of delayed work orders/contracts being awarded from oil majors in the second quarter of 2021 arising from the impact of Movement Control Order. Although revenue reduced by only 7%, gross profit has seen a larger reduction of approximately 37% as result of higher operating costs arising from exceptional COVID-19 related costs incurred.

The loss before tax of RM32.9 million in the current quarter is arrived at, after taking into account an additional allowance for impairment loss on PPE of RM27.9 million (see Note A13) as well as a net realised/unrealised foreign exchange loss of RM0.1 million, as compared to a net realised/unrealised foreign exchange gain of RM0.3 million in the corresponding quarter.

In the opinion of the Directors, the results for the current quarter have not been affected by any transactions or events of a material nature which have arisen between 30 June 2021 and the date of this report.

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**B1. Review of Financial Performance (Cont'd)****B1.2 The Group's Performance for the Current Financial Period-to-date under review versus the Corresponding Previous Financial Period-to-date is tabled below:**

	Cummulative period-to- date	Corresponding period-to-date	Variance	
	30-Jun-21 RM'000	30-Jun-20 RM'000	RM'000	%
Revenue	243,747	343,004	(99,257)	(29)
Gross profit	25,409	100,795	(75,386)	(75)
(Loss)/Profit before interest and tax	(50,996)	42,587	(93,583)	(220)
(Loss)/Profit before tax	(66,304)	23,130	(89,434)	(387)
(Loss)/Profit after tax	(73,591)	6,220	(79,811)	(1,283)
(Loss)/Profit attributable to Ordinary Equity Holders of the Parent	(49,428)	8,340	(57,768)	(693)

The Group recorded revenue of RM243.7 million during the current period-to-date, which was 29% lower than the revenue of RM343.0 million in the previous corresponding period-to-date. In current period, the Group also recorded loss before tax of RM66.3 million, which was lower by RM89.4 million compared to profit before tax of RM23.1 million in corresponding period.

The lower revenue in the current period is mainly attributable to lower vessel utilisation at 36% for the financial period ended 30 June 2021, as compared to 53% in corresponding period ended 30 June 2020, resulting from the delayed work orders awarded from oil majors in the second quarter of 2021. In addition, the revenue in first quarter of 2020 is mainly cushioned by the carry workorder balances from year 2019 to year 2020.

The loss before tax of RM66.3 million in the current period is arrived at, after taking into account an impairment loss on PPE of RM27.9 million as well as higher operating cost incurred to adhere to the standard operating procedures to combat Covid-19 and resulted in lower profit margin in work orders received and performed under the topside maintenance contracts.

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**B2. Financial Review for Current Quarter Results compared to the Results of the Immediate Preceding Quarter**

	<b>Current quarter ended 30-Jun-21 RM'000</b>	<b>Preceding quarter ended 31-Mar-21 RM'000</b>	<b>Variance</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	159,687	84,060	75,627	90
Gross profit/(loss)	25,781	(372)	26,153	7,030
Loss before interest and tax	(24,723)	(26,273)	1,550	6
Loss before tax	(32,853)	(33,451)	598	2
Loss after tax	(36,081)	(37,510)	1,429	4
Loss attributable to Ordinary Equity Holders of the Parent	(21,891)	(27,537)	5,646	21

For the current quarter ended 30 June 2021, the Group has recorded a higher revenue of RM159.7 million and loss before tax of RM32.9 million, as compared to revenue of RM84.1 million and a loss before tax of RM33.5 million in the first quarter of 2021.

The increase in revenue in the current quarter as compared to the immediate preceding quarter is mainly attributable to higher vessel utilisation at 51% as compared to 20% in the first quarter of 2021, which first quarter of the year is typically affected by the monsoon weather.

The lower loss before tax of RM32.9 million in the current quarter has taken into account an additional allowance for impairment loss on PPE of RM27.9 million (see Note A13) and a net realised/unrealised foreign exchange loss of RM0.1 million, as compared to a net realised/unrealised foreign exchange loss of RM3.2 million recognised in the preceding quarter.

**B3. Prospects**

The second quarter of 2021 performance has been very challenging as the Group business continued to be affected by various restrictive Movement Control Order (“MCO”) imposed by the Government of Malaysia to contain the spread of COVID-19 pandemic. Concurrently, strict adherence to the standard operating procedures of COVID-19, including the requirement of 14-day quarantine periods for workforce movement to/from offshore has also resulted in higher operating costs.

However, the vessel utilisation came in stronger at 51%, as compared to 20% in the first quarter of 2021. Together with ongoing vaccination efforts, this has lent further optimism that the pandemic can be contained in the coming few months. As such, we believe that the outlook in third quarter of 2021 will improve considerably as crude oil price has also stabilised at a healthy level which bodes well for the oil and gas industry. In addition, our order book remains strong at an estimated value of RM2.3 billion, which will ensure healthy earnings visibility over the next few years.

We will continue to be vigilant and exercise due care and prudence in the running and administration of the company’s business. We remain confident that our strong execution track record and a healthy balance sheet, will sustain the Group through this challenging period.

**B4. Profit Forecast and Profit Guarantee**

There was no profit guarantee issued by the Group.

