



MARINE & GENERAL
BERHAD

MARINE & GENERAL BERHAD
(Registration No. 199601033545 (405897-V))

**INTERIM RESULT FOR THE PERIOD ENDED
31 JANUARY 2025 (Q3 2025)**

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MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2025

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Notes	Individual Quarter		Cumulative Quarter	
			Preceding Year		Preceding Year
		Current Year	Corresponding	Current Year To	Corresponding
		Quarter	Quarter	Date	Quarter
		31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24
		RM'000	RM'000	RM'000	RM'000
Revenue		74,161	88,404	258,413	264,861
Direct costs		(58,610)	(61,332)	(181,660)	(187,818)
Gross profit		15,551	27,072	76,753	77,043
Other income		5,544	10,658	8,241	12,391
Other item of expenses:					
Administrative expenses		(6,629)	(10,178)	(18,995)	(21,919)
EBIT		14,466	27,552	65,999	67,515
Finance income	A7	108	99	564	295
Finance cost	A7	(7,321)	(9,506)	(23,555)	(26,299)
Net finance cost		(7,213)	(9,407)	(22,991)	(26,004)
Profit before taxation		7,253	18,145	43,008	41,511
Taxation	A8	(1,454)	(241)	(1,837)	(390)
Profit after taxation		5,799	17,904	41,171	41,121
Other comprehensive income, net of tax					
Items that are or may be reclassified					
 subsequently to profit or loss					
Foreign currency translation differences for foreign operations		1,458	(1,200)	(11,410)	8,658
Total comprehensive income for the period		7,257	16,704	29,761	49,779

MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2025
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Notes	Individual Quarter		Cumulative Quarter	
			Preceding Year		Preceding Year
		Current Year	Corresponding	Current Year To	Corresponding
		Quarter 31-Jan-25 RM'000	Quarter 31-Jan-24 RM'000	Date 31-Jan-25 RM'000	Quarter 31-Jan-24 RM'000
Net profit attributable to:					
Owners of the parent		2,554	13,281	27,607	28,914
Non-controlling interests		3,245	4,623	13,564	12,207
		<u>5,799</u>	<u>17,904</u>	<u>41,171</u>	<u>41,121</u>
Total comprehensive income attributable to:					
Owners of the parent		3,996	12,235	14,207	36,289
Non-controlling interests		3,261	4,469	15,554	13,490
		<u>7,257</u>	<u>16,704</u>	<u>29,761</u>	<u>49,779</u>
Profit per share (sen)					
- basic	A9	<u>0.11</u>	<u>0.60</u>	<u>1.24</u>	<u>1.30</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying explanatory notes attached to the interim financial statements.

MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2025**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

		31-Jan-25	Audited 30-Apr-24
	Notes	RM'000	RM'000
Assets			
Non-current assets			
Property, vessels and equipment		649,984	689,592
Right-of-use assets		2,157	2,766
		652,141	692,358
Current assets			
Inventories		14,701	16,286
Other investments	A11	4,522	8,918
Trade and other receivables	A12	108,779	71,062
Current tax assets		448	1,237
Cash and bank balances	A13	65,306	67,401
		193,756	164,904
Total assets		845,897	857,262
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital	A14	275,703	270,003
Reverse acquisition deficit		(92,791)	(92,791)
Foreign currency translation reserve		1,127	14,527
Accumulated losses		(33,272)	(57,844)
Total equity attributable to equity holders of the Company		150,767	133,895
Preference shares of a subsidiary		67,464	70,129
Non-controlling interests		(26,231)	(41,785)
Total equity		192,000	162,239
Non-current liabilities			
Loans and borrowings	A15	483,108	551,033
Lease liabilities		2,211	2,354
Deferred tax liabilities		4,914	5,457
		490,233	558,844
Current liabilities			
Loans and borrowings	A15	92,531	70,908
Lease liabilities		202	664
Trade and other payables	A16	70,611	64,026
Current tax liabilities		320	581
		163,664	136,179
Total liabilities		653,897	695,023
Total equity and liabilities		845,897	857,262
Net assets per share attributable to equity holders of the Company (sen)		20.83	18.50

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying explanatory notes attached to the interim financial statements.

MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2025
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Group						
	Non-distributable			Distributable			
	Share capital	Reverse acquisition deficit	Foreign currency translation reserve	Accumulated losses	Preference shares of a subsidiary	Non-controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 May 2024	270,003	(92,791)	14,527	(57,844)	70,129	(41,785)	162,239
Profit for the period	-	-	-	27,607	-	13,564	41,171
Foreign currency translation differences for foreign operations	-	-	(13,400)	-	-	1,990	(11,410)
Total comprehensive income for the period	-	-	(13,400)	27,607	-	15,554	29,761
Issue of new shares in exchange with preference shares of a subsidiary	5,700	-	-	(3,035)	(2,665)	-	-
At 31 January 2025	275,703	(92,791)	1,127	(33,272)	67,464	(26,231)	192,000
At 1 May 2023	270,003	(92,791)	6,004	(104,879)	70,129	(64,005)	84,461
Profit for the period	-	-	-	47,035	-	20,728	67,763
Foreign currency translation differences for foreign operations	-	-	8,523	-	-	1,492	10,015
Total comprehensive income for the year	-	-	8,523	47,035	-	22,220	77,778
At 30 April 2024	270,003	(92,791)	14,527	(57,844)	70,129	(41,785)	162,239

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying explanatory notes attached to the interim financial statements.

MARINE & GENERAL BERHAD (Registration No. 199601033543 (405897-V))

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2025**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	31-Jan-25 RM'000	31-Jan-24 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Collection of revenue	230,254	245,687
Collection of other income	6,980	1,458
	<u>237,234</u>	<u>247,145</u>
Payment of expenses	(141,609)	(161,427)
Net tax (paid)/refund	(1,019)	625
Net cash generated from operating activities	<u>94,606</u>	<u>86,343</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of other investments	4,396	2,923
Proceed from disposal of property, vessels and equipment	-	24,779
Purchase of property, vessels and equipment	(30,574)	(21,275)
Net cash (used by)/generated by investing activities	<u>(26,178)</u>	<u>6,427</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(400)	-
Repayment of borrowings	(46,301)	(45,089)
Payment of finance costs	(23,279)	(26,875)
Payment of leases	(543)	(662)
Net cash used in financing activities	<u>(70,523)</u>	<u>(72,626)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(2,095)	20,144
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	67,401	24,423
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	65,306	44,567

(a) Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

		31-Jan-25 RM'000	31-Jan-24 RM'000
Cash and bank balances	A13	51,278	24,201
Deposits with licensed financial institutions	A13	14,028	20,366
		<u>65,306</u>	<u>44,567</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 April 2024 and the accompanying explanatory notes attached to the interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting and IAS 34 Interim Financial Reporting.

The condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 30 April 2024.

The accounting policies adopted are consistent with those of the previous financial period except for the adoption of new and amended standards as set out below:

a. New and amended standards adopted by the Group

A number of new and amended standards have become applicable for the current reporting period. However, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

b. Standards issued but not yet effective

At the date of authorisation of this financial report, the following MFRS and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

MFRSs, Interpretations and amendments to MFRS	Effective date
▪ Amendments to MFRS 121, <i>Lack of Exchangeability</i>	1 January 2025
▪ Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
▪ MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
▪ MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
▪ Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

A2. CORPORATE INFORMATION

Marine & General Berhad is a public limited liability company incorporated and domiciled in Malaysia and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 26 March 2025.

A3. CHANGES IN ESTIMATES

There were no changes in estimates of amounts that would have material effect in the current period.

