



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2019**

	Individual 3 months ended		Cumulative 6 months ended	
	30 Jun 2019 RM'000 (Unaudited)	30 Jun 2018 RM'000 (Unaudited)	30 Jun 2019 RM'000 (Unaudited)	30 Jun 2018 RM'000 (Unaudited)
<b>Revenue</b>	11,996	12,896	19,036	22,513
Cost of sales	<u>(17,165)</u>	<u>(17,789)</u>	<u>(31,209)</u>	<u>(34,116)</u>
Gross loss	(5,169)	(4,893)	(12,173)	(11,603)
Other operating income	415	2,128	1,177	3,729
Other operating expenses	(5)	-	(5)	(31)
Administrative expenses	<u>(2,914)</u>	<u>(1,467)</u>	<u>(5,664)</u>	<u>(4,749)</u>
<b>Operating loss</b>	(7,673)	(4,232)	(16,665)	(12,654)
Finance income	535	250	985	883
Finance expenses	(2,189)	(2,489)	(4,204)	(4,713)
Share of result of an associate	(164)	5,818	(328)	1,519
Share of result of jointly controlled entities	<u>68</u>	<u>(180)</u>	<u>205</u>	<u>(368)</u>
<b>Loss before tax</b>	(9,423)	(833)	(20,007)	(15,333)
Income tax expense	(151)	(289)	905	3,023
<b>Loss for the period, net of tax</b>	<u>(9,574)</u>	<u>(1,122)</u>	<u>(19,102)</u>	<u>(12,310)</u>
Loss attributable to:				
Owners of the Parent	<u>(9,574)</u>	<u>(1,122)</u>	<u>(19,102)</u>	<u>(12,310)</u>
	<u>(9,574)</u>	<u>(1,122)</u>	<u>(19,102)</u>	<u>(12,310)</u>
Earnings per share (sen)				
- Basic EPS	(1.91)	(0.22)	(3.82)	(2.46)
- Diluted EPS	(1.91)	(0.22)	(3.82)	(2.46)

***The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.***

**SEALINK INTERNATIONAL BERHAD (800981-X)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2019

(CONTINUED)

	Individual 3 months ended		Cumulative 6 months ended	
	30 Jun 2019 RM'000 (Unaudited)	30 Jun 2018 RM'000 (Unaudited)	30 Jun 2019 RM'000 (Unaudited)	30 Jun 2018 RM'000 (Unaudited)
<b>Loss for the period, net of tax</b>	(9,574)	(1,122)	(19,102)	(12,310)
<b>Other Comprehensive Income :</b>				
Exchange differences on translation of foreign operations	2,886	7,113	501	(2,184)
<b>Total Comprehensive Income for the period, net of tax</b>	<u>(6,688)</u>	<u>5,991</u>	<u>(18,601)</u>	<u>(14,494)</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<u>(6,688)</u>	<u>5,991</u>	<u>(18,601)</u>	<u>(14,494)</u>
	<u>(6,688)</u>	<u>5,991</u>	<u>(18,601)</u>	<u>(14,494)</u>

*The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**SEALINK INTERNATIONAL BERHAD (800981-X)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2019**

	<b>As at 30 Jun 2019 RM'000 (Unaudited)</b>	<b>As at 31 Dec 2018 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	436,626	455,121
Land use rights	3,965	4,094
Investment in an associate	1,099	1,381
Investment in a joint venture	6,645	6,440
Other receivables	-	13,541
	<b>448,335</b>	<b>480,577</b>
<b>Current Assets</b>		
Inventories	15,713	15,295
Trade and other receivables	53,199	56,896
Investment securities	67	66
Tax recoverable	392	1,042
Cash and cash equivalents	19,316	28,776
	<b>88,687</b>	<b>102,075</b>
<b>Total Assets</b>	<b>537,022</b>	<b>582,652</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Loans and borrowings	81,611	87,212
Trade and other payables	38,216	47,266
Provision for taxation	1,076	216
	<b>120,903</b>	<b>134,694</b>
<b>Net current liabilities</b>	<b>(32,216)</b>	<b>(32,619)</b>
Loans and borrowings	44,703	56,198
Deferred tax liabilities	21,760	23,503
	<b>66,463</b>	<b>79,701</b>
<b>Total Liabilities</b>	<b>187,366</b>	<b>214,395</b>
<b>Net assets</b>	<b>349,656</b>	<b>368,257</b>
<b>Equity attributable to owners of the Company</b>		
Share Capital	329,087	329,087
Retained earnings	(35,917)	(16,815)
Other components of equity	56,486	55,985
<b>Total Equity</b>	<b>349,656</b>	<b>368,257</b>
<b>Total Equity and Liabilities</b>	<b>537,022</b>	<b>582,652</b>
<b>Net asset per share (sen)</b>	<b>69.93</b>	<b>73.65</b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**SEALINK INTERNATIONAL BERHAD (800981-X)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2019

