



MARINE & GENERAL
BERHAD

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

**INTERIM RESULTS FOR THE PERIOD ENDED
31 JULY 2025 (Q1 2026)**

Contents:

- 1. Unaudited results for period ended 31 July 2025**
- 2. Statement of Financial Position as at 31 July 2025**
- 3. Statement of Changes in Equity for the period ended 31 July 2025**
- 4. Statement of Cash Flows for the period ended 31 July 2025**
- 5. Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Main Board Listing Requirements of Bursa Malaysia Securities Berhad**

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

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2025
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Notes	Preceding Year	
		Current Year	Corresponding Quarter
		31-Jul-25	31-Jul-24
		RM'000	RM'000
Revenue		99,432	91,192
Direct costs		(62,377)	(60,752)
Gross profit		37,055	30,440
Other income		-	1,150
Other item of expenses:			
Administrative expenses		(6,700)	(6,326)
EBIT		30,355	25,264
Finance income	A7	149	328
Finance cost	A7	(7,151)	(8,115)
Net finance cost		(7,002)	(7,787)
Profit before taxation		23,353	17,477
Taxation	A8	(170)	(129)
Profit after taxation		23,183	17,348
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		(1,051)	(5,823)
Total comprehensive income for the period		22,132	11,525
Net profit attributable to:			
Owners of the parent		16,617	12,995
Non-controlling interests		6,566	4,353
Total comprehensive income attributable to:		23,183	17,348
Profit per share (sen)			
- basic	A9	0.75	0.58

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 April 2025 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 JULY 2025

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	31-Jul-25 RM'000	Audited 30-Apr-25 RM'000
Assets			
Non-current assets			
Property, vessels and equipment		602,198	610,033
Right-of-use assets		1,940	2,124
Deferred tax assets		17,855	17,854
		621,993	630,011
Current assets			
Inventories		13,857	12,200
Other investments	A11	7,770	9,356
Trade and other receivables	A12	159,479	156,257
Current tax assets		1,390	1,251
Cash and bank balances	A13	53,522	50,859
		236,018	229,923
Asset held for sale		8,062	8,062
		244,080	237,985
Total assets		866,073	867,996
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital	A14	275,703	275,703
Reverse acquisition deficit		(92,791)	(92,791)
Foreign currency translation reserve		766	1,570
Retained earnings/(Accumulated losses)		531	(16,085)
		184,209	168,397
Total equity attributable to equity holders of the Company		67,464	67,464
Preference shares of a subsidiary		(20,017)	(26,337)
Total equity		231,656	209,524
Non-current liabilities			
Loans and borrowings	A15	450,185	465,654
Lease liabilities		1,824	1,723
Deferred tax liabilities		6,745	6,830
		458,754	474,207
Current liabilities			
Loans and borrowings	A15	89,667	92,800
Lease liabilities		352	615
Trade and other payables	A16	85,554	90,518
Current tax liabilities		90	332
		175,663	184,265
Total liabilities		634,417	658,472
Total equity and liabilities		866,073	867,996
Net assets per share attributable to equity holders of the Company (sen)		23.09	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 2025 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 JULY 2025

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Group						Non-controlling interests RM'000	
	Non-distributable			Distributable (Accumulated)				
	Share capital RM'000	Reverse acquisition deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Preference shares of a subsidiary RM'000	Total RM'000		
At 1 May 2025	275,703	(92,791)	1,570	(16,086)	67,464	(26,336)	209,524	
Profit for the period	-	-	-	16,617	-	6,566	23,183	
Foreign currency translation differences for foreign operations	-	-	(804)	-	-	(247)	(1,051)	
Total comprehensive income for the year	-	-	(804)	16,617	-	6,319	22,132	
At 31 July 2025	275,703	(92,791)	766	531	67,464	(20,017)	231,656	
At 1 May 2024	270,003	(92,791)	14,527	(57,844)	70,129	(41,785)	162,239	
Profit for the period	-	-	-	44,793	-	21,671	66,464	
Foreign currency translation differences for foreign operations	-	-	(12,957)	-	-	(2,222)	(15,179)	
Total comprehensive income for the period	-	-	(12,957)	44,793	-	19,449	51,285	
Issue of new shares in exchange with preference shares of a subsidiary	5,700	-	-	(3,035)	(2,665)	-	-	
Redemption of Non-Cumulative Redeemable Convertible Preference Shares	-	-	-	-	-	(3,600)	(3,600)	
Accretion of equity interest of a subsidiary	-	-	-	1	-	(1)	-	
Dividend paid	-	-	-	-	-	(400)	(400)	
At 30 April 2025	275,703	(92,791)	1,570	(16,086)	67,464	(26,336)	209,524	