A4. CHANGES IN THE COMPOSITION OF THE GROUP

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

A5. SEGMENT INFORMATION

	Marine Logistics - Upstream		Marine Logistics - Downstream		Investment Holding and Others		Adjustments		Total	
	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3-month results										
Revenue										
External customers	59,149	68,247	15,012	20,157	-	-	-	-	74,161	88,404
Inter-segment	-	-	-	-	44	44	(44)	(44)	-	-
Total revenue	59,149	68,247	15,012	20,157	44	44	(44)	(44)	74,161	88,404
Segment profit/(loss)										
before taxation	11,269	12,390	(2,581)	7,025	(1,391)	(1,303)	(44)	33	7,253	18,145
9-month results										
Revenue										
External customers	207,553	199,803	50,860	65,058	-	-	-	-	258,413	264,861
Inter-segment	-	-	-	-	132	132	(132)	(132)	-	-
Total revenue	207,553	199,803	50,860	65,058	132	132	(132)	(132)	258,413	264,861
Segment profit/(loss)										
before taxation	47,399	36,684	(424)	8,172	(3,779)	(3,448)	(188)	103	43,008	41,511
Segment assets										
	664,601	641,698	171,017	199,755	170,219	132,796	(159,940)	(122,030)	845,897	852,219
Segment liabilities										
	630,133	682,013	28,539	46,056	41,309	114,769	(46,084)	(124,859)	653,897	717,979

A6. SEASONAL OR CYCLICAL FACTORS

The Group's operations are not subject to any significant seasonal or cyclical factors.

A7. PROFIT BEFORE TAX

Included in the profit before tax are the following items:

	Current Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24
	RM'000	RM'000	RM'000	RM'000
Finance income	108	99	564	295
Finance costs	(7,321)	(9,506)	(23,555)	(26,299)
Gain on disposal of property, vessels and equipment	-	9,690	-	9,690
Depreciation of property, vessels and equipment	(13,327)	(13,290)	(39,926)	(40,030)
Depreciation of right-of-use assets	(124)	(130)	(463)	(469)
Amortisation of vessels dry-docking	(6,051)	(6,567)	(18,130)	(19,424)
Net foreign exchange (loss)/gain	(493)	1,214	1,707	(102)

A8. INCOME TAX

	Current Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24
	RM'000	RM'000	RM'000	RM'000
Current period tax charge:				
Malaysian				
- current year	205	241	588	390
- under provision in prior year	1,249	-	1,249	-
	<u>1,454</u>	<u>241</u>	<u>1,837</u>	<u>390</u>

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Certain subsidiaries of the Company being Malaysian tax resident companies incorporated in Labuan under the Offshore Companies Act, 1990 are taxed at 3% of profit before tax in accordance with the Labuan Offshore Business Activity Tax Act, 1990.

A9. PROFIT PER SHARE

Basic profit per share

Basic profit per share is calculated by dividing profit for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period, excluding employee trust shares held by the Company.

A9. PROFIT PER SHARE (CONT'D)

Basic profit per share (cont'd)

The following reflect the profit and share data used in the computation of basic profit per share:

	Current Quarter (3 months)	Cumulative period (9 months)
31 January 2025		
Basic profit per share:		
Profit net of tax attributable to owners of the parent (RM'000)	2,554	27,607
Weighted average number of ordinary shares ('000)	2,223,879	2,223,879
Basic profit per share (sen)	<u>0.11</u>	<u>1.24</u>
31 January 2024		
Basic profit per share:		
Profit net of tax attributable to owners of the parent (RM'000)	13,281	28,914
Weighted average number of ordinary shares ('000)	2,223,879	2,223,879
Basic profit per share (sen)	<u>0.60</u>	<u>1.30</u>

On 13 August 2020, Jasa Merin (Malaysia) Sdn Bhd ("JMM") issued 150,000,000 convertible preference shares ("JMM PS") to its bankers as part of its debt restructuring. The JMM PS are non-redeemable but are mandatorily exchangeable with the ordinary shares of the Company at the rate of 10 new ordinary shares for every one JMM PS. Pursuant to MFRS 133, *Earnings per Share*, the number of shares issuable on exchange of JMM PS has been included in the calculation of basic earnings per share. Hence, during the period under review, there is no dilution in the profit per share.

