



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the Third Quarter ended 30 September 2020 (Unaudited)**

	Current Quarter Ended 30-Sep-20 (Unaudited) RM'000	Corresponding Quarter Ended 30-Sep-19 (Unaudited) RM'000	Cumulative Period To Date 30-Sep-20 (Unaudited) RM'000	Corresponding Period To Date 30-Sep-19 (Unaudited) RM'000
Revenue	230,213	357,576	573,217	761,163
Operating expenses	(139,865)	(173,468)	(382,074)	(436,647)
<b>Gross profit</b>	<b>90,348</b>	<b>184,108</b>	<b>191,143</b>	<b>324,516</b>
Other income	6,346	11,606	2,773	14,593
Administration expenses	(24,554)	(28,243)	(78,808)	(78,257)
Other operating expenses	(1,806)	(73)	(2,187)	(439)
<b>Results from operating activities</b>	<b>70,334</b>	<b>167,398</b>	<b>112,921</b>	<b>260,413</b>
Finance costs	(10,528)	(16,735)	(35,200)	(48,923)
Finance income	3,487	933	8,702	4,030
<b>Net finance costs</b>	<b>(7,041)</b>	<b>(15,802)</b>	<b>(26,498)</b>	<b>(44,893)</b>
<b>Profit before tax</b>	<b>63,293</b>	<b>151,596</b>	<b>86,423</b>	<b>215,520</b>
Income tax expense	(29,766)	(37,353)	(46,676)	(65,490)
<b>Profit for the period</b>	<b>33,527</b>	<b>114,243</b>	<b>39,747</b>	<b>150,030</b>
<b>Other comprehensive (expense)/income, net of tax</b>				
Foreign currency translation	(31,863)	11,248	18,016	11,980
Cash flow hedge	-	-	-	(78)
<b>Other comprehensive (expense)/income for the period, net of tax</b>	<b>(31,863)</b>	<b>11,248</b>	<b>18,016</b>	<b>11,902</b>
<b>Total comprehensive income for the period</b>	<b>1,664</b>	<b>125,491</b>	<b>57,763</b>	<b>161,932</b>
<b>Profit for the period</b>				
Attributable to:				
Owners of the Company	36,080	107,095	44,420	158,050
Non-controlling interest	(2,553)	7,148	(4,673)	(8,020)
	<b>33,527</b>	<b>114,243</b>	<b>39,747</b>	<b>150,030</b>
<b>Total comprehensive income for the period</b>				
Attributable to:				
Owners of the Company	15,689	113,898	55,912	165,249
Non-controlling interest	(14,025)	11,593	1,851	(3,317)
	<b>1,664</b>	<b>125,491</b>	<b>57,763</b>	<b>161,932</b>
Weighted average number of ordinary shares in issue ('000)	1,061,291	964,810	1,061,291	964,810
Basic earnings per ordinary share (sen)	3.40	11.10	4.19	16.38

(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 2019 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Financial Position**  
**As at 30 September 2020 (Unaudited)**

	<b>UNAUDITED AS AT 30-Sep-20 RM'000</b>	<b>AUDITED AS AT 31-Dec-19 RM'000</b>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	1,351,991	1,371,684
Refundable deposits	12,000	12,000
Goodwill	653,627	653,627
Deferred tax asset	7,515	17,833
<b>TOTAL NON CURRENT ASSETS</b>	<b>2,025,133</b>	<b>2,055,144</b>
<b>CURRENT ASSETS</b>		
Inventories	6,810	7,411
Contract assets	234,022	226,579
Trade and other receivables	144,674	330,537
Deposits and prepayments	3,314	7,941
Current tax assets	3,782	2,636
Cash and cash equivalents	507,617	316,915
<b>TOTAL CURRENT ASSETS</b>	<b>900,219</b>	<b>892,019</b>
<b>TOTAL ASSETS</b>	<b>2,925,352</b>	<b>2,947,163</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	761,751	761,751
Reserves	741,879	672,783
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>1,503,630</b>	<b>1,434,534</b>
<b>NON-CONTROLLING INTEREST</b>	<b>319,264</b>	<b>330,597</b>
<b>TOTAL EQUITY</b>	<b>1,822,894</b>	<b>1,765,131</b>
<b>NON CURRENT LIABILITIES</b>		
Loans and borrowings	675,676	694,213
Deferred tax liabilities	77,564	75,795
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>753,240</b>	<b>770,008</b>
<b>CURRENT LIABILITIES</b>		
Loans and borrowings	114,260	115,817
Trade and other payables	193,700	252,431
Current tax liabilities	41,258	43,776
<b>TOTAL CURRENT LIABILITIES</b>	<b>349,218</b>	<b>412,024</b>
<b>TOTAL LIABILITIES</b>	<b>1,102,458</b>	<b>1,182,032</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,925,352</b>	<b>2,947,163</b>

