



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the Second Quarter ended 30 June 2023**

	<b>Current Quarter Ended 30-Jun-23 (Unaudited) RM'000</b>	<b>Corresponding Quarter Ended 30-Jun-22 (Unaudited) RM'000</b>	<b>Cumulative Period-To-Date 30-Jun-23 (Unaudited) RM'000</b>	<b>Corresponding Period-To-Date 30-Jun-22 (Unaudited) RM'000</b>
Revenue	305,730	263,409	418,151	423,545
Cost of services	(158,227)	(168,378)	(260,589)	(286,234)
<b>Gross profit</b>	<b>147,503</b>	<b>95,031</b>	<b>157,562</b>	<b>137,311</b>
Other income	2,260	1,819	2,772	5,976
Administrative expenses	(28,504)	(25,937)	(53,620)	(51,599)
Other expenses	(19,122)	(6,118)	(19,141)	(5,262)
<b>Results from operating activities</b>	<b>102,137</b>	<b>64,795</b>	<b>87,573</b>	<b>86,426</b>
Finance costs	(8,248)	(7,512)	(15,592)	(12,367)
Finance income	3,492	1,853	6,236	3,674
<b>Net finance costs</b>	<b>(4,756)</b>	<b>(5,659)</b>	<b>(9,356)</b>	<b>(8,693)</b>
<b>Profit before tax</b>	<b>97,381</b>	<b>59,136</b>	<b>78,217</b>	<b>77,733</b>
Tax expense	(29,550)	(19,486)	(29,331)	(29,403)
<b>Profit for the period</b>	<b>67,831</b>	<b>39,650</b>	<b>48,886</b>	<b>48,330</b>
<b>Other comprehensive income net of tax</b>				
Foreign currency translation	56,363	37,067	54,380	42,218
<b>Total comprehensive income for the period</b>	<b>124,194</b>	<b>76,717</b>	<b>103,266</b>	<b>90,548</b>
<b>Profit for the period attributable to:</b>				
Owners of the Company	64,690	42,022	48,745	55,784
Non-controlling interests	3,141	(2,372)	141	(7,454)
	<b>67,831</b>	<b>39,650</b>	<b>48,886</b>	<b>48,330</b>
<b>Total comprehensive income for the period attributable to:</b>				
Owners of the Company	100,577	65,637	83,369	82,681
Non-controlling interests	23,617	11,080	19,897	7,867
	<b>124,194</b>	<b>76,717</b>	<b>103,266</b>	<b>90,548</b>
Weighted average number of ordinary shares ('000)	1,157,772	1,157,772	1,157,772	1,157,772
Basic earnings per share (sen)	5.59	3.63	4.21	4.82

(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 2022 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Financial Position**  
As at 30 June 2023

	(Unaudited) 30-Jun-23 RM'000	(Audited) 31-Dec-22 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,029,607	1,026,318
Right-of-use assets	37,698	35,908
Deposits	-	11,087
Goodwill	424,282	424,282
Deferred tax assets	9,329	7,240
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,500,916</b>	<b>1,504,835</b>
<b>CURRENT ASSETS</b>		
Inventories	10,958	7,545
Contract assets	291,160	257,512
Trade and other receivables	109,695	124,965
Other investments	254,561	56,260
Deposits and prepayments	9,291	7,823
Current tax assets	6,613	6,273
Other financial assets	79,824	83,272
Cash and cash equivalents	136,461	313,280
<b>TOTAL CURRENT ASSETS</b>	<b>898,563</b>	<b>856,930</b>
<b>TOTAL ASSETS</b>	<b>2,399,479</b>	<b>2,361,765</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	891,288	891,288
Reserves	620,456	554,678
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>1,511,744</b>	<b>1,445,966</b>
Non-controlling interests	224,550	204,429
<b>TOTAL EQUITY</b>	<b>1,736,294</b>	<b>1,650,395</b>
<b>NON-CURRENT LIABILITIES</b>		
Loans and borrowings	233,425	260,489
Lease liabilities	6,604	5,085
Deferred tax liabilities	70,104	72,327
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>310,133</b>	<b>337,901</b>
<b>CURRENT LIABILITIES</b>		
Loans and borrowings	137,703	142,769
Lease liabilities	2,889	2,567
Trade and other payables	174,002	195,506
Current tax liabilities	38,458	32,627
<b>TOTAL CURRENT LIABILITIES</b>	<b>353,052</b>	<b>373,469</b>
<b>TOTAL LIABILITIES</b>	<b>663,185</b>	<b>711,370</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,399,479</b>	<b>2,361,765</b>
Net assets per share (sen)	131	125