A10. VALUATION OF PROPERTY, VESSELS AND EQUIPMENT

There is no valuation of property, vessels and equipment brought forward from the previous audited financial statements, as the Group does not adopt a revaluation policy on property, vessels and equipment.

A11. OTHER INVESTMENTS

	31-Jan-25 RM'000	30-Apr-24 RM'000
Financial assets at fair value through profit or loss	<u>4,522</u>	<u>8,918</u>

The financial assets at fair value through profit or loss represent investments in short-term money market instruments.

A12. TRADE AND OTHER RECEIVABLES

	31-Jan-25	30-Apr-24
	RM'000	RM'000
Trade receivables	96,051	66,606
Other receivables	12,728	4,456
	<u>108,779</u>	<u>71,062</u>

The ageing analysis of the trade receivables is as follows:

	31-Jan-25	30-Apr-24
	RM'000	RM'000
Current (not past due)	95,234	67,503
1 - 30 days past due	400	678
31 - 90 days past due	1,552	6
Past due more than 90 days	2,712	2,650
	<u>99,898</u>	<u>70,837</u>
Allowance for impairment loss	<u>(3,847)</u>	<u>(4,231)</u>
	<u>96,051</u>	<u>66,606</u>

The Group's normal trade credit term for trade receivables is 30 days. Other credit terms are assessed and approved on case-to-case basis.

A13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following amounts:

	31-Jan-25	30-Apr-24
	RM'000	RM'000
Cash and bank balances	51,278	45,776
Deposits placed with licensed banks	14,028	21,625
Total cash and cash equivalents	<u>65,306</u>	<u>67,401</u>

Included in the deposits placed with licensed financial institutions is RM927,000 (30 April 2024: RM1,205,000) deposit pledged for banking facilities granted to subsidiaries.

A14. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

As mentioned in note A9, the Company ("M&G") is obliged to issue new ordinary shares in exchange for the 150 million JMM PS pursuant to a debt restructuring undertaken by JMM in 2020. The share exchange is fixed at the rate of RM1.00 nominal value of the JMM PS for such number of new ordinary shares of the Company ("M&G Shares") representing an equivalent value based on the exchange price of RM0.10 per M&G Share. During the period under review, the Company issued 57 million new shares in exchange with 5.7 million JMM PS.

A14. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (CONT'D)

Except for the above, there was no issuance, cancellation, repurchase, or resale of equity securities during the period under review.

A15. GROUP BORROWINGS AND DEBT SECURITIES

Group borrowings and debt securities as at the end of the reporting period are as follows:

	31-Jan-25	30-Apr-24
	RM'000	RM'000
Secured short-term borrowings:		
Term loans	86,079	63,122
Revolving credits	6,400	7,750
Hire purchase	52	36
Total short term borrowings	<u>92,531</u>	<u>70,908</u>
Secured long-term borrowings:		
Term loans	483,066	551,033
Hire purchase	42	-
Total long term borrowings	<u>483,108</u>	<u>551,033</u>
Total borrowings	<u>575,639</u>	<u>621,941</u>

A16. TRADE AND OTHER PAYABLES

	31-Jan-25	30-Apr-24
	RM'000	RM'000
Trade payables	31,461	40,586
Accruals and other payables	<u>39,150</u>	<u>23,440</u>
	<u>70,611</u>	<u>64,026</u>

A17. DEBT AND EQUITY SECURITIES

During the current period under review, the Group did not undertake any issuance, cancellation, repurchase, resale and repayment of debt and equity securities.

A18. DIVIDENDS

No dividends have been proposed or paid in the financial period under review.

A19. COMMITMENTS

	31-Jan-25 RM'000	30-Apr-24 RM'000
Capital expenditure		
Approved and contracted for:		
Property, vessel and equipment	<u>5,674</u>	<u>4,319</u>

A20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Pursuant to the disposal of Sistem Lingkaran Lebuhraya Kajang Sdn. Bhd. ("SILK") to Permodalan Nasional Berhad ("PNB"), the Company has agreed to indemnify PNB against all losses, costs, expenses, damages, claims and liabilities which may arise from the dispute between SILK and the landowners regarding the quantum of compensation payable for the compulsory acquisition of land falling under the Kajang Traffic Dispersal Ring Road ("Expressway") that was undertaken by SILK pursuant to the Concession Agreement.