Net assets per share (sen)

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(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 2019 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Changes in Equity  
For the Third Quarter ended 30 September 2020 (Unaudited)**

	Attributable to the Owners of the Company				Non-controlling Interest	Total Equity
	Non-Distributable		Distributable	Total		
	Share Capital	Other Reserve	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2019</b>	<b>672,988</b>	<b>57,415</b>	<b>393,155</b>	<b>1,123,558</b>	<b>176,251</b>	<b>1,299,809</b>
Profit for the year	-	-	230,946	230,946	(9,092)	221,854
Foreign currency translation differences for foreign operations	-	(6,885)	-	(6,885)	(4,498)	(11,383)
Cash flow hedge	-	(47)	-	(47)	(31)	(78)
Total comprehensive income for the year	-	(6,932)	230,946	224,014	(13,621)	210,393
Issuance of ordinary shares	88,763	-	-	88,763	-	88,763
Share issue expenses	-	-	(1,801)	(1,801)	-	(1,801)
Issuance of Redeemable Convertible Preference Shares by a subsidiary	-	-	-	-	167,967	167,967
<b>At 31 December 2019</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>



**Condensed Consolidated Statement of Changes in Equity (Cont'd)**  
**For the Third Quarter ended 30 September 2020 (Unaudited)**

	Attributable to the Owners of the Company				Non-controlling Interest	Total Equity
	Non-Distributable		Distributable	Total		
	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 period	-	-	44,420	44,420	(4,673)	39,747
Foreign currency translation differences for foreign operations	-	11,492	-	11,492	6,524	18,016
Total comprehensive income for the period	-	11,492	44,420	55,912	1,851	57,763
Dilution of NCI interest in a subsidiary	-	-	13,184	13,184	(13,184)	-
<b>At 30 September 2020</b>	<b>761,751</b>	<b>61,975</b>	<b>679,904</b>	<b>1,503,630</b>	<b>319,264</b>	<b>1,822,894</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 2019 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Cash Flows**  
**For the Third Quarter ended 30 September 2020 (Unaudited)**

	Current period-to-date (unaudited) 30-Sep-20 RM'000	Corresponding period-to-date (unaudited) 30-Sep-19 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	86,423	215,520
Adjustments for: -		
- Non-cash items	76,947	71,569
- Non-operating items	26,861	67,389
Operating profit before changes in working capital	190,231	354,478
<u>Changes in working capital</u>		
Inventories	601	411
Trade and other receivables	181,633	(58,331)
Trade and other payables	(62,196)	(20,024)
Total changes in working capital	120,038	(77,944)
<b>Cash generated from operations</b>	<b>310,269</b>	<b>276,534</b>
Interest received	8,702	2,953
Tax paid	(38,255)	(51,802)
Total interest and tax paid	(29,553)	(48,849)
<b>Net cash generated from operating activities</b>	<b>280,716</b>	<b>227,685</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Placement of fixed deposits	-	(14,952)
Acquisition of property, plant and equipment	(39,187)	(22,997)
Proceeds from disposal of property, plant and equipment	6	-
Proceeds from disposal of other investments	-	1,521
<b>Net cash used in investing activities</b>	<b>(39,181)</b>	<b>(36,428)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	-	106,500
Repayment of borrowings	(21,113)	(181,797)
Term loan interest paid	(3,355)	(32,711)
Coupon paid	(20,500)	(10,881)
Guarantee fee paid	(1,767)	-
<b>Net cash used in financing activities</b>	<b>(46,735)</b>	<b>(118,889)</b>
<b>Net increase in cash and cash equivalents</b>	<b>194,800</b>	<b>72,368</b>
<b>Effect of foreign exchange translation</b>	<b>(4,098)</b>	<b>(2,093)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>316,915</b>	<b>195,649</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>507,617</b>	<b>265,924</b>
<b>Breakdown of cash and cash equivalents at the end of the period/year: -</b>		
Short term deposits	378,057	128,988
Cash and bank balances	129,560	145,971
	<b>507,617</b>	<b>274,959</b>
Less: Deposits pledged as security	-	(9,035)
Cash and cash equivalents	507,617	265,924

(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 2019 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 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 interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019. 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 2019.