	<----- Attributable to Owners of the Parent ----->					
	Non-distributable		Distributable	Non-distributable		
	Share Capital RM'000	Share Premium RM'000	(Accumulated losses)/Retained earnings RM'000	Foreign currency translation reserve RM'000		Total Equity (Unaudited) RM'000
Opening balance at 1 January 2019	329,087	-	(16,815)	55,985		368,257
Total comprehensive loss for the period	-	-	(19,102)	501		(18,601)
<b>Closing balance at 30 June 2019</b>	<b>329,087</b>	<b>-</b>	<b>(35,917)</b>	<b>56,486</b>		<b>349,656</b>
Opening balance at 1 January 2018	329,087	-	3,601	52,448		385,136
Dividend	-	-		-		-
Operating profit						
Total comprehensive loss for the period	-	-	(20,416)	3,537		(16,879)
<b>Closing balance at 31 December 2018</b>	<b>329,087</b>	<b>-</b>	<b>(16,815)</b>	<b>55,985</b>		<b>368,257</b>

**Note A**

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**SEALINK INTERNATIONAL BERHAD (800981-X)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2019

	<b>Year-to-date Ended</b>	
	<b>30 Jun 2019</b>	<b>30 Jun 2018</b>
	<b>RM'000</b>	<b>RM'000</b>
	(Unaudited)	(Unaudited)
<b>Cash Flows From Operating Activities</b>		
<b>Loss before tax</b>	(20,007)	(15,333)
Adjustments for:		
Interest income	(985)	(883)
Interest expenses	4,204	4,713
Amortisation of land use rights	129	289
Depreciation of property, plant and equipment	18,789	19,276
Loss / (Gain) on disposal of property, plant and equipment	-	(1,339)
Property, plant and equipment written off	5	2
Reversal of impairment loss on trade receivables	(1)	(119)
Share of result of an associate	328	(1,519)
Share of result of joint controlled entities	(205)	368
Unrealised loss/(gain) on foreign exchange	566	1,215
Total adjustments	<u>22,830</u>	<u>22,003</u>
<b>Operating profit before working capital changes</b>	<b>2,823</b>	<b>6,670</b>
Changes in working capital		
(Increase)/Decrease in inventories	(500)	(552)
(Increase)/Decrease in trade and other receivables	18,586	(4,249)
Increase/(Decrease) in trade and other payables	(8,098)	(3,943)
Net change in holding company balances	(900)	-
Total changes in working capital	<u>9,088</u>	<u>(8,744)</u>
<b>Cash flows from operations</b>	<b>11,911</b>	<b>(2,074)</b>
Interest paid	(4,204)	(4,713)
Interest received	985	883
Income tax refund	676	109
Income tax paid	(241)	(150)
<b>Net Cash Flows From Operating Activities</b>	<b><u>9,127</u></b>	<b><u>(5,945)</u></b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**SEALINK INTERNATIONAL BERHAD (800981-X)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2019

	<b>Year-to-date Ended</b>	
	<b>30 Jun 2019</b>	<b>30 Jun 2018</b>
	<b>RM'000</b>	<b>RM'000</b>
	(Unaudited)	(Unaudited)
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(125)	(160)
Proceeds from disposal of property, plant and equipment	-	9,482
<b>Net Cash Flows Used in Investing Activities</b>	<b>(125)</b>	<b>9,322</b>
<b>Cash Flows From Financing Activities</b>		
Net movement in fixed deposits pledged	502	(170)
Net movement in revolving credit	(2,743)	(200)
Proceeds from term loans	-	11,325
Repayments of obligations under finance leases	(2)	(29)
Repayment of term loans	(15,173)	(22,285)
<b>Net Cash Flows Used In Financing Activities</b>	<b>(17,416)</b>	<b>(11,359)</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(8,414)</b>	<b>(7,982)</b>
Effect of changes in foreign exchange rates	11	(125)
Cash and Cash Equivalents at the beginning of financial year	12,251	(11,268)
<b>Cash and Cash Equivalents at the end of financial period</b>	<b>3,848</b>	<b>(19,375)</b>