(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 2022 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Changes in Equity  
For the Second Quarter ended 30 June 2023**

	Attributable to the Owners of the Company			Total	Non-controlling interests	Total Equity
	Non-Distributable	Distributable				
	Share Capital	Other Reserves	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2022</b>	<b>891,288</b>	<b>63,290</b>	<b>357,380</b>	<b>1,311,958</b>	<b>182,757</b>	<b>1,494,715</b>
Reclassification	-	2,166	(2,166)	-	-	-
Profit for the year	-	-	121,203	121,203	4,134	125,337
Foreign currency translation differences for foreign operations	-	30,386	-	30,386	17,324	47,710
Total comprehensive income for the year	-	30,386	121,203	151,589	21,458	173,047
Changes in ownership interests in a subsidiary	-	-	(214)	(214)	214	-
Dividends to owners of the Company	-	-	(17,367)	(17,367)	-	(17,367)
Total transactions with owners of the Company	-	-	(17,581)	(17,581)	214	(17,367)
<b>At 31 December 2022 (Audited)</b>	<b>891,288</b>	<b>95,842</b>	<b>458,836</b>	<b>1,445,966</b>	<b>204,429</b>	<b>1,650,395</b>



**Condensed Consolidated Statement of Changes in Equity (Cont'd)  
For the Second Quarter ended 30 June 2023**

	Attributable to the Owners of the Company			Total	Non-controlling interests	Total Equity
	Non-Distributable		Distributable			
	Share Capital	Other Reserves	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2023</b>	<b>891,288</b>	<b>95,842</b>	<b>458,836</b>	<b>1,445,966</b>	<b>204,429</b>	<b>1,650,395</b>
Profit for the period	-	-	48,745	48,745	141	48,886
Foreign currency translation differences for foreign operations	-	34,624	-	34,624	19,756	54,380
Total comprehensive income for the period	-	34,624	48,745	83,369	19,897	103,266
Changes in ownership interests in a subsidiary	-	-	(224)	(224)	224	-
Dividends to owners of the Company	-	-	(17,367)	(17,367)	-	(17,367)
Total transactions with owners of the Company	-	-	(17,591)	(17,591)	224	(17,367)
<b>At 30 June 2023 (Unaudited)</b>	<b>891,288</b>	<b>130,466</b>	<b>489,990</b>	<b>1,511,744</b>	<b>224,550</b>	<b>1,736,294</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 2022 and the accompanying notes attached to this interim financial report).



**Condensed Consolidated Statement of Cash Flows  
For the Second Quarter ended 30 June 2023**

	<b>Current period-to-date (Unaudited) 30-Jun-23 RM'000</b>	<b>Corresponding period- to-date (Unaudited) 30-Jun-22 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	78,217	77,733
<i>Adjustments for: -</i>		
Depreciation of right-of-use assets	1,670	1,944
Depreciation of property, plant and equipment	44,836	43,540
Unrealised foreign exchange loss	18,448	3,766
Finance costs	15,592	12,367
Finance income	(6,236)	(3,674)
Property, plant and equipment written off	40	3
Gain on disposal of property, plant and equipment	-	(1)
Gain on lease modification	(203)	(31)
Reversal of impairment loss on financial assets	(1,677)	(1,407)
<b>Operating profit before changes in working capital</b>	<b>150,687</b>	<b>134,240</b>
<u>Changes in working capital:</u>		
Inventories	(3,413)	(3,607)
Contract assets	(33,648)	(154,098)
Trade and other payables	(40,164)	12,169
Trade and other receivables, deposits and prepayments	15,977	20,591
<b>Cash generated from operations</b>	<b>89,439</b>	<b>9,295</b>
Net tax paid	(28,239)	(11,444)
Interest paid	(272)	(165)
Interest received	6,236	3,674
<b>Net cash from operating activities</b>	<b>67,164</b>	<b>1,360</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(10,400)	(18,476)
Refundable deposit refunded	12,000	-
Proceeds from disposal of property, plant and equipment	-	1
<b>Net cash from/(used in) investing activities</b>	<b>1,600</b>	<b>(18,475)</b>