**B5. Income Tax Expense**

	Current quarter ended	Corresponding quarter ended	Current period-to- date	Corresponding period-to-date
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
Current year	3,228	6,139	7,287	16,910

For the current quarter and financial period to-date, the Group still incurs a tax charge of RM3.2 million and RM7.3 million respectively as the losses incurred by certain group entities cannot be offset against the taxable profits made by other group entities.

**B6. Profit from Sale of Unquoted Investments and/or Properties**

There were no disposals of unquoted investments and properties for the current quarter.

**B7. Quoted Securities**

There were no movement of quoted securities for the current quarter.

**B8. Status of Corporate Proposal****Private Placement of up to approximately 10% of the total number of shares of Dayang Enterprise Holdings Bhd (“Dayang”)**

Pursuant to the Sukuk Murabahah and Al-Kafalah facility arrangement, it is a condition subsequent that, inter alia, Dayang has to undertake a Private Placement of ordinary share to be completed no later than 30 June 2020.

A formal resolution has been approved by the Sukuk Trustees on 15 June 2020 to defer the implementation of the proposed Private Placement for a period of 12 months from 30 June 2020. Bursa Securities has also granted Dayang’s application on 17 February 2021 to complete the implementation of the Private Placement up to 25 August 2021.

On 15 March 2021, The Private Placement has been completed following the listing and quotation for 96,480,900 placement shares, representing approximately 10% of the total number of issued shares of Dayang, on the Main Market of Bursa Securities. Total gross proceeds of RM132,342,850.53 were raised from placing out 96,480,900 shares at placement price of RM1.3717 per share.

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**B8. Status of Corporate Proposal (Cont'd)**

**Private Placement of up to approximately 10% of the total number of shares of Dayang Enterprise Holdings Bhd (“Dayang”) (cont'd)**

Dayang intends to utilise the placement proceeds for early redemption of part of the Sukuk Marabahah and coupon payments, to defray the expenses relating to the placement exercise and to fund the operating, maintenance and administration expenses of Dayang as follows:

	<b>RM'000</b>	<b>Intended time frame for utilisation</b>	<b>Remark</b>
Early redemption of part of the Sukuk Murabahah and coupon payments	75,537	Within 3 months upon completion of the placement	Fully utilised
Working capital of the Group	54,000	Within 1 year upon receipt of funds	
Estimated expenses for placement share issue	2,806	Upon completion of the private placement	Fully utilised
<b>Total</b>	<b>132,343</b>		

Save for the above, there were no other corporate proposals announced but not completed as at 14 September 2021, being the latest practicable date not earlier than 7 days from the date of issue of this interim report.

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**B9. Group Borrowings**

Total Group's borrowings as at 30 June 2021 were as follows:

	As at 30-Jun-21 (Unaudited)		As at 31-Dec-20 (Audited)	
	USD'000	RM'000	USD'000	RM'000
<b>Current</b>				
<b>Secured</b>				
Sukuk	-	81,900	-	81,900
Term loans	-	6,692	-	9,571
Term loans	16,967	70,580	18,399	73,888
Islamic facility	-	2,357	-	2,357
Overdrafts	-	-	-	12,535
	16,967	161,529	18,399	180,251
<b>Non-current</b>				
<b>Secured</b>				
Sukuk	-	426,565	-	496,991
Term loans	-	450	-	3,330
Term loans	2,795	11,627	3,645	14,638
Islamic facility	-	9,918	-	11,097
	2,795	448,560	3,645	526,056
<b>Total</b>	<b>19,762</b>	<b>610,089</b>	<b>22,044</b>	<b>706,307</b>

Exchange rate (USD: MYR):

USD1: MYR4.161

USD1: MYR4.016

Source of reference: Bank Negara Malaysia Website

As at 30 June 2021, the total outstanding borrowings have reduced to RM610.1 million as compared to RM706.3 million as at 31 December 2020 mainly due to early redemption of part of Sukuk Murabahah of RM75.0 million.

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 Sukuk, MYR denominated term loans, USD denominated term loans are based on floating interest rate whereas Islamic facility term loan are based on fixed interest rate.

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**B10. Material Litigations**

There were no material litigations involving the Group since the last financial year ended 31 December 2020 up to 14 September 2021, being the latest practicable date not earlier than 7 days from the date of issue of this interim report.

**B11. Dividend**

No dividend was proposed or declared during the quarter under review.

**B12. (Loss)/Earnings per Share****Basic (loss)/earnings per share**

	<b>Current Quarter Ended 30-Jun-21</b>	<b>Corresponding Quarter Ended 30-Jun-20</b>	<b>Cumulative Period Ended 30-Jun-21</b>	<b>Corresponding Period Ended 30-Jun-20</b>
(Loss)/Profit for the period attributable to Owners of the Company (RM'000)	(21,891)	(985)	(49,428)	8,340
Weighted average number of ordinary shares in issue ('000)	1,157,772	1,061,291	1,118,326	1,061,291
Basic (loss)/earnings per share (sen)	(1.89)	(0.09)	(4.42)	0.79

**B13. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 September 2021.