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 2025 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 JULY 2025

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	31-Jul-25 RM'000	31-Jul-24 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Collection of revenue	101,066	81,119
Collection of other income	411	385
	<u>101,477</u>	<u>81,504</u>
Payment of expenses	(56,243)	(55,618)
Net tax (paid)/refund	(559)	(455)
Net cash generated from operating activities	<u>44,675</u>	<u>25,431</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of other investments	1,586	1,732
Purchase of property, vessels and equipment	<u>(16,804)</u>	<u>(3,595)</u>
Net cash (used by)/generated by investing activities	<u>(15,218)</u>	<u>(1,863)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(18,602)	(14,486)
Payment of finance costs	(8,025)	(8,086)
Payment of leases	<u>(167)</u>	<u>(208)</u>
Net cash used in financing activities	<u>(26,794)</u>	<u>(22,780)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,663	788
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	50,859	67,401
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(a) 53,522	68,189

(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-Jul-25 RM'000	31-Jul-24 RM'000
Cash and bank balances	A13 50,229	34,032
Deposits with licensed financial institutions	A13 3,293	34,157
	<u>53,522</u>	<u>68,189</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 2025 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 2025.

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
▪ Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
▪ Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
▪ MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027

A1. BASIS OF PREPARATION (CONT'D)

b. Standards issued but not yet effective (cont'd)

- MFRS 19 *Subsidiaries without Public Accountability: Disclosures* 1 January 2027
- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* 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 25 September 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-Jul-25	31-Jul-24	31-Jul-25	31-Jul-24	31-Jul-25	31-Jul-24	31-Jul-25	31-Jul-24	31-Jul-25	31-Jul-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	85,485	70,403	13,947	20,789	-	-	-	-	99,432	91,192
Inter-segment	-	-	-	-	263	12	(263)	(12)	-	-
Total revenue	85,485	70,403	13,947	20,789	263	12	(263)	(12)	99,432	91,192
Segment profit/(loss)										
before taxation	22,000	15,917	2,520	2,720	(1,166)	(1,168)	(1)	8	23,353	17,477
Segment assets										
Segment assets	686,985	670,911	165,741	181,300	208,341	172,850	(194,994)	(182,252)	866,073	842,809
Segment liabilities	612,487	667,930	22,118	29,376	35,427	41,334	(35,615)	(69,595)	634,417	669,045

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:

	Preceding Year	Corresponding Year
	Current Year Quarter	31-Jul-25
	RM'000	RM'000
Finance income	149	328
Finance costs	(7,151)	(8,115)
Depreciation of property, vessels and equipment	(12,814)	(13,397)
Depreciation of right-of-use assets	(102)	(173)
Amortisation of vessels dry-docking	(7,750)	(6,204)
Net foreign exchange (loss)/gain	<u>(48)</u>	<u>1,044</u>

A8. INCOME TAX

	Preceding Year	Corresponding Year
	Current Year Quarter	31-Jul-25
	RM'000	RM'000
Current period tax charge:		
Malaysian		
- current period	<u>170</u>	<u>129</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 (3 months)
31 July 2025	
Basic profit per share:	
Profit net of tax attributable to owners of the parent (RM'000)	16,617
Weighted average number of ordinary shares ('000)	2,223,879
Basic profit per share (sen)	<u>0.75</u>
31 July 2024	
Basic profit per share:	
Profit net of tax attributable to owners of the parent (RM'000)	12,995
Weighted average number of ordinary shares ('000)	2,223,879
Basic profit per share (sen)	<u>0.58</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-Jul-25 RM'000	30-Apr-25 RM'000
Financial assets at fair value through profit or loss	<u>7,770</u>	<u>9,356</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-Jul-25	30-Apr-25
	RM'000	RM'000
Trade receivables	89,629	90,886
Other receivables	69,850	65,371
	159,479	156,257

The ageing analysis of the trade receivables is as follows:

	31-Jul-25	30-Apr-25
	RM'000	RM'000
Current (not past due)	77,901	81,972
1 - 30 days past due	9,620	4,116
31 - 90 days past due	2,163	4,636
Past due more than 90 days	4,014	4,231
	93,698	94,955
Allowance for impairment loss	(4,069)	(4,069)
	89,629	90,886

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-Jul-25	30-Apr-25
	RM'000	RM'000
Cash and bank balances	50,229	28,689
Deposits placed with licensed banks	3,293	22,170
Total cash and cash equivalents	53,522	50,859

Included in the deposits placed with licensed financial institutions is RM140,000 (30 April 2025: RM140,000) 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.