**Condensed Consolidated Statement of Cash Flows (Cont'd)**  
**For the Second Quarter ended 30 June 2023**

	<b>Current period-to-date (Unaudited) 30-Jun-23 RM'000</b>	<b>Corresponding period- to-date (Unaudited) 30-Jun-22 RM'000</b>
<b>Cash flows from financing activities</b>		
Dividend paid to owners of the Company	(17,367)	-
Repayment of term loans	(8,890)	(11,385)
Repayment of term loan – Islamic	(10,455)	(1,179)
Repayment of hire purchase liability	(30)	(29)
Repayment of Sukuk	(18,453)	-
Payment of lease liabilities	(1,415)	(1,761)
Term loans interest paid	(3,482)	(1,721)
Net movement in other financial assets	3,448	(31,340)
Guarantee fee payment arising from Sukuk	(890)	(1,136)
Coupon payments arising from Sukuk	(10,967)	(10,069)
<b>Net cash used in financing activities</b>	<b>(68,501)</b>	<b>(58,620)</b>
Net increase/(decrease) in cash and cash equivalents	263	(75,735)
Effect of exchange rate movements	21,219	2,445
Cash and cash equivalents at the beginning of the financial period	369,540	377,054
<b>Cash and cash equivalents at the end of the financial period</b>	<b>391,022</b>	<b>303,764</b>
<b>Cash and cash equivalents at the end of the financial period comprised the following: -</b>		
Fixed deposits with maturities exceeding three months	254,561	31,098
Deposits placed with licensed banks with original maturities not exceeding three months	21,800	195,225
Cash on hand and at banks	114,661	120,748
Less: Overdrafts	-	(43,307)
<b>Cash and cash equivalents</b>	<b>391,022</b>	<b>303,764</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022 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 2022. 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 2022.

### 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 2022, except for the adoption of the following Accounting Standards, Amendments and Interpretations:

MFRS / Amendments / 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

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.



**A2. Changes in Accounting policies (Cont'd)**

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

<b>MFRS / Amendments / Interpretation</b>	<b>Effective date</b>
Amendment to MFRS 16, <i>Leases – Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendment to MFRS 101, <i>Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 10, <i>Consolidated Financial Statements and MFRS 128, Investments 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 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.

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 for the period**

	Current quarter ended (Unaudited) 30-Jun-23 RM'000	Corresponding quarter ended (Unaudited) 30-Jun-22 RM'000	Current period-to- date (Unaudited) 30-Jun-23 RM'000	Corresponding period-to-date (Unaudited) 30-Jun-22 RM'000	Preceding Quarter (Unaudited) 31-Mar-23 RM'000
<b>Profit for the period is arrived at after crediting/(charging):</b>					
<b><u>Other income</u></b>					
Government subsidy	113	198	122	408	9
Insurance claim received	-	-	-	3,605	-
Reversal of impairment loss on financial assets	1,677	1,407	1,677	1,407	-
Gain on lease modification	203	31	203	31	-
Unrealised gain on foreign exchange	-	-	-	-	151
Others	267	183	770	525	509
Total other income	2,260	1,819	2,772	5,976	669
<b><u>Other expenses</u></b>					
Realised loss on foreign exchange	(80)	(24)	(248)	(65)	(168)
Unrealised loss on foreign exchange	(18,599)	(4,671)	(18,448)	(3,766)	-
Penalty	(443)	(1,417)	(443)	(1,417)	-
Others	-	(6)	(2)	(14)	(8)
Total other expenses	(19,122)	(6,118)	(19,141)	(5,262)	(176)
Grand total of other income, net of other expenses	(16,862)	(4,299)	(16,369)	714	493
Depreciation of property, plant and equipment & right-of-use assets	(23,844)	(23,301)	(46,506)	(45,484)	(22,662)

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 2023.



**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 RM18.7 million, whereas other comprehensive income includes foreign currency translation gain of RM56.4 million and RM54.4 million respectively.