**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 2019, except for the adoption of the following Accounting Standards, Amendments and Interpretations from 1 January 2020:

<b>MFRS/ Amendment/ Interpretation</b>	<b>Effective date</b>
Amendments to MFRS 3, <i>Business Combinations</i> ( <i>Definition of a Business</i> )	1 January 2020
Amendments to MFRS 101, <i>Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material</i>	1 January 2020
Amendments to MFRS 9, <i>Financial Instruments</i> , MFRS 139 <i>Financial Instruments: Recognition and measurement and</i> MFRS 7 <i>Financial Instruments: Disclosures – Interest Rate Benchmark Reform</i>	1 January 2020

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

- From the annual period beginning on 1 January 2020 for these amendments that are effective for annual periods beginning on or after 1 January 2020.

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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>
MFRS 17, <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 101, <i>Presentation of Financial Statements – Classification of Liabilities as Current or Non-current</i>	1 January 2022
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 do not plan to apply MFRS 17, *Insurance Contracts* that is effective for annual periods beginning on 1 January 2021 as it is not applicable to the Group and the Company.

From the annual period beginning on 1 January 2022 for the amendment that is effective for annual periods beginning on 1 January 2022.

The initial application of the above accounting standards, amendments or interpretations is not expected to have any material financial impacts on the financial statements of the Group 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 2019.

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**A4. Profit for the period**

	Current quarter ended (unaudited) 30-Sep-20 RM'000	Corresponding quarter ended (unaudited) 30-Sep-19 RM'000	Current period-to-date (unaudited) 30-Sep-20 RM'000	Corresponding period-to-date (unaudited) 30-Sep-19 RM'000	Preceding quarter (unaudited) 30-Jun-20 RM'000
<b>Profit for the period is arrived at after crediting:</b>					
<b><u>Other income</u></b>					
Reversal of impairment loss on property, plant and equipment	-	-	-	2,818	-
Gain on bargain purchase	-	10,561	-	10,561	-
Reversal of accrued interest/penalty upon settlement of loan	-	882	-	882	-
Unrealised gain on foreign exchange	4,539	-	851	-	615
Others	1,807	163	1,922	332	29
<b>Total other income</b>	<b>6,346</b>	<b>11,606</b>	<b>2,773</b>	<b>14,593</b>	<b>644</b>
<b><u>Other expenses</u></b>					
Impairment loss on receivables	(284)	-	(284)	-	-
Realised (loss)/gain on foreign exchange	(1,522)	354	(1,903)	323	(305)
Unrealised loss on foreign exchange	-	(427)	-	(762)	-
<b>Total other expenses</b>	<b>(1,806)</b>	<b>(73)</b>	<b>(2,187)</b>	<b>(439)</b>	<b>(305)</b>
<b>Grand total of other income</b>	<b>4,540</b>	<b>11,533</b>	<b>586</b>	<b>14,154</b>	<b>339</b>
Depreciation of property, plant and equipment	(21,516)	(28,292)	(77,798)	(84,188)	(28,949)

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 September 2020.





**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, 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, the other income comprise net realised/unrealised foreign exchange gain of RM3.0 million and net realised/unrealised foreign exchange loss of RM1.1 million respectively whereas the other comprehensive expenses include foreign currency translation loss of RM31.9 million and foreign currency translation gain of RM18.0 million respectively.

In addition, a deferred tax expense of RM12.1 million (see Note B5) has also been recognised in the current quarter.

**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 conversion of 1,435,463,277 Redeemable Convertible Preference Shares ("RCPS") into new ordinary shares at a conversion ratio of 1 RCPS: 1 ordinary share of Perdana Petroleum Berhad ("PPB"). The conversion price of RM0.325 per share is the same as the issue price of the RCPS. As at 30 September 2020, a total of RM466,525,565 RCPS in value has been converted into ordinary shares.