Cash and cash equivalents at the end of the period comprised the following:

Cash and bank balances	19,316	22,037
Bank overdraft	(13,958)	(28,598)
	5,358	(6,561)
Less: Fixed deposits pledged and cash at bank restricted in use	(1,510)	(12,814)
	<b>3,848</b>	<b>(19,375)</b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**(A) NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134) :  
INTERIM FINANCIAL REPORTING**

**A1. Basis of Preparation**

The interim financial statements have been prepared on the historical cost basis, unless otherwise stated. The interim financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by Malaysian Accounting Standards Boards ("MFRS"), the requirements of the Companies Act 2016 in Malaysia and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018. The 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 financial year ended 31 December 2018.

**A1.1 Changes in Accounting Policies**

The accounting policies adopted in the preparation of the unaudited interim financial statements are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 December 2018. The Group intends to adopt the below standards, if applicable.

**MFRS effective for annual period beginning on or after 1 January 2020**

- Amendments to MFRS 3: Definition of a Business
- Amendments to MFRS 101 and MFRS 108: Definition of Material
- The Conceptual Framework for Financial Reporting

**MFRS effective for annual period beginning on or after 1 January 2021**

- MFRS 17 Insurance Contracts

**MFRS effective date of these Standards have been deferred, and yet to be announced**

- Amendments to MFRS 10 Consolidated Financial Statements
- MFRS 128 Investments in Associates and Joint Ventures - *Sale or Contribution of Assets between and Investor and its Associates or Joint Venture*

**A2. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements of the Company ("Sealink International Berhad") and its subsidiaries for the year ended 31 December 2018 were not qualified.

**A3. Seasonal or cyclical factors**

The Group's performance is affected by the marine industry. The demand for our vessels are closely associated with the cyclical fluctuations of the marine industry.

**A4. Items of unusual nature and amount**

There was no item that affect assets, liabilities, equity, net income, or cash flows that are unusual in nature, size, or incidence during the current financial quarter under review.

**A5. Material changes in estimates**

There were no changes in the estimates that have had a material effect in the current quarter under review.

**SEALINK INTERNATIONAL BERHAD (800981-X)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019****(A) NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134) :  
INTERIM FINANCIAL REPORTING****A6. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities**

There were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter.

**A7. Dividends Paid**

No dividend was paid in the current quarter under review.

**A8. Segmental information**

The results and other information of the Group as at 31 December 2019 are as follows:

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>Revenue</b>					
External sales	823	18,213	-	-	19,036
Inter-segment sales	2,018	5,257	-	(7,275)	-
Total revenue	<u>2,841</u>	<u>23,470</u>	<u>-</u>	<u>(7,275)</u>	<u>19,036</u>
Segment loss (Note A)	<u>(32)</u>	<u>14,203</u>	<u>(360)</u>	<u>(33,818)</u>	<u>(20,007)</u>

**A8. Segmental information (continued)**

Note A

The following items are added to/(deducted from) segment loss to arrive at "Loss before tax from continuing operations" presented in the condensed consolidated income statements:

Segment Loss	13,809
Dividend from subsidiaries	(34,800)
Loss from inter-segment sales	1,107
Share of result of an associate	(328)
Share of results of jointly controlled entities	205
Finance costs	5,894
Unallocated corporate expenses	<u>(5,894)</u>
Loss before tax	<u><u>(20,007)</u></u>

**A8. Segmental information (continued)**

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total
<b>Assets and liabilities</b>					
Segment assets	137,381	610,717	202,674	(413,750)	537,022
Segment liabilities	74,739	328,617	163,810	(379,800)	187,366
Net assets	<u>62,642</u>	<u>282,100</u>	<u>38,864</u>	<u>(33,950)</u>	<u>349,656</u>
<b>Other segmental information</b>					
Depreciation	1,488	11,839	6,552	(1,090)	18,789
Amortisation of land use rights	53	52	24	-	129

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019**

**(A) NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134) :  
INTERIM FINANCIAL REPORTING**

**A9. Capital commitments**

Capital commitments are as follows:

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Property, plant and equipment	-	126,969

**A10. Material events subsequent to the end of period reported**

There were no material events subsequent to the end of the interim period reported which have not been reflected under the current quarter.

