



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Second Quarter ended 30 June 2022**

	Current Quarter Ended 30-Jun-22 (Unaudited) RM'000	Corresponding Quarter Ended 30-Jun-21 (Unaudited) RM'000	Cumulative Period-To-Date 30-Jun-22 (Unaudited) RM'000	Corresponding Period-To-Date 30-Jun-21 (Unaudited) RM'000
Revenue	263,409	159,687	423,545	243,747
Cost of services	(168,378)	(133,906)	(286,234)	(218,338)
Gross profit	95,031	25,781	137,311	25,409
Other income	1,819	372	5,976	1,033
Administrative expenses	(25,937)	(22,858)	(51,599)	(46,349)
Other expenses	(6,118)	(28,018)	(5,262)	(31,089)
Results from operating activities	64,795	(24,723)	86,426	(50,996)
Finance costs	(7,512)	(10,247)	(12,367)	(19,274)
Finance income	1,853	2,117	3,674	3,966
Net finance costs	(5,659)	(8,130)	(8,693)	(15,308)
Profit/(Loss) before tax	59,136	(32,853)	77,733	(66,304)
Tax expense	(19,486)	(3,228)	(29,403)	(7,287)
Profit/(Loss) for the period	39,650	(36,081)	48,330	(73,591)
Other comprehensive income/(expense) net of tax				
Foreign currency translation	37,067	(327)	42,218	35,405
Total comprehensive income/(expense) for the period	76,717	(36,408)	90,548	(38,186)
Profit/(Loss) for the period attributable to:				
Owners of the Company	42,022	(21,891)	55,784	(49,428)
Non-controlling interests	(2,372)	(14,190)	(7,454)	(24,163)
	39,650	(36,081)	48,330	(73,591)
Total comprehensive income/(expense) for the period attributable to:				
Owners of the Company	65,637	(22,103)	82,681	(26,864)
Non-controlling interests	11,080	(14,305)	7,867	(11,322)
	76,717	(36,408)	90,548	(38,186)
Weighted average number of ordinary shares ('000)	1,157,772	1,157,772	1,157,772	1,118,326
Basic/Diluted earnings/(loss) per share (sen)	3.63	(1.89)	4.82	(4.42)

(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 2021 and the accompanying notes attached to this interim financial report).



Condensed Consolidated Statement of Financial Position
As at 30 June 2022

	(Unaudited) 30-Jun-22 RM'000	(Audited) 31-Dec-21 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,084,387	1,072,073
Right-of-use assets	34,408	36,618
Deposits	10,879	10,879
Goodwill	424,282	424,282
Deferred tax assets	8,153	8,153
TOTAL NON-CURRENT ASSETS	1,562,109	1,552,005
CURRENT ASSETS		
Inventories	11,796	8,189
Contract assets	328,923	174,825
Trade and other receivables	90,746	118,685
Other investments	31,098	37,404
Deposits and prepayments	4,076	8,299
Current tax assets	5,377	5,287
Cash and cash equivalents	400,781	418,596
TOTAL CURRENT ASSETS	872,797	771,285
TOTAL ASSETS	2,434,906	2,323,290
EQUITY AND LIABILITIES		
EQUITY		
Share capital	891,288	891,288
Reserves	503,280	420,670
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	1,394,568	1,311,958
Non-controlling interests	190,695	182,757
TOTAL EQUITY	1,585,263	1,494,715
NON-CURRENT LIABILITIES		
Loans and borrowings	389,998	396,531
Lease liabilities	3,550	4,631
Deferred tax liabilities	75,512	76,322
TOTAL NON-CURRENT LIABILITIES	469,060	477,484
CURRENT LIABILITIES		
Loans and borrowings	145,542	129,476
Lease liabilities	2,430	3,405
Trade and other payables	213,132	217,451
Current tax liabilities	19,479	759
TOTAL CURRENT LIABILITIES	380,583	351,091
TOTAL LIABILITIES	849,643	828,575
TOTAL EQUITY AND LIABILITIES	2,434,906	2,323,290
Net assets per share (sen)	120	113

(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 2021 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Changes in Equity
For the Second Quarter ended 30 June 2022**