**A9. Dividend**

No dividend has been declared or paid for the financial year ended 31 December 2019 and the current period ended 30 September 2020.

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

<b>Corresponding quarter ended 30 September 2019</b>	<b>Investme nt 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	-	289,020	68,556	-	357,576	-	357,576
Inter-segment revenue	1,190	-	63,951	4,112	69,253	(69,253)	-
Total revenue	1,190	289,020	132,507	4,112	426,829	(69,253)	357,576
<b>Results</b>							
Segment results	31	129,730	43,354	1,884	174,999	(7,601)	167,398
Finance costs	(4,842)	(10)	(11,883)	-	(16,735)	-	(16,735)
Inter-segment finance costs	(4,641)	-	(2,960)	-	(7,601)	7,601	-
Total finance costs	(9,483)	(10)	(14,843)	-	(24,336)	7,601	(16,735)
Finance income	151	447	271	64	933	-	933
Inter-segment finance income	-	-	-	-	-	-	-
Total finance income	151	447	271	64	933	-	933
(Loss)/Profit before tax	<b>(9,301)</b>	<b>130,167</b>	<b>28,782</b>	<b>1,948</b>	<b>151,596</b>	-	<b>151,596</b>
Taxation							(37,353)
Profit after tax							<b>114,243</b>

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

<b>Current 9 months ended 30 September 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>Adjustments RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>							
External revenue	-	421,999	120,969	-	542,968	30,249	573,217
Inter-segment revenue	3,150	-	113,187	14,362	130,699	(130,699)	-
<b>Total revenue</b>	<b>3,150</b>	<b>421,999</b>	<b>234,156</b>	<b>14,362</b>	<b>673,667</b>	<b>(100,450)</b>	<b>573,217</b>
<b>Results</b>							
Segment results	248	114,548	(22,068)	6,106	98,834	14,087	112,921
<b>Finance costs</b>							
Inter-segment finance costs	(31,798)	-	(3,402)	-	(35,200)	-	(35,200)
Total finance costs	(14,928)	-	(7,145)	-	(22,073)	22,073	-
Total finance costs	(46,726)	-	(10,547)	-	(57,273)	22,073	(35,200)
<b>Finance income</b>							
Inter-segment finance income	3,774	3,659	861	408	8,702	-	8,702
Total finance income	-	-	-	-	-	-	-
Total finance income	3,774	3,659	861	408	8,702	-	8,702
<b>(Loss)/Profit before tax</b>	<b>(42,704)</b>	<b>118,207</b>	<b>(31,754)</b>	<b>6,514</b>	<b>50,263</b>	<b>36,160</b>	<b>86,423</b>
Taxation							(46,676)
<b>Profit after tax</b>							<b>39,747</b>

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

<b>Corresponding 9 months ended 30 September 2019</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	-	617,980	143,183	-	761,163	-	761,163
Inter-segment revenue	3,721	-	133,564	9,654	146,939	(146,939)	-
Total revenue	3,721	617,980	276,747	9,654	908,102	(146,939)	761,163
<b>Results</b>							
Segment results	(441)	239,765	39,418	3,667	282,409	(21,996)	260,413
Finance costs	(15,162)	(802)	(32,959)	-	(48,923)	-	(48,923)
Inter-segment finance costs	(12,708)	-	(9,288)	-	(21,996)	21,996	-
Total finance costs	(27,870)	(802)	(42,247)	-	(70,919)	21,996	(48,923)
Finance income	408	1,840	1,662	120	4,030	-	4,030
Inter-segment finance income	-	-	-	-	-	-	-
Total finance income	408	1,840	1,662	120	4,030	-	4,030
(Loss)/Profit before tax	<b>(27,903)</b>	<b>240,803</b>	<b>(1,167)</b>	<b>3,787</b>	<b>215,520</b>	-	<b>215,520</b>
Taxation							(65,490)
Profit after tax							<b>150,030</b>