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

There has been 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-Jul-25 RM'000	30-Apr-25 RM'000
Secured short-term borrowings:		
Term loans	84,133	86,816
Revolving credits	5,500	5,950
Hire purchase	34	34
Total short term borrowings	<u>89,667</u>	<u>92,800</u>
Secured long-term borrowings:		
Term loans	450,151	465,611
Hire purchase	34	43
Total long term borrowings	<u>450,185</u>	<u>465,654</u>
Total borrowings	<u>539,852</u>	<u>558,454</u>

A16. TRADE AND OTHER PAYABLES

	31-Jul-25 RM'000	30-Apr-25 RM'000
Trade payables	37,758	40,270
Accruals and other payables	47,796	50,248
	<u>85,554</u>	<u>90,518</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-Jul-25 RM'000	30-Apr-25 RM'000
Capital expenditure		
Approved and contracted for:		
Property, vessel and equipment	<u>38,758</u>	<u>37,680</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 (“Turnkey Contract”) 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 12 March 2025, the Federal Court by a majority judgement decided that SILK’s appeal be dismissed with cost and that CoA’s decision dated 25 August 2023 be upheld.

Following the Federal Court decision, a hearing for Land Reference Proceeding was fixed on 17 April 2025 by the Shah Alam High Court. On 12 June 2025 the High Court:

- awarded the landowner additional land compensation amounting to RM4.84 million with interest for the portion of land measuring 17,285 square meters,
- ordered that other awards made by the Hulu Langat Land Administrator be maintained, and
- ordered that all other claims be dismissed.

A20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS (CONT'D)

Pursuant to the Turnkey Contract, the additional land compensation awarded by the High Court and the late payment interest thereto will be borne by the land acquisition turnkey contractor, SCSB. Accordingly, 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 is as follows:

	Current Year Quarter 31-Jul-25 RM'000	Preceding Year Corresponding Quarter 31-Jul-24 RM'000			Variances RM'000	Change %		
Revenue	99,432	91,192		8,240	9.0%			
Profit before taxation	23,353	17,477		5,876	33.6%			
Profit after taxation	23,183	17,348		5,835	33.6%			
Profit attributable to ordinary equity holders of the parent	16,617	12,995		3,622	27.9%			

Fleet utilisation:

Marine Logistics - Upstream Division	82%	77%
Marine Logistics - Downstream Division	88%	91%

For the quarter ended 31 July 2025, the Group recorded a 9% increase in revenue compared to the preceding year corresponding quarter. This growth was mainly driven by higher vessel utilisation and charter rates for the offshore support vessels (“OSV”), in line with the sustained oil drilling activities and the general economic recovery in the region.

The Upstream Division remained as the main revenue contributor, contributing 86% of the Group’s total revenue, while the Downstream Division accounted for the remaining 14%.

Division	No. of vessels deployed		Revenue contribution			
	Current year quarter 31-Jul-25	corresponding quarter 31-Jul-24	Preceding year		Preceding year	
			Current year quarter 31-Jul-25	corresponding quarter 31-Jul-24	Current year quarter 31-Jul-25	corresponding quarter 31-Jul-24
			RM'000	RM'000	%	%
Upstream	20	22	85,485	70,403	86%	77%
Downstream	5	6	13,947	20,789	14%	23%
	25	28	99,432	91,192	100%	100%

In line with the higher revenue, the Group recorded a profit before taxation of RM23.4 million, representing a RM5.9 million increase from the RM17.5 million profit recorded in the preceding year corresponding quarter.

B1. REVIEW OF PERFORMANCE (CONT'D)

Divisional commentary

i. Marine Logistics – Upstream Division

	Current Year Quarter 31-Jul-25	Preceding			Change	
		Corresponding				
		Quarter 31-Jul-24	Variances RM'000			
		RM'000	RM'000	RM'000		
Revenue		85,485	70,403	15,082	21.4%	
Profit before taxation		22,000	15,917	6,083	38.2%	
Fleet utilisation		82%	77%			

During the period under review, the Upstream Division recorded revenue of RM85.5 million, representing 21.4% higher revenue than the preceding year corresponding quarter of RM70.4 million. The increase was mainly due to higher vessel utilisation of 82%, with the 60M AHTS vessels mostly secured under PETRONAS POV contracts.

In line with higher revenue, the Division recorded RM22 million profit before taxation in the current quarter, representing a 38.2% increase over profit of RM15.9 million recorded in the preceding year corresponding quarter.

ii. Marine Logistics – Downstream Division

	Current Year Quarter 31-Jul-25	Preceding			% Change	
		Corresponding				
		Quarter 31-Jul-24	Variances RM'000			
		RM'000	RM'000	RM'000		
Revenue		13,947	20,789	(6,842)	(32.9%)	
Profit before taxation		2,520	2,720	(200)	(7.4%)	
Fleet utilisation		88%	91%			

During the period under review, the Downstream Division recorded a revenue of RM13.9 million, a 32.9% lower revenue than the preceding year corresponding quarter of RM20.8 million. The decrease was mainly due to the reduction in fleet size following the disposal of a vessel in the fourth quarter of the preceding financial year.