	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	
At 1 January 2021	761,751	38,289	691,927	1,491,967	287,023	1,778,990
Loss for the year	-	-	(316,585)	(316,585)	(119,095)	(435,680)
Foreign currency translation differences for foreign operations	-	25,001	-	25,001	14,234	39,235
Total comprehensive expense for the year	-	25,001	(316,585)	(291,584)	(104,861)	(396,445)
Issuance of ordinary shares under private placement	132,343	-	-	132,343	-	132,343
Share issue expense	(2,806)	-	-	(2,806)	-	(2,806)
Dilution of non-controlling interest in a subsidiary	-	-	(595)	(595)	595	-
Dividends to owners of the Company	-	-	(17,367)	(17,367)	-	(17,367)
At 31 December 2021 (Audited)	891,288	63,290	357,380	1,311,958	182,757	1,494,715



**Condensed Consolidated Statement of Changes in Equity
For the Second Quarter ended 30 June 2022 (Cont'd)**

	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
At 1 January 2022	891,288	63,290	357,380	1,311,958	182,757	1,494,715
Profit for the period	-	-	55,784	55,784	(7,454)	48,330
Foreign currency translation differences for foreign operations	-	26,897	-	26,897	15,321	42,218
Total comprehensive income for the period	-	26,897	55,784	82,681	7,867	90,548
Dilution of non-controlling interest in a subsidiary	-	-	(71)	(71)	71	-
At 30 June 2022 (Unaudited)	891,288	90,187	413,093	1,394,568	190,695	1,585,263

(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 2021 and the accompanying notes attached to this interim financial report).



Condensed Consolidated Statement of Cash Flows
For the Second Quarter ended 30 June 2022

	Current period-to-date (Unaudited) 30-Jun-22 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	77,733	(66,304)
<i>Adjustments for:</i>		
- Non-cash items	47,815	85,374
- Non-operating items	8,692	15,308
Operating profit before changes in working capital	134,240	34,378
<u>Changes in working capital</u>		
Inventories	(3,607)	(599)
Contract assets	(154,098)	(2,239)
Trade and other payables	12,169	7,862
Trade and other receivables, deposits and prepayments	20,591	(25,421)
Cash generated from operations	9,295	13,981
Income tax paid	(11,444)	(16,376)
Interest paid	(165)	(265)
Interest received	3,674	3,966
Net cash from operating activities	1,360	1,306
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(18,476)	(11,951)
Proceeds from disposal of property, plant and equipment	1	-
Net movement of deposits with original maturity exceeding three months	6,306	(1,189)
Net cash used in investing activities	(12,169)	(13,140)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(12,593)	(92,514)
Payment of lease liabilities	(1,761)	(1,806)
Proceeds from issuance of shares, net of expenses	-	129,537
Term loans interest paid	(1,721)	(6,254)
Net movement in pledged deposits	(31,340)	(536)
Guarantee fee payment arising from Sukuk	(1,136)	(1,526)
Coupon payments arising from Sukuk	(10,069)	(13,693)
Net cash (used in)/from financing activities	(58,620)	13,208
Net (decrease)/increase in cash and cash equivalents	(69,429)	1,374
Effect of exchange rate movements	2,445	5,003
Cash and cash equivalents at the beginning of the period	339,650	281,861
Cash and cash equivalents at the end of the period	272,666	288,238

**Condensed Consolidated Statement of Cash Flows
For the Second Quarter ended 30 June 2022 (Cont'd)**

Current period-to-date (Unaudited) 30-Jun-22 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-21 RM'000
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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)	195,225	201,428
Cash on hand and at banks	120,748	86,810
Less: Overdrafts	(43,307)	-
Cash and cash equivalents	272,666	288,238

(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 2021 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 interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. 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 2021.

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 2021, except for the adoption of the following Accounting Standards, Amendments and Interpretations:

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

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 April 2021 and 1 January 2022, except for Amendments to MFRS 1 and Amendments to MFRS 141, which are assessed as presently not applicable to the Group.