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

As at 30 September 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	1,722,115	1,256,571	1,543,090	64,209	4,585,985	(1,671,930)	2,914,055
Deferred tax assets	-	-	7,515	-	7,515	-	7,515
Current tax assets	-	-	3,715	67	3,782	-	3,782
<b>Total assets</b>	<b>1,722,115</b>	<b>1,256,571</b>	<b>1,554,320</b>	<b>64,276</b>	<b>4,597,282</b>	<b>(1,671,930)</b>	<b>2,925,352</b>
Segment liabilities	1,124,545	204,546	368,776	4,775	1,702,642	(719,006)	983,636
Deferred tax liabilities	-	3,689	59,618	2,459	65,766	11,798	77,564
Current tax liabilities	318	39,705	1,235	-	41,258	-	41,258
<b>Total liabilities</b>	<b>1,124,863</b>	<b>247,940</b>	<b>429,629</b>	<b>7,234</b>	<b>1,809,666</b>	<b>(707,208)</b>	<b>1,102,458</b>

As at 30 September 2019	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	834,575	778,619	1,722,056	52,751	3,388,001	(638,703)	2,749,298
Deferred tax assets	-	-	25,559	-	25,559	-	25,559
Current tax assets	-	-	2,133	395	2,528	-	2,528
<b>Total assets</b>	<b>834,575</b>	<b>778,619</b>	<b>1,749,748</b>	<b>53,146</b>	<b>3,416,088</b>	<b>(638,703)</b>	<b>2,777,385</b>
Segment liabilities	261,584	(88,504)	927,254	1,784	1,102,118	95,705	1,197,823
Deferred tax liabilities	-	4,205	60,734	1,166	66,105	7,671	73,776
Current tax liabilities	234	35,909	4,976	-	41,119	2,926	44,045
<b>Total liabilities</b>	<b>261,818</b>	<b>(48,390)</b>	<b>992,964</b>	<b>2,950</b>	<b>1,209,342</b>	<b>106,302</b>	<b>1,315,644</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, except for immaterial amounts related to hedge accounting.

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-Sep-20 RM'000</b>	<b>Corresponding quarter ended (unaudited) 30-Sep-19 RM'000</b>	<b>Current period-to-date (unaudited) 30-Sep-20 RM'000</b>	<b>Corresponding period-to-date (unaudited) 30-Sep-19 RM'000</b>
<b>Type of services</b>				
<b>Topside maintenance services</b>				
Unit rate	58,608	81,148	152,448	307,912
Lump sum	115,588	197,648	268,559	303,592
Fee	1,058	-	2,305	-
Reimbursable	18,126	10,224	28,937	6,476
<b>Marine offshore support services</b>				
Charter of vessels	36,833	66,945	120,968	139,197
Others	-	1,611	-	3,986
	<b>230,213</b>	<b>357,576</b>	<b>573,217</b>	<b>761,163</b>
<b>Timing of revenue recognition</b>				
<b>Services transferred over time</b>				
<b>Topside maintenance services</b>				
Unit rate	58,608	81,148	152,448	307,912
Lump sum	115,588	197,648	268,559	303,592
Fee	1,058	-	2,305	-
<b>Marine offshore support services</b>				
Charter of vessels	36,833	66,945	120,968	139,197
Others	-	1,611	-	3,986
<b>Services transferred at the point in time</b>				
Reimbursable	18,126	10,224	28,937	6,476
	<b>230,213</b>	<b>357,576</b>	<b>573,217</b>	<b>761,163</b>

**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 overtime using the cost incurred method.	Credit periods of 30 days from invoice date.
Unit rate	Revenue is recognised overtime using the cost incurred method.	Credit periods of 30 days from invoice date.
Fee	Revenue is recognised overtime as and when the equipment hiring services are performed using the cost incurred method.	Credit periods of 30 days from invoice date.
Chartering of vessels	Revenue is recognised overtime as and when the charter hire services are performed 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.

**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 2019 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 September 2020, 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 September 2020 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.

**A14. Capital Commitments**

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

	<b>30-Sep-20</b> <b>RM'000</b>
Approved but not contracted for	8,168
Approved and contracted for	24,832
	<hr/>
	33,000

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

On 27 October 2020, one of the vessels of the Group, with net carrying value of RM45.1 million, had incurred an incident at one of the work sites in Miri offshore due to adverse weather conditions. The vessel is still seaworthy and adequately covered by insurance. The extent of the damage is yet to be determined. The current financial quarter ended 30 September 2020 up to the date of this report have not been adjusted, if any, for the financial effect of this incident.