**A11. Changes in composition of the Group**

There were no changes in composition of the Group for the current quarter ended 30 June 2019.

**A12. Contingent liabilities**

The following is the contingent liability since the last annual balance sheet date:

	As at 30 Jun 2019 RM'000	As at 30 Jun 2018 RM'000
Corporate guarantees given to financial institutions in consideration of credit facilities granted to a jointly controlled entity	-	-

**A13. Related party transactions**

Transactions between the Group and related parties are as follows:

	Transaction value for 3 months ended 30 Jun 2019 RM	Current Year-to-date 30 Jun 2019 RM
<b>(i) Transactions with companies in which certain Directors of the Company have substantial interest :</b>		
Ming Kiong Agencies (Singapore) Pte Ltd		
- Rental of office at Far East shopping centre, Singapore	13,887	27,666
Manmohan's (Labuan) Sdn Bhd		
- Rental of office at Lot 20, Labuan	3,000	6,000
Syarikat Guan Teck Enterprise (Sarawak) Sdn Bhd		
- Lease of office at Lot 1035, Piasau	30,000	60,000

**(A) NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134) :  
INTERIM FINANCIAL REPORTING**

**A13. Related party transactions (Continued)**

Transactions between the Group and related parties are as follows:

	Transaction value for 3 months ended 30 Jun 2019 RM	Current Year-to-date 30 Jun 2019 RM
<b>(i) Transactions with companies in which certain Directors of the Company have substantial interest :</b>		
Syarikat Lambir Timber Sdn Bhd - Chartering of vessels	70,000	105,000
Khoo & Co, Advocates and Solicitors - Provision of legal services	1,848	1,848
<b>(ii) Transactions with Director :</b>		
Yong Foh Choi - Rental of staff quarter at Lot 334, Jalan Lutong-Pujut	1,200	2,400
	<u>119,935</u>	<u>202,914</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.

**SEALINK INTERNATIONAL BERHAD (800981-X)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019****(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS****B1. Review of performance of the Company and its principal subsidiaries****(a) Financial review for current quarter and financial year to date**

	Individual Period		Cumulative Period	
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
	RM'000	RM'000	RM'000	RM'000
Revenue	11,996	12,896	19,036	22,513
Operating (loss)	(7,673)	(4,232)	(16,665)	(12,654)
(Loss) before tax	(9,423)	(833)	(20,007)	(15,333)
(Loss) after tax	(9,574)	(1,122)	(19,102)	(12,310)
Revenue				
- Shipbuilding Division	255	525	822	755
- Ship Charter Division	11,741	12,371	18,214	21,758
	<u>11,996</u>	<u>12,896</u>	<u>19,036</u>	<u>22,513</u>

**OPERATING SEGMENTS REVIEW****2Q 2019 vs 2Q 2018****(I) Operating Revenue**

- Despite the slight decrease in revenue from RM12.9 million in Q2 2018 to RM12 million in Q2 2019, the Group is spending more on activation of vessels to make them available, fit and proper for upcoming charters in anticipation of revenue growth in the second half of the year. The Group recorded loss before taxation of RM9.4 million as compared to loss before taxation of RM833k in the preceding year's corresponding period mainly due to the activation of vessels thus resulting in margin deterioration. On a positive note, the net cash flow from operating activities has improved substantially despite the high activation cost.

**Chartering Division**

- Revenue generated from chartering division has declined by 7% in Q2 2019 as compared to Q2 2018 mainly due to ongoing activation of the vessels. The revenue has improved by 70% as compared to Q1 of 2019 showing the improvement in utilization.
- The loss before tax increased from 833k in Q2 2019 as compared to RM9.4 million in Q2 2018 mainly due to gain on disposal of about RM1.1 million from the sale of three (3) vessels, reversal of the prior losses incurred by the associate company and also higher activation cost incurred in Q2 2019.