A2. Changes in Accounting policies (Cont'd)

A2.2 Accounting Standards, Amendments and Interpretations issued but not yet effective

MFRS/ Amendment/ Interpretation	Effective date
MFRS 17, <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17, <i>Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information</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 112, <i>Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</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 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and Amendments to MFRS 17 which are assessed as presently not applicable to the Group.

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

A3. Disclosure of Audit Report Qualification and Status of Matters Raised

There were no qualifications in the audit report on the preceding annual financial statements.

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

	Current quarter ended (Unaudited) 30-Jun-22 RM'000	Corresponding quarter ended (Unaudited) 30-Jun-21 RM'000	Current period-to- date (Unaudited) 30-Jun-22 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-21 RM'000	Preceding Quarter (Unaudited) 31-Mar-22 RM'000
Profit/(Loss) for the period is arrived at after crediting/(charging):					
<u>Other income</u>					
Government subsidy	198	-	408	-	210
Insurance claim received	-	-	3,605	-	3,605
Reversal of impairment loss on trade receivables	1,407	-	1,407	-	-
Gain on lease modification	31	-	31	-	-
Unrealised gain on foreign exchange	-	85	-	-	905
Others	183	287	525	1,033	342
Total other income	1,819	372	5,976	1,033	5,062
<u>Other expenses</u>					
Impairment loss on property, plant and equipment	-	(27,882)	-	(27,882)	-
Realised loss on foreign exchange	(24)	(136)	(65)	(234)	(41)
Unrealised loss on foreign exchange	(4,671)	-	(3,766)	(2,972)	-
Penalty	(1,417)	-	(1,417)	-	-
Others	(6)	-	(14)	(1)	(8)
Total other expenses	(6,118)	(28,018)	(5,262)	(31,089)	(49)
Grand total of other income, net of other expenses	(4,299)	(27,646)	714	(30,056)	5,013
Depreciation of property, plant and equipment & right-of-use assets	(23,301)	(27,442)	(45,484)	(54,520)	(22,183)

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 2022.



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.

During the current quarter and financial period-to-date, the other expenses comprise net realised/unrealised foreign exchange loss of RM4.7 million and RM3.8 million respectively whereas other comprehensive income includes foreign currency translation gain of RM37.1 million and RM42.2 million respectively.

A7. Material Changes in Estimates

There were no material changes in the estimates of amounts reported in the current quarter and financial period-to-date. Following the impairment exercise carried out by the subsidiary of the Group in Q4 of 2021 and the change of the estimated useful life of Anchor Handling Tug Supply ("AHTS"), from 25 years to 15 years, the Group incurred lower depreciation charge of RM23.3 million in the current quarter as compared to RM27.4 million for the same period last year.

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 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 26,100 and 259,850 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 1,438,412,842 as at 30 June 2022 and the number of RCPS yet to be converted as at that date is 25,216,357.

A9. Dividends Paid

An interim single-tier exempt dividend of RM0.015 per ordinary share totalling RM17,366,576 in respect of the financial year ended 31 December 2021 was declared on 11 November 2021 and was paid on 10 December 2021.

During the current quarter ended 30 June 2022, no dividend has been declared or paid.

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**A10. Segmental Information**

The Group is organised 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

Current quarter ended 30 June 2022	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
Revenue							
External revenue	-	224,349	24,966	-	249,315	14,094	263,409
Inter-segment revenue	1,050	-	56,340	5,486	62,876	(62,876)	-
Total revenue	1,050	224,349	81,306	5,486	312,191	(48,782)	263,409
Results							
Segment results	156	55,134	4,757	1,824	61,871	2,924	64,795
Finance costs	(6,162)	(915)	(431)	(4)	(7,512)	-	(7,512)
Inter-segment finance costs	(5,789)	-	(1,433)	-	(7,222)	7,222	-
Total finance costs	(11,951)	(915)	(1,864)	(4)	(14,734)	7,222	(7,512)
Finance income	336	1,294	94	129	1,853	-	1,853
Inter-segment finance income	-	7,222	-	-	7,222	(7,222)	-
Total finance income	336	8,516	94	129	9,075	(7,222)	1,853
(Loss)/Profit before tax	(11,459)	62,735	2,987	1,949	56,212	2,924	59,136
Tax expense							(19,486)
Profit after tax							39,650