The Division recorded marginally lower profit before taxation of RM2.5 million as compared to RM2.7 million in the preceding year corresponding quarter. Although the Division recorded a substantially lower revenue in the current quarter, the Division recorded marginally lower profit before taxation as they incurred lower direct expenses following the vessel disposal and cessation of a third-party vessel bareboat charter.

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

a. Revenue

	Current Year Quarter 31-Jul-25 RM'000	Immediate Preceding Quarter 30-Apr-25 RM'000	Variances RM'000	Change %
Revenue				
Marine Logistics - Upstream Division	85,485	76,890	8,595	11.2%
Marine Logistics - Downstream Division	13,947	16,766	(2,819)	(16.8%)
	<u>99,432</u>	<u>93,656</u>	<u>5,776</u>	<u>6.2%</u>
Fleet utilisation				
Marine Logistics - Upstream Division	82%	63%		
Marine Logistics - Downstream Division	<u>88%</u>	<u>73%</u>		

The Group recorded higher revenue of RM99.4 million during the current quarter compared to the immediate preceding quarter mainly due to the increase in vessel utilisation and charter rates in the Upstream Division.

b. Profit before taxation

	Current Quarter 31-Jul-25 RM'000	Immediate Preceding Quarter 30-Apr-25 RM'000	Variances RM'000	Change %
Profit/(Loss) before taxation				
Marine Logistics - Upstream Division	22,000	(6,898)	28,898	*
Marine Logistics - Downstream Division	2,520	7,496	(4,976)	(66.4%)
Investment holding and others	(1,166)	45,171	(46,337)	(102.6%)
Adjustments	(1)	(46,057)	46,056	(100.0%)
	<u>23,353</u>	<u>(288)</u>	<u>23,641</u>	<u>*</u>
Net reversal of impairment loss	-	9,596	(9,596)	(100.0%)
Profit before taxation	23,353	9,308	14,045	150.9%

* Not meaningful

During the current quarter, the Group recorded RM23.4 million profit before taxation as compared to RM9.3 million recorded in the immediate preceding quarter. The increase was in line with higher revenue and was aided by lower direct expenses arising from lower vessel repair and maintenance expenses and a non-recurring adjustment recorded in the preceding quarter to re-gross the expenses incurred by a third-party vessel.

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 relation to the oil and gas activities, Fitch Solutions Group reported that the upstream sector in Asia is expected to remain robust and will drive capital expenditure growth for exploration and production activities. Malaysia is expected to be an important area for investment in upstream activities. In line with its goal of maintaining the national oil and gas production at 2 million barrels of oil equivalent ("boe") per day, PETRONAS has entered into 14 production sharing contracts in 2024 and is offering five exploration blocks and three discovered resource opportunities clusters in its 2025 bid round. To sustain this, Malaysia is targeting 500–600 million boe in annual replenishment through new discoveries, a goal that requires 20-25 exploration wells per year, with a success rate of 50 per cent.

This bodes well for the domestic OSV business, which is dependent on the level of activities and the capital expenditure of PETRONAS.

However, the Board exercises caution as the industry is facing challenges from the lingering uncertainty in relation to oil and gas activities in Sarawak, amidst the evolving regulatory requirements, which was reported to have delayed certain greenfield projects, the expected declining oil prices as global oil supply continues to exceed demand, climate and environment considerations, the development of green energy sources and the geo-political conflicts in the Middle East and Europe that could affect oil supply and demand.

The Downstream Division anticipates steady operational levels, supported by consistent demand for Malaysian-flagged tankers. Fleet rationalisation has positioned the Division on a firmer footing to deliver sustained profitability, with further optimisation opportunities to be assessed in line with market conditions.

In addition, the Board expects the Engineering Services Division via M&G WHS Engineering Sdn Bhd to commence operation in the current financial year.

The Board remains mindful of external challenges including global economic uncertainties and geopolitical risks. Nevertheless, the Group will continue to focus on operational efficiency and fleet optimisation to maintain resilience and stable earnings performance.

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-Jul-25 RM'000	30-Apr-25 RM'000
Total retained loss of the Company and its subsidiaries:		
- realised loss	(378,082)	(394,671)
Less consolidated adjustment	378,586	378,586
Total Group retained profits as per consolidated accounts	<u>504</u>	<u>(16,085)</u>

B7. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report on the Group's financial statements for the period ended 30 April 2025 was not subject to any qualification.

**BY ORDER OF THE BOARD
SECRETARIES**