**A7. Material Changes in Estimates**

In 2022, an oil-major client agreed on a Revision of Vessel Age Limit of AHTS from 15 years to 20 years, subject to the fulfillment of the Conditional Assessment Program ("CAP") and Overall Offshore Vessel Management Self-Assessment ("OVMSA"). Taking cognizance of the above revision and the improving prospects of the oil market, the subsidiary of the Group reassessed the value-in-use of the AHTS and other vessels, following which a net reversal of provision for impairment loss on property, plant and equipment of RM7.3 million had made for the quarter and year ended 31 December 2022. Other than that, there has neither a reversal nor additional provision of impairment loss provided during 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 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 37,400 and 804,200 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 1,439,752,242 as at 30 June 2023 and the number of RCPS yet to be converted as at that date is 23,876,957.

**A9. Dividends Paid**

The first interim single-tier exempt dividend of RM0.015 per ordinary share totalling RM17,366,576 in respect of the financial year ended 31 December 2022 was declared on 17 November 2022 and was paid on 14 December 2022.

The second interim single-tier exempt dividend of RM0.015 per ordinary share totalling RM17,366,576 in respect of the financial year ended 31 December 2022 has declared on 16 February 2023 and has paid on 17 March 2023.

**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**

<b>Current quarter ended 30 June 2023</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	-	179,763	91,842	-	271,605	34,125	305,730
Inter-segment revenue	4,272	-	34,125	5,375	43,772	(43,772)	-
Total revenue	4,272	179,763	125,967	5,375	315,377	(9,647)	305,730
<b>Results</b>							
Segment results	90	66,965	32,629	1,593	101,277	860	102,137
Finance costs	(6,344)	(77)	(1,821)	(6)	(8,248)	-	(8,248)
Inter-segment finance costs	(6,353)	-	(1,491)	-	(7,844)	7,844	-
Total finance costs	(12,697)	(77)	(3,312)	(6)	(16,092)	7,844	(8,248)
Finance income	330	2,275	684	203	3,492	-	3,492
Inter-segment finance income	-	7,844	-	-	7,844	(7,844)	-
Total finance income	330	10,119	684	203	11,336	(7,844)	3,492
(Loss)/Profit before tax	(12,277)	77,007	30,001	1,790	96,521	860	97,381
Tax expense							(29,550)
Profit after tax							<b>67,831</b>

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

<b>Corresponding quarter ended 30 June 2022</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	-	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
<b>Results</b>							
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	<b>(11,459)</b>	<b>62,735</b>	<b>2,987</b>	<b>1,949</b>	<b>56,212</b>	<b>2,924</b>	<b>59,136</b>
Tax expense							(19,486)
Profit after tax							<b>39,650</b>

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

<b>Current 6 months ended 30 June 2023</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	-	258,183	113,639	-	371,822	46,329	418,151
Inter-segment revenue	38,058	-	46,329	8,128	92,515	(92,515)	-
Total revenue	38,058	258,183	159,968	8,128	464,337	(46,186)	418,151
<b>Results</b>							
Segment results	32,973	74,054	10,691	868	118,586	(31,013)	87,573
<b>Finance costs</b>							
Inter-segment finance costs	(12,750)	(218)	(2,614)	(10)	(15,592)	-	(15,592)
Total finance costs	(12,636)	-	(1,906)	-	(14,542)	14,542	-
<b>Finance income</b>							
Inter-segment finance income	812	4,033	1,049	342	6,236	-	6,236
Total finance income	-	14,542	-	-	14,542	(14,542)	-
Profit before tax	812	18,575	1,049	342	20,778	(14,542)	6,236
Profit before tax	<b>8,399</b>	<b>92,411</b>	<b>7,220</b>	<b>1,200</b>	<b>109,230</b>	<b>(31,013)</b>	<b>78,217</b>
Tax expense							(29,331)
Profit after tax							<b>48,886</b>

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

<b>Corresponding 6 months ended 30 June 2022</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	-	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
<b>Results</b>							
Segment results	180	92,608	(14,019)	1,808	80,577	5,849	86,426
Finance costs	(11,403)	(111)	(846)	(7)	(12,367)	-	(12,367)
Inter-segment 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	665	2,605	178	226	3,674	-	3,674
Inter-segment 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	<b>(21,959)</b>	<b>109,415</b>	<b>(17,599)</b>	<b>2,027</b>	<b>71,884</b>	<b>5,849</b>	<b>77,733</b>
Tax expense							(29,403)
Profit after tax							<b>48,330</b>