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

Corresponding quarter ended 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
Revenue							
External revenue	-	121,344	25,355	-	146,699	12,988	159,687
Inter-segment revenue	1,050	-	35,557	5,996	42,603	(42,603)	-
Total revenue	1,050	121,344	60,912	5,996	189,302	(29,615)	159,687
Results							
Segment results	88	(1,440)	(30,998)	3,071	(29,279)	4,556	(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	-	6,960	-	-	6,960	(6,960)	-
Total finance income	682	8,003	321	71	9,077	(6,960)	2,117
(Loss)/Profit before tax	(14,180)	6,470	(32,836)	3,137	(37,409)	4,556	(32,853)
Tax expense							(3,228)
Loss after tax							(36,081)

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

Current 6 months ended 30 June 2022	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
Revenue							
External revenue	-	357,987	44,883	-	402,870	20,675	423,545
Inter-segment revenue	2,100	-	74,309	8,915	85,324	(85,324)	-
Total revenue	2,100	357,987	119,192	8,915	488,194	(64,649)	423,545
Results							
Segment results	180	92,608	(14,019)	1,808	80,577	5,849	86,426
Finance costs							
Inter-segment finance costs	(11,403)	(111)	(846)	(7)	(12,367)	-	(12,367)
Total finance costs	(11,401)	-	(2,912)	-	(14,313)	14,313	-
Total finance costs	(22,804)	(111)	(3,758)	(7)	(26,680)	14,313	(12,367)
Finance income							
Inter-segment finance income	665	2,605	178	226	3,674	-	3,674
Total finance income	-	14,313	-	-	14,313	(14,313)	-
Total finance income	665	16,918	178	226	17,987	(14,313)	3,674
(Loss)/Profit before tax	(21,959)	109,415	(17,599)	2,027	71,884	5,849	77,733
Tax expense							(29,403)
Profit after tax							48,330

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

Corresponding 6 months ended 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
Revenue							
External revenue	-	189,769	39,210	-	228,979	14,768	243,747
Inter-segment revenue	2,100	-	41,270	10,624	53,994	(53,994)	-
Total revenue	2,100	189,769	80,480	10,624	282,973	(39,226)	243,747
Results							
Segment results	279	1,830	(65,047)	4,930	(58,008)	7,012	(50,996)
Finance costs							
Finance costs	(17,748)	(200)	(1,315)	(11)	(19,274)	-	(19,274)
Inter-segment 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)
Finance income							
Finance income	1,132	2,242	448	144	3,966	-	3,966
Inter-segment finance income	-	13,818	-	-	13,818	(13,818)	-
Total finance income	1,132	16,060	448	144	17,784	(13,818)	3,966
(Loss)/Profit before tax	(27,081)	17,690	(68,988)	5,063	(73,316)	7,012	(66,304)
Tax expense							(7,287)
Loss after tax							(73,591)

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

As at 30 June 2022 (Unaudited)	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	1,087,795	1,450,348	1,138,748	73,924	3,750,815	(1,329,439)	2,421,376
Deferred tax assets	-	-	8,153	-	8,153	-	8,153
Current tax assets	118	-	4,700	559	5,377	-	5,377
Total assets	1,087,913	1,450,348	1,151,601	74,483	3,764,345	(1,329,439)	2,434,906
Segment liabilities	973,611	278,660	294,040	2,552	1,548,863	(794,211)	754,652
Deferred tax liabilities	-	704	52,937	4,883	58,524	16,988	75,512
Current tax liabilities	-	18,684	795	-	19,479	-	19,479
Total liabilities	973,611	298,048	347,772	7,435	1,626,866	(777,223)	849,643

As at 30 June 2021 (Unaudited)	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
Total assets	1,493,700	1,248,750	1,415,166	67,865	4,225,481	(1,494,489)	2,730,992
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
Total liabilities	990,791	209,089	377,405	5,301	1,582,586	(721,935)	860,651



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.