**Shipbuilding Division**

- Revenue generated from shipbuilding division recorded revenue of RM255k in the current quarter as compared to RM525k in 2Q 2018. Higher revenue recorded in 2Q 2018 resulted from ship repair activities as the first half of this year we are focusing on activation of the Group's vessels in anticipation of upcoming charters.

**B2. Material changes in the quarterly results compared to the results of the preceding quarter**

	2Q 2019	1Q 2019	Variance	%
	RM'000	RM'000	RM'000	
Revenue	11,996	7,040	4,956	70%
Loss before tax	<u>(9,423)</u>	<u>(10,584)</u>	1,161	11%

**Current Quarter vs preceding quarter**

- The Group's revenue has increased by 70% as compared to the preceding quarter. The increase in revenue in the current quarter is mainly due to higher vessel utilization rate. The increase in operating expenses is in tandem with the increase in revenue in Q2 2019.

**(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS**

**B3. Commentary on prospects**

Although market sentiments are still cautious, there is more optimism over prospects for the oil and gas industry on the back of stable oil prices, prompting greater levels of activity. The Group will continue to manage costs and increase efficiency in this turbulent economic climate to improve our competitiveness and resilience. Riding on our strong foundation, we are confident that the Group will achieve good results going forward.

Based on industry analyst reports, the oil market reacted positively to the Organisation of the Petroleum Exporting Countries' (OPEC) recent decision to extend oil output cuts by another 9 months to March 2020 and US sanctions against exporters Iran and Venezuela. Meanwhile, analyst believes that oil prices will see some stabilisation for 2019, supported by demand and supply fundamentals.

Petronas' Activity Outlook for 2019-2021 portrays growth in brownfield activities particularly in rigs category and its supporting services, marine vessels. Base activities in maintenance are projected to increase for both onshore and offshore in tandem with this outlook.

According to the research arm of Kenanga Investment Bank Berhad, contract flow started to show signs of a gradual pick-up for the past three to four quarters. Research also indicates that the upward revision in most upstream sub-segments' activities could be due to the delayed work orders last year being pushed to 2019 which may potentially lead to better contract flows and further provide order-book replenishment opportunities for the support sectors. The improved contract flow is, nonetheless, a positive sign coming on the back of recent stabilising oil prices, as a result of (i) under investments in the yesteryears, coupled with (ii) increased local activities, as guided by Petronas' latest activity outlook and increased upstream spending.

The Group will continue its emphasis on its core activities of ship building, ship charter and ship repair. The Group's shipbuilding division will be looking towards building vessels which have a niche market as well as enhancing its docking (ship repair) facilities, whilst continuous efforts will be taken towards optimising capacity utilisation of the Group's vessels. The Group is also looking at building new vessels that are more energy efficient and environment friendly, in line with tighter environmental regulations in the maritime industry. With the ongoing initiatives in sustainable cost rationalisation and exposures, we believe the Group is well positioned to tide over the current business challenges, of which the worst seem to be over.

With the Government lending stronger support to the maritime industry with the recent launch of the Malaysia Shipping Master plan, the country is set to become a self-sufficient and internationally competitive nation that can benefit us along the maritime industry supply chain. The local oil and gas sector will get more push from the government this year amid rising exploration and production activities.

The outlook for the global shipping sector into 2020 will remain stable, as higher expected earnings are counterbalanced by the US-China trade tensions and worldwide regulatory risks, says Moody's Investors Service.

Barring any unforeseen circumstances or events, The Board is optimistic that demand for offshore marine support vessels will improve with further increased expenditure in offshore oil field development and maintenance work by the oil majors. The outlook is improving in anticipation of a shipping recovery.

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019**

**(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS**

**B4. Variance between actual profit from forecast profit**

Not applicable as no profit forecast was published.