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

As at 30 June 2023 (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	1,110,115	1,408,830	1,154,767	75,742	3,749,454	(1,365,917)	2,383,537
Deferred tax assets	-	-	9,329	-	9,329	-	9,329
Current tax assets	-	-	6,585	28	6,613	-	6,613
<b>Total assets</b>	<b>1,110,115</b>	<b>1,408,830</b>	<b>1,170,681</b>	<b>75,770</b>	<b>3,765,396</b>	<b>(1,365,917)</b>	<b>2,399,479</b>
Segment liabilities	925,024	196,115	201,482	2,053	1,324,674	(770,051)	554,623
Deferred tax liabilities	-	465	49,866	4,130	54,461	15,643	70,104
Current tax liabilities	995	28,743	8,720	-	38,458	-	38,458
<b>Total liabilities</b>	<b>926,019</b>	<b>225,323</b>	<b>260,068</b>	<b>6,183</b>	<b>1,417,593</b>	<b>(754,408)</b>	<b>663,185</b>

  

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
<b>Total assets</b>	<b>1,087,913</b>	<b>1,450,348</b>	<b>1,151,601</b>	<b>74,483</b>	<b>3,764,345</b>	<b>(1,329,439)</b>	<b>2,434,906</b>
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
<b>Total liabilities</b>	<b>973,611</b>	<b>298,048</b>	<b>347,772</b>	<b>7,435</b>	<b>1,626,866</b>	<b>(777,223)</b>	<b>849,643</b>

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

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers and vessel charter income.

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

	<b>Current quarter ended (Unaudited) 30-Jun-23 RM'000</b>	<b>Corresponding quarter ended (Unaudited) 30-Jun-22 RM'000</b>	<b>Current period-to-date (Unaudited) 30-Jun-23 RM'000</b>	<b>Corresponding period-to-date (Unaudited) 30-Jun-22 RM'000</b>
<b>Type of services</b>				
<b>Revenue from contracts with customers</b>				
<b>Topside maintenance services</b>				
Unit rate	99,484	75,170	146,033	118,805
Lump sum	74,371	151,244	102,979	236,369
Reimbursable	40,033	12,029	55,500	23,488
Catering services	18,170	1,856	19,873	1,966
	232,058	240,299	324,385	380,628
<b>Other revenue</b>				
<b>Marine offshore support services</b>				
Chartering of vessels	73,672	23,110	93,766	42,917
	305,730	263,409	418,151	423,545
<b>Timing of revenue recognition</b>				
<b>Services transferred over time</b>				
Unit rate	99,484	75,170	146,033	118,805
Lump sum	74,371	151,244	102,979	236,369
<b>Services transferred at a point in time</b>				
Reimbursable	40,033	12,029	55,500	23,488
Catering services	18,170	1,856	19,873	1,966
	232,058	240,299	324,385	380,628

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**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/services are delivered/rendered 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 2022 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 2023, 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.

The Group generally adopts value-in-use (“VIU”) estimations for the reassessment which entail discounting the estimated future cash flows from the continuing use of its PPE. The Group may, where warranted, commission valuations to be performed by an independent valuer to determine the recoverable amounts of certain vessels based on their fair value less costs of disposal. The recoverable amounts were compared against the carrying amounts of the PPE.

For the financial year ended 31 December 2022, the Group had 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 recoverable amounts of the PPE. The recoverable amounts were compared against the carrying amounts of the PPE.

After those carried out in year 2022, there were no revaluations of PPE during the current quarter ended 30 June 2023. All major PPE as at 30 June 2023 were stated at cost less accumulated depreciation and accumulated impairment losses.

The Group’s accumulated impairment loss for PPE remained at RM93.9 million as at 30 June 2023 and 31 December 2022.

**A14. Capital Commitments**

The Group’s capital commitments as at 30 June 2023 are as follows: -

	<b>RM’000</b>
<b>Property, plant and equipment</b>	
Approved and contracted for	1,728

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

There were no material events subsequent to the current financial quarter ended 30 June 2023 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 2023.