	Current quarter ended (Unaudited) 30-Jun-22 RM'000	Corresponding quarter ended (Unaudited) 30-Jun-21 RM'000	Current period-to-date (Unaudited) 30-Jun-22 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-21 RM'000
Type of services				
Revenue from contracts with customers				
Topside maintenance services				
Unit rate	75,170	52,426	118,805	86,879
Lump sum	151,244	66,441	236,369	95,729
Reimbursable	12,029	15,465	23,488	21,929
Catering services	1,856	677	1,966	758
	240,299	135,009	380,628	205,295
Other revenue				
Marine offshore support services				
Chartering of vessels	23,110	24,678	42,917	38,452
	263,409	159,687	423,545	243,747
Timing of revenue recognition				
Services transferred over time				
Unit rate	75,170	52,426	118,805	86,879
Lump sum	151,244	66,441	236,369	95,729
Services transferred at a point in time				
Reimbursable	12,029	15,465	23,488	21,929
Catering services	1,856	677	1,966	758
	240,299	135,009	380,628	205,295



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 periods of 30 to 45 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 2021 to determine whether there is any indication that its CGUs may be impaired.

The Group has applied a combination of the value-in-use (“VIU”) approach and the fair value less cost of disposal (“FVLCOD”) approach, whichever is higher, to determine the CGU’s recoverable amount and comparing this to the carrying amount of the CGU.

During the current quarter ended 30 June 2022, there was no impairment provided.

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

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



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

The Group has applied a combination of the value-in-use (“VIU”) approach and the fair value less cost of disposal (“FVLCOD”) approach, whichever is higher, in determining the recoverable amounts of the PPE. The recoverable amounts were compared against the carrying amounts of the PPE.

For the current financial quarter ended 30 June 2022, there were no allowance for impairment loss or reversal of impairment loss on PPE provided.

The Group’s accumulated impairment loss of PPE remained at RM137.0 million as at 30 June 2022 and 31 December 2021.

A14. Capital Commitments

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

RM'000

Property, plant and equipment

Approved and contracted for

14,413

A15. Material Events Subsequent to the Reporting Period

There were no material events subsequent to the current financial quarter ended 30 June 2022 up to the date of this report which is likely to substantially affect the financial results of the Group.

A16. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 30 June 2022.

A17. Contingent Liabilities

The following are the contingent liabilities outstanding as at 30 June 2022:

30-Jun-22

**Group
RM'000**

**Company
RM'000**

Corporate guarantees favouring banks for facilities granted to subsidiaries

-

43,757

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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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 6 months ended 30 June 2022	Unsettled balance as at 30 June 2022
		RM'000	RM'000
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	4,760	3,478
		6,039	3,478

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 Group's Financial Performance****B1.1 Financial Review for Current Quarter and Preceding Year Corresponding Quarter**

	Current quarter ended 30-Jun-22 RM'000	Corresponding quarter ended 30-Jun-21 RM'000	Variance	
			RM'000	%
Revenue	263,409	159,687	103,722	65
Gross profit	95,031	25,781	69,250	269
Profit/(Loss) before interest and tax	64,795	(24,723)	89,518	362
Profit/(Loss) before tax	59,136	(32,853)	91,989	280
Profit/(Loss) after tax	39,650	(36,081)	75,731	210
Profit/(Loss) attributable to owners of the Company	42,022	(21,891)	63,913	292

In the current quarter, the Group has recorded a higher revenue of RM263.4 million and profit before tax of RM59.1 million, as compared to a revenue of RM159.7 million and loss before tax of RM32.9 million in the corresponding quarter ended 30 June 2021.

The increase in revenue in the current quarter is mainly attributable to the economy is on an upwards track to recovery from the pandemic following a successful vaccination drive, the full withdrawal of movement restrictions and the rising of oil price. As a result, vessel utilisation in the current quarter has increased to 66% as compared to 50% in the second quarter of 2021 and more work orders/contracts being awarded from oil majors in the second quarter of 2022.

The profit before tax of RM59.1 million in the current quarter is arrived at, after taking into account a reversal of impairment loss on trade receivables of RM1.4 million as well as lower depreciation charge by RM4.1 million as compared to additional impairment loss on PPE of RM27.9 million in the corresponding quarter of 2021.