**B5. Loss before tax**

Included in the loss before tax are the following items:

	6 months ended	
	30 Jun 2019	30 Jun 2018
	RM'000	RM'000
Interest income	(985)	(883)
Interest expenses	4,204	4,713
Amortisation of land use rights	129	289
Depreciation of property, plant and equipment	18,789	19,276
Loss / (Gain) on disposal of property, plant and equipment	-	(1,339)
Property, plant and equipment written off	5	2
Reversal of impairment loss on trade and receivables	(1)	(119)
Share of result of an associate	328	(1,519)
Share of result of joint controlled entities	(205)	368
Unrealised loss/(gain) on foreign exchange	566	1,215

**B6. Taxation**

	Current	Year-to-date
	Quarter	
	30 Jun 2019	30 Jun 2019
	RM'000	RM'000
Malaysian income tax	361	838
Deferred tax reversal	(210)	(1,743)
<b>Total tax</b>	<u>151</u>	<u>(905)</u>

The effective tax rate for the Group for the financial period was lower than statutory tax rate due to reversal of deferred tax relating to temporary differences as well as the different tax rate applicable to subsidiaries of the Group in other jurisdictions.

**SEALINK INTERNATIONAL BERHAD (800981-X)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019****(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS****B7. Sale of unquoted investments and/or properties**

There were no sales of unquoted investments and no other sales of properties for the current quarter and financial year ended 30 June 2019.

**B8. Quoted securities**

There was no purchase or disposal of quoted securities for the current quarter and financial year to date.

**B9. Status of corporate proposal**

There is no corporate proposal announced but not completed as at end of the financial period under review.

**B10. Group borrowings and debt securities**

Total Group's borrowings as at 30 June 2019 were as follows:

As at 30 June 2019						
	Short term		Long term		Total borrowings	
	Foreign currency	RM'000	Foreign currency	RM'000	Foreign currency	RM'000
Secured						
- Bank overdraft	-	13,958	-	-	-	13,958
- Revolving credits	-	47,240	-	-	-	47,240
- Loans (USD)	3,027	12,514	7,790	32,199	10,817	44,713
- Loans (SGD)	1,331	4,067	3,040	7,839	4,371	11,906
- Loans (RM)	-	3,828	-	4,665	-	8,493
- Obligations under finance leases	-	4	-	-	-	4
		81,611		44,703		126,314

As at 30 June 2018						
	Short term		Long term		Total borrowings	
	Foreign	RM'000	Foreign	RM'000	Foreign currency	RM'000
Secured						
- Bank overdraft	-	28,598	-	-	-	28,598
- Revolving credits	-	45,800	-	-	-	45,800
- Loans (USD)	2,203	8,903	11,180	45,161	13,383	54,064
- Loans (SGD)	500	11,925	4,025	11,925	4,525	23,850
- Loans (RM)	-	4,359	-	17,377	-	21,736
- Obligations under finance leases	-	29	-	28	-	57
		99,614		74,491		174,105

**SEALINK INTERNATIONAL BERHAD (800981-X)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2019****(B) ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'S LISTING REQUIREMENTS****B11. Derivative Financial Instruments**

There are no outstanding derivatives at the reporting period.

**B12. Material litigation**

There was no material litigation for the current quarter and financial year to date.

**B13. Dividend payable**

No interim dividend has been declared for the current quarter ended 30 June 2019.

**B14. Earnings per Share**

	3 months ended		6 months ended	
	30 Jun 2019	30 Jun 2018	30 Jun 2019	30 Jun 2018
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit attributable to Owners of the Parent (RM'000)	<u>(9,574)</u>	<u>(1,122)</u>	<u>(19,102)</u>	<u>(12,310)</u>
Weighted average number of shares in issue ('000)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Basic earnings per share (sen)	<u>(1.91)</u>	<u>(0.22)</u>	<u>(3.82)</u>	<u>(2.46)</u>
Diluted earnings per share (sen)	<u>(1.91)</u>	<u>(0.22)</u>	<u>(3.82)</u>	<u>(2.46)</u>

Basic earnings per share of the Company is calculated by dividing net (loss)/profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

The computation of diluted earnings per share is the same as basic earnings per share as there were no new shares issued during the reporting period.

**B15. Authorisation For Issue**

The quarterly report for the second quarter ended 30 June 2019 was authorised for issue by the Board resolution of the directors dated 28th August 2019.

**By Order Of The Board**  
**28-August-2019**