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

There were no changes in the composition of the Group for the current quarter ended 30 September 2020 except for:

**Dissolution of Marshall Islands Subsidiaries & British Virgin Islands (“BVI”) Subsidiaries**

On 3 July 2020 and 8 July 2020, Perdana Petroleum Berhad (“PPB”)’s wholly owned subsidiaries, Geoseas Technologies Limited (“GTL”), Odin Explorer Navigation Limited (“OENL”), Perdana Mercury Limited (“PML”) and Perdana Venus Limited (“PVL”) (“Subsidiaries”) which have been dormant for a period of time have been placed under dissolution under the laws of the Business Companies Act, 2004 of BVI and Marshall Islands Business Corporations Act (“Dissolution”).

The rationale for the Dissolution is to save future costs associated with maintaining the Subsidiaries as PPB do not foresee any future business plans for these Subsidiaries.



**A17. Contingent Liabilities**

The following are the contingent liabilities outstanding as at 30 September 2020:

	<b>30-Sep-20</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	-	15,783

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.

Further to the conclusion of a tax audit conducted for year of assessment (“YA”) 2007 to YA2010 as disclosed in Note 31.1 to the audited financial statements for the year ended 31 December 2019, 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 17 November 2020, the subsidiary of 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 tax audits of some of the subsidiaries of the Group for years of assessment varying from YA2011 to YA2018. 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:-

**Transactions with Directors and a company in which certain Directors have substantial financial interests:-**

Nature	Amount for 9 months ended 30 September 2020	Unsettled balance as at 30 September 2020
	RM'000	RM'000
Ling Suk Kiong and Joe Ling Siew Loung @ Lin Shou Long	459	-
Ling Suk Kiong and his spouse Wong Siew Hong	27	-
Kunci Prima Sdn Bhd (Directors and shareholders are Joe Ling Siew Loung @ Lin Shou Long, Ling Suk Kiong and his spouse Wong Siew Hong)	558	-
Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin	597	-
Kunci Prima Sdn Bhd	205	-
Ling Suk Kiong and his spouse Wong Siew Hong	72	-
Clear Water Services Sdn Bhd	11,500	4,292
	13,418	4,292

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.

**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-Sep-20	Corresponding Quarter ended 30-Sep-19	Variance	
	RM'000	RM'000	RM'000	%
Revenue	230,213	357,576	(127,363)	(36)
Gross profit	90,348	184,108	(93,760)	(51)
Profit before interest and tax	70,334	167,398	(97,064)	(58)
Profit before tax	63,293	151,596	(88,303)	(58)
Profit after tax	33,527	114,243	(80,716)	(71)
Profit attributable to Ordinary Equity Holders of the Parent	36,080	107,095	(71,015)	(66)

In the current quarter, the Group has recorded a lower revenue of RM230.2 million and profit before tax of RM63.3 million, as compared to a revenue of RM357.6 million and profit before tax of RM151.6 million in the corresponding quarter ended 30 September 2019.

The decrease in revenue in the current quarter is mainly due to the adverse impact of Covid-19 pandemic. As a result, work orders/contracts being awarded from oil majors in the third quarter of 2020 have been slowed down. Vessel utilisation during the current quarter has been reduced from 90% to 62%, as compared to third quarter of 2019.

The profit before tax of RM63.3 million in the current quarter is arrived at, after taking into account of higher operating costs arising from exceptional COVID-19 related costs incurred. In contrast, a one-off gain on bargain purchase of RM10.6 million arising from the acquisition of a new subsidiary were accounted for in the corresponding quarter. This has further contributed to the higher profit before taxation of RM151.6 million in corresponding quarter in 2019.

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 September 2020 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:**

	Cumulative period-to-date 30-Sep-20 RM'000	Corresponding period-to-date 30-Sep-19 RM'000	Variance	
			RM'000	%
Revenue	573,217	761,163	(187,946)	(25)
Gross profit	191,143	324,516	(133,373)	(41)
Profit before interest and tax	112,921	260,413	(147,492)	(57)
Profit before tax	86,423	215,520	(129,097)	(60)
Profit after tax	39,747	150,030	(110,283)	(74)
Profit attributable to Ordinary Equity Holders of the Parent	44,420	158,050	(113,630)	(72)

The Group recorded revenue of RM573.2 million during the current period to date, which was 25% lower than the revenue of RM761.2 million in the previous corresponding period-to-date. In current period, the Group also recorded profit before tax of RM86.4 million, which was lower by RM129.1 million compared to profit before tax of RM215.5 million in corresponding period.