Pursuant to the Turnkey Contract dated 31 July 2001 between SILK and Sunway Construction Sdn. Bhd. ("SCSB"), the amount payable by SILK to SCSB for the land use payments (including expenses and charges incurred by SCSB for the acquisition of land and for removal or resettling of squatters or other occupants on the Expressway) has been contracted at a ceiling amount of RM215 million. Any further amounts that may be awarded by the Court beyond RM215 million will therefore be borne by SCSB.

In the SILK's funded stretch, there are 240 cases with claims amounting to RM503.7 million. In prior years, out of the 240 cases, 239 cases have been resolved and 1 case with claims of RM17.8 million had been fixed for hearing at the Court of Appeal ("CoA") on 11 August 2023. On 25 August 2023, the CoA ordered that the appeal be allowed and the matter to be remitted back to High Court for re-assessment. Subsequently, SILK has filed a motion for leave to appeal against the decision of the CoA. On 22 August 2024, the Federal Court heard the parties submission but reserved the decision to a future date.

Notwithstanding the above, the Directors are of the opinion that provision is not required in respect of this matter, as it is not probable that a future outflow of economic benefits will be required.

A21. UNUSUAL ITEMS

There were no items affecting assets, liabilities, equity, net income, or cash flow that were unusual because of their nature, size and incidence in the current period.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN BOARD LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. REVIEW OF PERFORMANCE

The Group performance for the quarter under review and the financial year to date compared with the corresponding periods of the previous financial year are as follows:

	Current Year Quarter 31-Jan-25 RM'000	Preceding Corresponding Quarter 31-Jan-24 RM'000	Variances RM'000	Change %
Revenue	74,161	88,404	(14,243)	(16.1%)
Profit before taxation	7,253	18,145	(10,892)	(60.0%)
Profit after taxation	5,799	17,904	(12,105)	(67.6%)
Profit attributable to ordinary equity holders of the parent	2,554	13,281	(10,727)	(80.8%)

Fleet utilisation:

Marine Logistics - Upstream Division	63%	77%
Marine Logistics - Downstream Division	73%	78%

During the current quarter, the Group recorded a revenue of RM74.2 million which represents 16.1% lower revenue than the preceding year corresponding quarter of RM88.4 million. The decrease was mainly attributable to lower fleet utilisation recorded by both the Upstream and the Downstream Divisions due to vessel repairs and scheduled docking, as well as the disposal of 2 tankers in the preceding financial year.

The Upstream Division remained the Group's primary revenue contributor, generating 80% of total revenue, while the Downstream Division accounted for the remaining 20%.

Division	No. of vessels deployed		Revenue contribution			
	Preceding year		Preceding year		Preceding year	
	Current year	corresponding	Current year	corresponding	Current year	corresponding
	quarter	quarter	quarter	quarter	quarter	quarter
	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24	31-Jan-25	31-Jan-24
			RM'000	RM'000	%	%
Upstream	19	19	59,149	68,247	80%	77%
Downstream	6	7	15,012	20,157	20%	23%
	25	26	74,161	88,404	100%	100%

In line with lower revenue as a result of lower vessel utilisation and fewer vessels in operation, the Group recorded profit before taxation of RM7.3 million in the current quarter compared to RM18.1 million recorded in the preceding year corresponding quarter.