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 2022 and the date of this report.

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**B1. Review of Group's Financial Performance (Cont'd)****B1.2 Financial Review for Current Period-to-date and Preceding Period-to-date**

	Cumulative	Corresponding	Variance	
	period-to-date	period-to-date		
	30-Jun-22	30-Jun-21		
	RM'000	RM'000	RM'000	%
Revenue	423,545	243,747	179,798	74
Gross profit	137,311	25,409	111,902	440
Profit/(Loss) before interest and tax	86,426	(50,996)	137,422	269
Profit/(Loss) before tax	77,733	(66,304)	144,037	217
Profit/(Loss) after tax	48,330	(73,591)	121,921	166
Profit/(Loss) attributable to owners of the Company	55,784	(49,428)	105,212	213

The Group recorded revenue of RM423.5 million during the current period-to-date, which was 74% higher than the revenue of RM243.7 million in the previous corresponding period-to-date. In current period, the Group also recorded profit before tax of RM77.7 million, which was higher by RM144.0 million compared to loss before tax of RM66.3 million in corresponding period.

The higher revenue in the current period is mainly attributable to the revival of work orders/contracts being awarded from oil majors. As a result, vessel utilisation rate came in stronger at 46% in the current period-to-date, compared to 36% in the corresponding period ended 30 June 2021.

The profit before tax of RM77.7 million in the current period is arrived at, after taking into account an insurance claim received from the incident of Dayang Topaz of RM3.6 million, a reversal of impairment loss on trade receivables of RM1.4 million as well as lower depreciation charge by RM9.0 million, as compared to an additional impairment loss on PPE of RM27.9 million in the corresponding period-to-date.

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**B2. Financial Review for Current Quarter compared with Immediate Preceding Quarter**

	Current quarter ended 30-Jun-22 RM'000	Preceding quarter ended 31-Mar-22 RM'000	Variance	
			RM'000	%
Revenue	263,409	160,136	103,273	64
Gross profit	95,031	42,280	52,751	125
Profit before interest and tax	64,795	21,631	43,164	200
Profit before tax	59,136	18,597	40,539	218
Profit after tax	39,650	8,680	30,970	357
Profit attributable to owners of the Company	42,022	13,762	28,260	205

For the current quarter ended 30 June 2022, the Group has recorded a higher revenue of RM263.4 million and profit before tax of RM59.1 million, as compared to revenue of RM160.1 million and a profit before tax of RM18.6 million in the preceding quarter.

The increase in revenue in the current quarter is mainly due to higher vessel utilisation at 66% for the second quarter as compared to 25% in the first quarter of 2022. The first quarter of the year is typically affected by the monsoon weather.

The higher profit before tax of RM59.1 million in the current quarter has taken into account a reversal of impairment loss on trade receivables of RM1.4 million as well as a net realised/unrealised loss on foreign exchange of RM4.7 million, as compared to insurance claim received of RM3.6 million as well as a net realised/unrealised gain on foreign exchange of RM0.9 million in the preceding quarter.

B3. Prospects

We expect similar volume for the third quarter of this year as momentum to capitalise on better oil price remains. As such, we are experiencing higher call up on work orders from our clients to better improve their production capabilities and activities from an estimated call-out contracts at about RM1.74billion. Barring any drastic changes to the oil price, activities are likely to continue into the next year at an elevated level.

Despite our cautious optimism, we acknowledge potential headwinds and external threats would potentially dislocate existing operations and as such we will remain prudent in managing business affairs while continue to deliver outstanding performance.



B4. Profit Forecast and Profit Guarantee

There was no profit guarantee issued by the Group.

B5. Tax Expense

	Current quarter ended 30-Jun-22 RM'000	Corresponding quarter ended 30-Jun-21 RM'000	Current period-to-date 30-Jun-22 RM'000	Corresponding period-to-date 30-Jun-21 RM'000
Income tax expense				
- Current year	18,549	2,054	30,213	6,116
Deferred tax expense				
- Origination or reversal of temporary differences	937	1,174	(810)	1,171
	19,486	3,228	29,403	7,287

For the current quarter and financial period to-date, the Group still incurs a tax charge of RM19.5 million and RM29.4 million respectively as the losses incurred by certain group entities cannot be offset against the taxable profits made by other group entities.