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**A17. Contingent Liabilities**

- a) In 2022, there were two (2) incidents of anchor loss involving three (3) offshore support vessels (OSV) chartered out by subsidiaries of the Group, Perdana Nautika Sdn Bhd (“PNSB”) and DESB Marine Services Sdn Bhd (“DMSSB”) to two engineering, procurement, construction and commissioning (“EPCC”) contractors. The EPCC contractors had informed the subsidiaries to retrieve the lost anchors upon receiving the instruction from their client who is also a local oil major and the mutual insurance association providing indemnity cover for the three (3) OSV concerned had been notified.

The Protection and Indemnity Mutual association (“P&I Club”) made an initial offer to indemnify PNSB up to USD2 million for the cost of recovery of the lost anchors with a penalty claim premium of USD200,250. Based on the latest finding in one of the anchor loss incidents claims, PNSB on 19 April 2023 entered into a settlement agreement resulting in an insurance compensation payment of USD333,333.33 by P&I Club to one of the EPCC Contractor.

P&I Club has also made an initial offer to indemnify DMSSB up to USD3.25 million for the cost of recovery of the lost anchors with a penalty claim premium of USD324,975. Out of this USD 3.25 million, a compensation payment to be made by P&I Club to the EPCC Contractor is estimated at RM8 million.

As for the remaining claim, the subsidiaries of the Group are currently finalising the recovery plan and cost to be incurred and should the final recovery cost to be paid by the insurer be more than USD3.16 million, the P&I Club advised that they may have to review the premiums at the next renewal, the quantum of which cannot be ascertained at the moment.

For avoidance of doubt, based on the information made available as at this date and substantiation by the management, the Directors are of the view that no material losses will arise from the possible additional claims at the date of these financial statements.

- b) Additionally, there is contingent liability arising from the recently concluded material litigation case involving the subsidiary of the Group as detailed in Note B10. In the event the Plaintiffs seek further indemnification as detailed in the said Note B10, the subsidiary of the Group is entitled to resist such a claim, if excessive and arbitrary in nature. By the same token, the Court is entitled to review the indemnity claim and reduce the same if it deems fit. As such, the subsidiary of the Group may be liable to an additional indemnity claim, the quantum of which is not presently determinable.

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**A18. Significant Related Party Transactions**

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

<b>Transactions with Directors and a company in which certain Directors have substantial financial interests: -</b>	<b>Nature</b>	<b>Amount for 6 months ended 30 June 2023</b>	<b>Unsettled balance as at 30 June 2023</b>
		<b>RM'000</b>	<b>RM'000</b>
Ling Suk Kiong and Joe Ling Siew Loung @ Lin Shou Long	Rental of open yard fabrication facilities with workshop, warehouse and office in Labuan	339	-
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	151	-
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	9,955	5,698
		<u>11,281</u>	<u>5,698</u>

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	Corresponding quarter ended	Variance	
	(Unaudited)	(Unaudited)	RM'000	%
	30-Jun-23	30-Jun-22		
	RM'000	RM'000		
Revenue	305,730	263,409	42,321	16
Gross profit	147,503	95,031	52,472	55
Profit before interest and tax	102,137	64,795	37,342	58
Profit before tax	97,381	59,136	38,245	65
Profit after tax	67,831	39,650	28,181	71
Profit attributable to owners of the Company	64,690	42,022	22,668	54

The Group's revenue of RM305.7 million for the second quarter of 2023 rose by RM42.3 million or 16% as compared to the second quarter of 2022 of RM263.4 million. The Group also recorded profit before tax of RM97.4 million, as compared to profit before tax of RM59.1 million in the corresponding quarter ended 30 June 2022.

The increase in revenue in the current quarter is mainly due to higher capacity utilisation of vessels with improved daily charter rates ("DCR") and more work order/contracts being awarded from oil majors received under topside maintenance contracts. Vessel utilisation during the current quarter has improved from 66% to 72%, as compared to the second quarter of 2022.

The profit before tax in the current quarter is arrived at, after taking into account a reversal of impairment loss on financial assets of RM1.7 million negated by net realised/unrealised foreign exchange loss of RM18.7 million as compared to a reversal of impairment loss on financial assets of RM1.4 million and net realised/unrealised foreign exchange loss of RM4.7 million in the corresponding quarter of 2022. Despite the impact of foreign exchange loss, the Group recorded higher profit before tax by RM38.2 million to RM97.4 million as compared to RM59.1 million in the corresponding quarter ended 30 June 2022 mainly due to higher utilisation rates for vessels with better margin.