B1. REVIEW OF PERFORMANCE (CONT'D)

	9 Months Ended		Variances RM'000	Change %
	31-Jan-25 RM'000	31-Jan-24 RM'000		
Revenue	258,413	264,861	(6,448)	(2.4%)
Profit before taxation	43,008	41,511	1,497	3.6%
Profit after taxation	41,171	41,121	50	0.1%
Profit attributable to ordinary equity holders of the parent	27,607	28,914	(1,307)	(4.5%)

Fleet utilisation:				
Marine Logistics - Upstream Division	72%	75%		
Marine Logistics - Downstream Division	80%	85%		

For the current 9-month cumulative period, the Group recorded marginally lower revenue of RM258.4 million than the RM264.9 million recorded in the preceding year corresponding period. The decrease was mainly attributable to the disposal of 2 tankers in the preceding year. Although fleet utilisation for both the Upstream and the Downstream Division was lower than the preceding year, the effect has been off set by higher charter rates in the current cumulative period.

The Upstream Division remained the primary revenue contributor, generating 80% of the Group's revenue, while the Downstream Division contributed the remaining 20%.

Division	No. of vessels deployed		Revenue contribution			
	Current year- to-date 31-Jan-25	Preceding corresponding quarter 31-Jan-24	Current year- to-date 31-Jan-25 RM'000	Preceding corresponding quarter 31-Jan-24 RM'000	Current year- to-date 31-Jan-25 %	Preceding corresponding quarter 31-Jan-24 %
Upstream	21	20	207,553	199,803	80%	75%
Downstream	6	8	50,860	65,058	20%	25%
	27	28	258,413	264,861	100%	100%

Although the Group recorded lower revenue, the Group recorded marginally higher profit before taxation of RM43 million than the RM41.5 million recorded in the preceding year corresponding period. The increase in profit before taxation was mainly driven by enhanced cost efficiencies which helped counteract the impact of lower revenue, and lower finance costs in line with periodic financing repayments.

B1. REVIEW OF PERFORMANCE (CONT'D)

Divisional commentary

i. Marine Logistics – Upstream Division

	3 months ended			9 months ended		
	31-Jan-25 RM'000	31-Jan-24 RM'000	Change	31-Jan-25 RM'000	31-Jan-24 RM'000	Change
Revenue	59,149	68,247	(13.3%)	207,553	199,803	3.9%
Profit before taxation	11,269	12,390	(9.0%)	47,399	36,684	29.2%
Fleet utilisation	63%	77%		72%	75%	

Quarterly review

During the period under review, the Upstream Division recorded revenue of RM59.1 million, 13.3% lower than the preceding year corresponding quarter. The decrease was in line with lower fleet utilisation due to vessel off hire during monsoon season as well as for vessel docking for repairs and maintenance.

The Division recorded marginally lower profit before taxation of RM11.3 million for the current quarter than RM12.4 million recorded in the preceding year corresponding quarter. Although the Division recorded lower revenue in the current period, the effect was partially off set by the collection of RM5.9 million insurance compensation and lower finance costs.

Year-to-date review

For the 9-month period, the Upstream Division recorded a revenue of RM207.6 million, a marginal increase from the preceding year corresponding period. Although the Division recorded lower vessel utilisation during the current cumulative period, the Division recorded higher revenue in line with increased charter rates and income from third party vessel management fees.

The Division recorded profit before taxation of RM47.4 million in the current cumulative period, representing a 29.2% increase from RM36.7 million recorded in the preceding year corresponding period. This improvement was mainly attributable to enhanced cost efficiencies resulting in better profit margin, and collection of RM5.9 million insurance compensation and lower finance costs in line with periodic financing repayments.

ii. Marine Logistics – Downstream Division

	3 months ended			9 months ended		
	31-Jan-25 RM'000	31-Jan-24 RM'000	Change	31-Jan-25 RM'000	31-Jan-24 RM'000	Change
Revenue	15,012	20,157	(25.5%)	50,860	65,058	(21.8%)
(Loss)/Profit before taxation	(2,581)	7,025	*	(424)	8,172	*
Fleet utilisation	73%	78%		80%	85%	

* Not meaningful

B1. REVIEW OF PERFORMANCE (CONT'D)

ii. Marine Logistics – Downstream Division (cont'd)

The Downstream Division recorded revenue of RM15 million for the current quarter and RM50.9 million for the 9-month period, representing 25.5% and 21.8% lower revenue respectively. The decrease was in line with fewer vessels in operation subsequent to the disposal of two (2) vessels in the preceding year and lower vessel utilisation due to vessel off-hire for repairs and maintenance.