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 has not received any response from the IRB to its reply of February 2017. On 13 August 2019, the IRB has conducted a tax audit for YA2011 to YA2017 and further extended their review to YA2019. On 31 March 2022, the IRB has issued a letter of closure indicating the tax audit is resolved with no additional tax payable and tax penalty.

Separately 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. This tax audit has resulted in a voluntary tax adjustment of RM2.2 million for YA2016.

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B5. Tax Expense (Cont'd)

In addition to the above, the IRB has:

- (a) on 22 April 2021, written to seek clarification on certain asset transfers between group entities and the subsidiary of the Group had since replied to the IRB. On 13 August 2021, the IRB has responded with their view and stance on the tax treatment of the asset transfers and the tax consultant had assisted to write an appeal to the IRB to rebut the IRB's view; and
- (b) conducted transfer pricing tax audits of several subsidiaries of the Group for years of assessment varying from YA2012 to YA2017. The tax consultant has responded to the IRB on its enquiries arising from the audits.

Subsequently, the IRB has agreed, as settlement of the tax audits, to a tax adjustment and to offset it against the unutilised business losses and capital allowance of a subsidiary of the Group for YAs2013 to 2019. The IRB has issued a non-chargeability notice to the affected group entities on 15 December 2021. Other than the aforementioned tax adjustment, there are no additional tax payable and tax penalty arising from the said tax audits.

All the tax audit as enumerated above have now been resolved and the resultant tax adjustment incorporated in the group financial statements.

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

There were no corporate proposal announced but not completed as at 12 August 2022, being the latest practicable date not earlier than 7 days from the date of issue of this interim report.

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**B9. Loans and Borrowings**

Total Group's borrowings as at 30 June 2022 were as follows:

	As at 30-Jun-22 (Unaudited)		As at 31-Dec-21 (Audited)	
	USD'000	RM'000	USD'000	RM'000
Current				
Secured				
Sukuk	-	81,900	-	81,900
Term loans	-	450	-	3,330
Term loans	3,964	17,470	3,914	16,353
Islamic facility	-	2,357	-	2,357
Overdrafts	-	43,307	-	25,478
Hire purchase liability	-	58	-	58
	<u>3,964</u>	<u>145,542</u>	<u>3,914</u>	<u>129,476</u>
Non-current				
Secured				
Sukuk	-	348,750	-	347,590
Term loans	7,848	34,586	9,830	41,070
Islamic facility	-	6,438	-	7,618
Hire purchase liability	-	224	-	253
	<u>7,848</u>	<u>389,998</u>	<u>9,830</u>	<u>396,531</u>
Total	11,812	535,540	13,744	526,007

Exchange rate (USD: MYR):

USD1: MYR4.407

USD1: MYR4.178

Source of reference: Bank Negara Malaysia Website

As at 30 June 2022, the total outstanding borrowings have increased to RM535.5 million as compared to RM526.0 million as at 31 December 2021 mainly due to increase in overdraft by RM17.8 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 overdrafts are based on floating interest rate whereas Islamic facility term loan and hire purchase liability are based on fixed interest rate.

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B10. Material Litigations

Save as disclosed below, the Company and/or its subsidiaries are not presently engaged in any material litigation, material claim and arbitration either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any facts likely to give rise to any proceedings which may materially affect the financial position or business of the Company and/or its subsidiaries.

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 incurred in defending the prior suits (and the appeals emanated therefrom) brought by the subsidiary of the Group, Perdana Petroleum Berhad. ("PPB") against them.

On 29 May 2019, the High Court 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 was RM2,652,447. The said amount was fully settled in September 2019.

On 27 June 2019, PPB 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 had yet to obtain the grounds of judgement from the High Court and that PPB issued several reminders to the High Court. The Court of Appeal 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 received the ground of judgment from the High Court in January 2020 and all the parties 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 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 had subsequently been fixed on 21 September 2020 and the hearing for the full e-Appellate was scheduled to take place on 21 June 2021.