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 2023 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**

	<b>Cumulative period-to-date (Unaudited)</b>	<b>Corresponding period-to-date (Unaudited)</b>	<b>Variance</b>	
	<b>30-Jun-23 RM'000</b>	<b>30-Jun-22 RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	418,151	423,545	(5,394)	(1)
Gross profit	157,562	137,311	20,251	15
Profit before interest and tax	87,573	86,426	1,147	1
Profit before tax	78,217	77,733	484	1
Profit after tax	48,886	48,330	556	1
Profit attributable to owners of the Company	48,745	55,784	(7,039)	(13)

The Group recorded revenue of RM418.2 million during the current period-to-date, which was only 1% lower than the revenue of RM423.5 million in the previous corresponding period-to-date. In current period, the Group also recorded profit before tax of RM78.2 million compared to profit before tax of RM77.7 million in corresponding period ended 30 June 2022.

The slightly lower revenue in the current period is mainly attributable to the unfavourable oil price in early year of 2023, as compared to the oil price in early year of 2022. Despite the impact of oil price, it is still manageable with a robust and consistent revenue growth. The improved daily charter rates and higher vessel utilisation rates of 49% as compared to 46% in corresponding period boost up the revenue in current period to be in line with the revenue in corresponding period.

The profit before tax of RM78.2 million in the current period is arrived at, after taking into account a reversal of impairment loss on financial assets of RM1.7 million however been negated by unfavourable impact from net realised/unrealised foreign exchange loss of RM18.7 million. Excluding the net realised/unrealised foreign exchange loss, the Group would record a profit before tax of RM96.9 million, higher by RM15.4 million as compared to RM81.5 million for the same period in 2022.

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

	<b>Current quarter ended (Unaudited) 30-Jun-23 RM'000</b>	<b>Preceding quarter ended (Unaudited) 31-Mar-23 RM'000</b>	<b>Variance</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	305,730	112,421	193,309	172
Gross profit	147,503	10,059	137,444	1,366
Profit/(Loss) before interest and tax	102,137	(14,564)	116,701	801
Profit/(Loss) before tax	97,381	(19,164)	116,545	608
Profit/(Loss) after tax	67,831	(18,945)	86,776	458
Profit/(Loss) attributable to owners of the Company	64,690	(15,945)	80,635	506

For the current quarter ended 30 June 2023, the Group has recorded a higher revenue of RM305.7 million and profit before tax of RM97.4 million, as compared to revenue of RM112.4 million and a loss before tax of RM19.2 million in the preceding quarter of 2023.

The significant increase in revenue in the current quarter is mainly due to higher vessel utilisation at 72% for the second quarter as compared to 26% in the first quarter of 2023, which was typically affected by the monsoon weather.

The profit before tax of RM97.4 million in the current quarter has taken into account a reversal of impairment loss on financial assets of RM1.7 million as well as a net realised/unrealised foreign exchange loss of RM18.7 million, as compared to a net realised/unrealised foreign exchange loss of RM0.02 million in the preceding quarter.

**B3. Prospects**

We believe the current 2nd quarter's good performance may be sustained in the remaining quarters of 2023. The earnings visibility remained fair given that quite a few ongoing contracts has been extended until FYE 2024. In addition, the contract extensions were given with a moderate revision in unit rates to cover substantial surge in operating cost especially raw materials and logistic.

At present, we anticipate similar call for work orders from our clients to better maintain their production capabilities with an outstanding estimated call-out contracts of about RM1.19 billion.

We will however remain prudent in managing our business affairs while continuing to deliver outstanding performance.

**B4. Profit Forecast and Profit Guarantee**

There was no profit guarantee issued by the Group.

**B5. Tax Expense**

	<b>Current quarter ended 30-Jun-23 (Unaudited) RM'000</b>	<b>Corresponding quarter ended 30-Jun-22 (Unaudited) RM'000</b>	<b>Current period-to-date 30-Jun-23 (Unaudited) RM'000</b>	<b>Corresponding period-to-date 30-Jun-22 (Unaudited) RM'000</b>
<b>Income tax expense</b>				
- Current year	29,153	18,549	33,642	30,213
<b>Deferred tax expense</b>				
- Origination or reversal of temporary differences	397	937	(4,311)	(810)
	29,550	19,486	29,331	29,403

The effective tax rate for the current quarter ended 30 June 2023 is higher than the statutory tax rate of Malaysia mainly due to certain expense items having no tax impact under the relevant local tax jurisdiction.