During the current quarter, the Division recorded a loss before taxation of RM2.6 million, compared to a profit before taxation of RM7 million in the preceding year corresponding period while for the 9-month cumulative period, the Division recorded loss before taxation of RM424,000, compared to profit before taxation of RM8.2 million recorded in the preceding year corresponding period.

The variance between the loss incurred in the current quarter and the cumulative period compared to the profit recorded in the preceding year corresponding periods was mainly due to the non-recurring vessel disposal gain of RM9.7 million recorded in the preceding year corresponding period.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE PRECEDING PERIOD

a. Revenue

	Current Year Quarter 31-Jan-25 RM'000	Immediate Preceding Quarter 31-Oct-24 RM'000	Variances RM'000	Change %
Revenue				
Marine Logistics - Upstream Division	59,149	70,403	(11,254)	(16.0%)
Marine Logistics - Downstream Division	15,012	20,789	(5,777)	(27.8%)
	74,161	91,192	(17,031)	(18.7%)
Fleet utilisation				
Marine Logistics - Upstream Division	63%	75%		
Marine Logistics - Downstream Division	73%	77%		

The Group recorded lower revenue of RM74.2 million for the current quarter compared to the immediate preceding quarter in line with lower charter activities for both the Upstream and the Downstream Divisions.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE RESULTS OF THE PRECEDING PERIOD (CONT'D)

b. Profit/(loss) before taxation

	Current Quarter 31-Jan-25 RM'000	Immediate Preceding Quarter 31-Oct-24 RM'000	Variances RM'000	Change %
Profit/(loss) before taxation				
Marine Logistics - Upstream Division	11,269	15,917	(4,648)	(29.2%)
Marine Logistics - Downstream Division	(2,581)	2,720	(5,301)	*
Investment holding and others	(1,391)	(1,168)	(223)	19.1%
Adjustments	(44)	8	(52)	*
	<u>7,253</u>	<u>17,477</u>	<u>(10,224)</u>	<u>(58.5%)</u>

*Not meaningful

The Group recorded RM10.2 million lower profit before taxation of RM7.3 million in the current period than the RM17.5 million profit recorded in the immediate preceding quarter in line with lower revenue.

B3. CURRENT YEAR PROSPECTS

Malaysia's economic fundamentals remain stable, supported by healthy private consumption and investment. However, external uncertainties, including geopolitical tensions, the rising potential for a global economic slowdown, and domestic fiscal constraints, are increasing risks to overall business conditions.

In the Upstream Division, vessel demand is expected to be sustained in line with ongoing offshore activities and PETRONAS' project pipeline. Regulatory developments in the oil and gas sector continue to be monitored for potential implications on operations.

The Downstream Division anticipates steady operational levels, supported by consistent demand for Malaysian-flagged tankers. The disposal of two vessels last year has adjusted the Division's fleet capacity, and any future expansion will be assessed based on market conditions and operational requirements.

The Board recognizes both opportunities and challenges within the sector. External risks, including geopolitical instability and shifts in global economic policies, remain key considerations.

For the current financial year, the Group maintains a neutral outlook, with operational decisions guided by market developments and economic conditions.

B4. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST

The Group has not issued any profit forecast for the current financial period and therefore, no comparison is available.

B5. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no financial instruments with off balance sheet risks as at the date of issue of the report.

B6. REALISED AND UNREALISED PROFITS OF THE GROUP

	31-Jan-25	30-Apr-24
	RM'000	RM'000
Total retained loss of the Company and its subsidiaries:		
- realised loss	(457,922)	(482,676)
Less consolidated adjustment	<u>424,650</u>	<u>424,832</u>
Total Group retained profits as per consolidated accounts	<u>(33,272)</u>	<u>(57,844)</u>

B7. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report on the Group's financial statements for the period ended 30 April 2024 was not subject to any qualification.

**BY ORDER OF THE BOARD
SECRETARIES**