The hearing proceeded on 21 June 2021 and was adjourned for decision to 16 August 2021. On 16 August 2021, the decision was pronounced in favor of PPB wherein, the appeal was allowed by the Court of Appeal with the Order of the High Court dated 29 May 2019 being set aside and cost of RM30,000 was awarded to PPB. As a result, the Plaintiffs would be required to refund the judgment sum of RM2,652,447 to PPB together with the costs of RM30,000.

The Court of Appeal Order and the Certificate of Allocator were sealed and perfected by the Registry of the Court of Appeal on 4 October 2021 upon issuance of the sealed Order and Certificate of Allocator. Upon the extraction of the court sealed documents, PPB's solicitors proceeded to demand for refund / payment of the sums due under the Court Order and the Certificate of Allocator together with RM30,000 costs granted by the Court of Appeal through the Plaintiff's solicitor. However, the Plaintiffs failed and/or refused to refund the sums due under the Court of Appeal Order. The Plaintiff's solicitors wrote to PPB's solicitors on 5 November 2021 enquiring as to whether PPB could withhold the execution of the Court of Appeal Order pending disposal of the Plaintiff's application for leave to appeal to the Federal Court filed on 15 September 2021. PPB's solicitors responded in the negative. The Plaintiff's leave application in the Federal Court is fixed for hearing on 18 February 2022 and all the relevant cause papers had been filed in court.



B10. Material Litigations (Cont'd)

Given that the Plaintiffs did not refund the amount due under the Court of Appeal Order, PPB instructed their solicitors to proceed to execute the Court of Appeal Order. Accordingly, a notice of demand was issued on 17 November 2021 for payment within 14 days. As the Plaintiffs failed, refused and/or neglected to satisfy the notice of demand, PPB instructed its solicitors to commence bankruptcy proceedings against the Plaintiffs. PPB's solicitors had prepared the Bankruptcy Notices to be served on the Plaintiffs. Upon the service of the Notices, PPB's solicitors will file the requisite Creditors' Petition in the Bankruptcy Court. The leave application in the Federal Court which was originally fixed for hearing on 18 February 2022 was rescheduled by the Federal Court to 12 May 2022.

The leave application in the Federal Court proceeded as scheduled on 12 May 2022. The Federal Court allowed the Plaintiffs' leave application to appeal to the Federal Court with costs in the cause. The Federal Court expressed that the subject matter of the appeal is a new area of law introduced under the Companies Act 2016 and the Federal Court would like to hear further arguments on this, as there is no decided case by Federal Court on this point of law thus far. The Plaintiffs have filed their notice of appeal and the record of appeal was served on PPB's solicitors on 1 August 2022. The hearing of the Appeal in the Federal Court is fixed on 28 November 2022.

In relation to the bankruptcy notices, PPB's solicitors have not been able to serve the bankruptcy notices personally on the Plaintiffs despite having made an appointment to serve the said notices. PPB's solicitors have in February 2022 applied to court for leave to serve the notices by substituted service by advertising in the local newspapers and sending a copy of the notices by Acknowledgement of Receipt Registered post to the last known address as per the NRIC searches conducted on the Plaintiffs in March 2022. These substituted service applications are fixed for case management on 17 August 2022.

B11. Dividend

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

For the financial year ended 31 December 2021, an interim single-tier exempt dividend of RM0.015 per ordinary share totalling RM17,366,576 was declared on 11 November 2021 and was paid on 10 December 2021.

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

	Current Quarter Ended 30-Jun-22	Corresponding Quarter Ended 30-Jun-21	Cumulative Period-To-Date Ended 30-Jun-22	Corresponding Period-To-Date Ended 30-Jun-21
Profit/(Loss) for the period attributable to Owners of the Company (RM'000)	42,022	(21,891)	55,784	(49,428)
Weighted average number of ordinary shares ('000)	1,157,772	1,157,772	1,157,772	1,118,326
Basic/Diluted earnings/(loss) per share (sen)	3.63	(1.89)	4.82	(4.42)

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 18 August 2022.