**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 18 August 2023, 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 2023 were as follows:

	As at 30-Jun-23 (Unaudited)		As at 31-Dec-22 (Audited)	
	USD'000	RM'000	USD'000	RM'000
<b>Current</b>				
<b>Secured</b>				
Sukuk	-	122,850	-	122,850
Term loans	3,159	14,791	3,964	17,501
Islamic facility	-	-	-	2,357
Hire purchase liability	-	62	-	61
	3,159	137,703	3,964	142,769
<b>Non-current</b>				
<b>Secured</b>				
Sukuk	-	211,310	-	227,847
Term loans	4,689	21,954	5,866	25,899
Islamic facility	-	-	-	6,551
Hire purchase liability	-	161	-	192
	4,689	233,425	5,866	260,489
<b>Total</b>	<b>7,848</b>	<b>371,128</b>	<b>9,830</b>	<b>403,258</b>

Exchange rate (USD: MYR):

USD1: MYR4.682

USD1: MYR4.415

Source of reference: Bank Negara Malaysia Website

As at 30 June 2023, the total outstanding borrowings have reduced to RM371.1 million as compared to RM403.3 million as at 31 December 2022 mainly due to early redemption of Sukuk of RM18.4 million and also full settlement of Islamic financing facility.

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 and USD denominated term loans 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.

Reference is made to the claim made by the former directors of the subsidiary of the Group, Perdana Petroleum Berhad (“PPB”), namely Tengku Dato’ Ibrahim Petra Bin Tengku Indra Petra, Datin Che Nariza Hajjar Hashim, Wong Fook Heng and Tiong Young Kong (the “Plaintiffs”) on 7 August 2018 for the indemnification of legal fees they incurred in defending the prior suits brought by 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 since 2009. The total amount to be paid by PPB to the Plaintiffs including the costs and the allocator fee was RM2,652,447.

On 27 June 2019, PPB filed a notice of appeal to the Court of Appeal against the decision made by the High Court. On 16 August 2021, the Court of Appeal allowed PPB’s appeal for the High Court decision dated 29 May 2019 to be set aside and cost of RM30,000 was awarded to PPB. As a result, the Plaintiffs were required to refund the judgment sum of RM2,652,447 to PPB together with the costs of RM30,000.

The Plaintiffs then applied for leave to appeal to the Federal Court on 15 September 2021 and the Federal Court decision which was received by PPB on 3 March 2023 was made in favour of the Plaintiffs to set aside the decision of the Court of Appeal and upheld the decision of the High Court. PPB has been ordered to pay costs of RM100,000 to the Plaintiffs.

It should be noted that the Appellants may seek further indemnification of legal fees that they have incurred for the Court of Appeal and Federal Court proceedings, the quantum of which cannot ascertained at the moment.

In view of the Federal Court decision, PPB’s solicitor has filed notices of discontinuance in the bankruptcy proceedings commenced against the Plaintiffs and thus, PPB will no longer proceed with bankruptcy proceedings against the Plaintiffs.

**B11. Dividend**

For the financial year ended 31 December 2022, the first interim single-tier exempt dividend of RM0.015 per ordinary share totalling RM17,366,576 was declared on 17 November 2022 and was paid on 14 December 2022.

A second interim single-tier exempt dividend of RM0.015 per ordinary share totalling to RM17,366,576 in respect of the financial year ended 31 December 2022 has declared on 16 February 2023 and has paid on 17 March 2023.

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**B12. Earnings Per Share****Basic earnings per share**

	<b>Current Quarter Ended 30-Jun-23</b>	<b>Corresponding Quarter Ended 30-Jun-22</b>	<b>Cumulative Period-To-Date Ended 30-Jun-23</b>	<b>Corresponding Period-To-Date Ended 30-Jun-22</b>
Profit for the period attributable to Owners of the Company (RM'000)	64,690	42,022	48,745	55,784
Weighted average number of ordinary shares ('000)	1,157,772	1,157,772	1,157,772	1,157,772
Basic earnings per share (sen)	5.59	3.63	4.21	4.82

**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 24 August 2023.