The reduced revenue is mainly attributable to lower vessel utilisation at 56% for the financial period ended 30 September 2020, as compared to 71% in corresponding period ended 30 September 2019, resulted from the delayed work orders awarded from oil majors since the second quarter of 2020.

In addition, the Group recorded a lower profit before tax for the financial period ended 30 September 2020 as a result of higher operating costs incurred to adhere to the standard operating procedures to combat Covid-19 as well as net realised/unrealised loss in foreign exchange of RM1.1 million. In contrast, a reversal of impairment loss on PPE of RM2.8 million as well as gain on bargain purchase of RM10.6 million arising from the acquisition of a new subsidiary were provided in the preceding period.

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

	Current Quarter ended	Preceding Quarter ended	Variance	
	30-Sep-20	30-Jun-20	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	230,213	170,947	59,266	35
Gross profit	90,348	41,091	49,257	120
Profit before interest and tax	70,334	13,523	56,811	420
Profit before tax	63,293	4,111	59,182	1,440
Profit/(loss) after tax	33,527	(2,028)	35,555	1,753
Profit/(loss) attributable to Ordinary Equity Holders of the Parent	36,080	(985)	37,065	3,763

For the current quarter ended 30 September 2020, the Group has recorded higher revenue of RM230.2 million and profit before tax of RM63.3 million, as compared to revenue of RM170.9 million and a profit before tax of RM4.1 million in the second quarter of 2020.

The increase in revenue in the current quarter as compared to the immediate preceding quarter is mainly due to higher vessel utilisation rate at 62% as compared to 52% in the second quarter of 2020 and higher work orders received from the topside maintenance contracts.

The higher profit before tax of RM63.3 million in the current quarter is mainly attributed to the improved productivity and efficiency in work orders performed under the topside maintenance contracts and resulted in higher profit margin. In addition, the increase in profit before tax in the current quarter has taken into account of net realised/unrealised foreign exchange gain of RM3.0 million.

**B3. Prospects**

Business activities have picked up substantially in the third quarter of 2020 as per our planning schedule given the ramp-up in work orders for the Maintenance, Construction and Modifications Contract (MCM) and Topside Maintenance Services works under the Pan Hook-up and Commissioning Contract (Pan HUC).

Consequently, vessel utilisation also came in stronger at 62%, compared to 52% in the second quarter and 55% in the first quarter, giving an average utilisation rate of 56% for the 9 months period in 2020. The relatively high vessel utilisation is largely due to the business activity resumed towards its normalcy after the government began to ease the lockdown measure.

**B3. Prospects (Cont'd)**

Barring any unforeseen circumstances, we are optimistic that the earnings trend will be sustainable, premised on our fairly sizable order book at an estimated value of RM3.6 billion to last us at least until 2023. Notwithstanding the volatility in oil price, we remain upbeat on the company's future prospects as Dayang has emerged stronger after going through one of the most challenging periods over the past few years.

We will continue to be vigilant and exercise due care and prudence in the running and administration of the Group's business. We remain confident that our strong execution track record, coupled with our solid balance sheet, will help us to weather this challenging period.

**B4. Profit Forecast and Profit Guarantee**

There was no profit guarantee issued by the Group.

**B5. Income Tax Expense**

	<b>Current quarter ended</b>	<b>Corresponding quarter ended</b>	<b>Cumulative period-to- date</b>	<b>Corresponding period-to-date</b>
	<b>30-Sep-20</b>	<b>30-Sep-19</b>	<b>30-Sep-20</b>	<b>30-Sep-19</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Malaysian income tax</b>	17,680	37,353	34,590	65,490
<b>Deferred tax expense:</b>				
- Origination of temporary differences	8,131	-	8,131	-
- Under-provision in prior year	3,955	-	3,955	-
	<u>29,766</u>	<u>37,353</u>	<u>46,676</u>	<u>65,490</u>

For the current quarter and financial period to-date, the Group still incurs a tax charge of RM29.8 million and RM46.7 million respectively as the losses incurred by certain group entities cannot be offset against the taxable profits made by other group entities.

A deferred tax expense of RM12.1 million has been recognised by the Group during the financial period ended 30 September 2020, mainly due to the utilisation of unabsorbed capital allowances by a subsidiary of PPB on the revision of 25% non-deductibility rules for payments made to Labuan companies.

**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**

On 17 May 2019, Dayang Enterprise Holdings Bhd (“Dayang”) announced that it proposes to undertake a proposed private placement of up to 96,480,983 new Dayang Shares, representing approximately 10.0% of the total number of issued shares of Dayang. On 10 February 2020, Dayang has applied for an extension of time of up to 26 August 2020 to complete the implementation of the private placement and Bursa Securities has granted the Company’s application on 20 February 2020.

On 7 August 2020, the Company has submitted an application to Bursa Securities seeking its approval for further extension of time of up to 25 February 2021 to complete the implementation of the Private Placement and Bursa Securities has granted the Company’s application on 14 August 2020.

Under the Sukuk program, there is a condition subsequent covenant that requires Dayang to raise up to RM75 million from the proposed private placement by 30 June 2020. On 30 March 2020 and 6 April 2020, Dayang has written to the Sukuk trustees and the guarantee provider to defer the proposed private placement for up to 3 years. However, the Sukuk holders only agreed to extend the implementation of private placement for a period of 12 months from 30 June 2020 instead of 3 years. A formal resolution has been approved by the Sukuk trustees on 15 June 2020.

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**B9. Group Borrowings**

Total Group's borrowings as at 30 September 2020 were as follows:

	As at 30-Sep-20 (unaudited)		As at 31-Dec-19 (audited)	
	USD'000	RM'000	USD'000	RM'000
<b>Current</b>				
<b>Secured</b>				
Sukuk	-	81,900	-	81,900
Term loans	-	11,013	-	11,520
Term loans	4,564	18,990	4,564	18,685
Islamic facility	-	2,357	-	1,964
<b>Unsecured</b>				
Revolving credit	-	-	-	1,748
	4,564	114,260	4,564	115,817
<b>Non-current</b>				
<b>Secured</b>				
Sukuk	-	581,740	-	578,016
Term loans	-	4,770	-	12,907
Term loans	18,621	77,480	21,944	89,836
Islamic facility	-	11,686	-	13,454
	18,621	675,676	21,944	694,213
<b>Total</b>	23,185	789,936	26,508	810,030

Exchange rate (USD: MYR):

USD1: MYR4.161

USD1: MYR4.094

Source of reference: Bank Negara Malaysia Website

As at 30 September 2020, the total outstanding borrowings have reduced to RM789.9 million as compared to RM810.0 million as at 31 December 2019 mainly due to repayment of term loan of RM18.0 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 and revolving credits are based on floating interest rate whereas Islamic facility term loan are based on fixed interest rate.

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**B10. 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 17 November 2020, 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 PPB against them.

On 29 May 2019, the High Court has allowed the Plaintiff's claim against PPB 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 PPB 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, PPB has filed a notice of appeal to the Court of Appeal against the decision made by the High Court. PPB'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 PPB has yet to obtain the grounds of judgement from the High Court and that PPB 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 PPB to update the Court of Appeal on the availability of the said grounds of judgement.

PPB has received the ground of judgment from the High Court in January 2020 and all the parties have agreed that PPB 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 PPB 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.

**B11. Dividend**

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

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**B12. Earnings Per Share**

<b>Basic earnings per share</b>	<b>Current Quarter Ended 30-Sep-20</b>	<b>Corresponding Quarter Ended 30-Sep-19</b>	<b>Cumulative Period Ended 30-Sep-20</b>	<b>Corresponding Period Ended 30-Sep-19</b>
Profit for the period attributable to Owners of the Company (RM'000)	36,080	107,095	44,420	158,050
Weighted average number of ordinary shares in issue ('000)	1,061,291	964,810	1,061,291	964,810
Basic earnings per share (sen)	3.40	11.10	4.19	16.38

**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 23 November 2020.