



*"the shipping people"*

Company No : 256516-W

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2022**

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
**(Incorporated in Malaysia)**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**  
**For The Quarter and Financial Period Ended 31 December 2022**

	Note	Quarter Ended			Year Ended		
		31.12.2022	31.12.2021	Changes	31.12.2022	31.12.2021	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
		(Reviewed)			(Audited)		
Revenue	B1	41,726	35,984	16	153,640	160,556	(4)
Cost of sales		(38,777)	(16,154)	>(100)	(128,693)	(134,093)	4
Gross profit		2,949	19,830	(85)	24,947	26,463	(6)
Administrative expenses		(8,707)	264	>(100)	(20,501)	(10,948)	(87)
Other operating income/(expenses) :							
- Net gain/(loss) on foreign exchange		1,240	(649)	>100	(7,231)	(10,457)	31
- Other income	B3	4,574	4,656	(2)	5,899	7,214	(18)
- Gain/(loss) on disposal of assets		1,477	-	100	2,166	(12,223)	>100
- Reversal of/(impairment loss)		12,962	(124,564)	>100	12,962	(135,247)	>100
Results from Operating activities		14,495	(100,463)	>100	18,242	(135,198)	>100
Finance income		131	-	>100	224	127	76
Finance costs		(2,712)	(3,700)	27	(9,489)	(14,462)	34
Profit/(loss) before tax		11,914	(104,163)	>100	8,977	(149,533)	>100
Taxation	B6	11,066	(1,112)	>100	11,066	(1,112)	>100
Profit/(loss) for the period		22,980	(105,275)	>100	20,043	(150,645)	>100
Profit/(loss) attributable to:							
Owners of the Company		22,980	(105,275)	>100	20,043	(150,645)	>100
		(Reviewed)			(Audited)		
Earnings Per Share attributable to owners of the Company							
Basic EPS (sen)	B12	4.33	(19.84)		3.78	(28.40)	

*The above Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.*



Company No : 256516-W

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
**(Incorporated in Malaysia)**

**Unaudited Condensed Consolidated Statement of Financial Position**  
**as at 31 December 2022**

	Note	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000 (Audited)
<b>Assets</b>			
Property, plant and equipment	A9	411,994	424,093
Right-of-use assets		1,978	1,790
Deferred tax assets		10,349	-
<b>Non-current assets</b>		<b>424,321</b>	<b>425,883</b>
Inventories		1,042	106
Trade, other receivables and contract assets		24,586	19,172
Tax recoverable		216	447
Cash, bank balances and deposits		60,602	10,607
<b>Current assets</b>		<b>86,446</b>	<b>30,332</b>
Non-current assets held for sale		19,892	104,334
		106,338	134,666
<b>Total assets</b>		<b>530,659</b>	<b>560,549</b>
<b>Equity and liabilities</b>			
Share capital	A6	179,755	179,755
Accumulated Losses		(142,248)	(162,291)
<b>Total equity</b>		<b>37,507</b>	<b>17,464</b>
Lease liabilities		2,170	2,218
Loans and borrowings	B8	123,887	-
Deferred tax liabilities		-	879
<b>Non-current liabilities</b>		<b>126,057</b>	<b>3,097</b>
Trade, other payables and contract liabilities		317,047	321,293
Lease liabilities		384	110
Loans and borrowings	B8	49,340	218,014
Current tax liabilities		324	571
<b>Current liabilities</b>		<b>367,095</b>	<b>539,988</b>
<b>Total liabilities</b>		<b>493,152</b>	<b>543,085</b>
<b>Total equity and liabilities</b>		<b>530,659</b>	<b>560,549</b>
		<b>RM</b>	<b>RM</b>
<b>Net assets per share attributable to owners of the Company</b>		<b>0.07</b>	<b>0.03</b>

*The above Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.*



Company No : 256516-W

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
**(Incorporated in Malaysia)**

**Unaudited Condensed Consolidated Statement of Changes in Equity**  
**For The Period Ended 31 December 2022**

	<b>Non-distributable</b>		
	<b>Share capital RM'000</b>	<b>Accumulated losses RM'000</b>	<b>Total equity RM'000</b>
<b>At 1 January 2022</b>	179,755	(162,291)	17,464
Total comprehensive income for the year	-	20,043	20,043
<b>At 31 December 2022</b>	<u>179,755</u>	<u>(142,248)</u>	<u>37,507</u>
<b>At 1 January 2021 (restated)</b>	179,755	(11,646)	168,109
Total comprehensive loss for the year	-	(150,645)	(150,645)
<b>At 31 December 2021</b>	<u>179,755</u>	<u>(162,291)</u>	<u>17,464</u>

*The above Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.*

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
**(Incorporated in Malaysia)**

**Unaudited Condensed Consolidated Statement of Cash Flows**  
**For The Year Ended 31 December 2022**

	Note	Year Ended	
		31.12.2022	31.12.2021
		RM'000	RM'000
			(Audited)
<b>Cash flows from operating activities</b>			
Profit/(loss) before tax		8,977	(149,533)
Adjustments for:			
Property, plant and equipment			
(Gain)/loss on disposal		(2,166)	12,223
Depreciation		39,532	43,479
(Reversal of)/impairment loss		(12,965)	125,612
Write off		-	9,635
Right-of-use-assets:			
Depreciation		160	6,846
Finance costs on:			
Conventional financing		2,138	9,942
Profit charge on Islamic financing		7,202	3,233
Accretion of interest on lease liabilities		149	969
Interest cost on material litigation		-	2,041
Interest on fixed deposits		(210)	(127)
Allowance for impairment losses on receivable		-	53
Unrealised foreign exchange loss		4,713	4,550
Operating profit before changes in working capital		47,530	68,923
Changes in working capital:			
Inventories		(936)	96
Trade, other receivables and contract assets		(5,427)	9,296
Trade, other payables and contract liabilities		(8,466)	(86,098)
Cash generated from/(used in) operations		32,701	(7,783)
Interest received		210	127
Interest paid on conventional financing		(2,287)	(3,344)
Profit paid on Islamic financing		(7,202)	(3,233)
Tax (paid)/refunded		(179)	526
<b>Net cash generated from/(used in) operating activities</b>		<b>23,243</b>	<b>(13,707)</b>
<b>Cash flows from investing activities</b>			
(Placement)/redemption in short term deposits,			
fixed and security deposits pledged		(42,832)	2,902
Additions to property, plant and equipment		(14,468)	(58,368)
Proceeds from disposal of property, plant and equipment		86,608	20,265
<b>Net cash generated from/(used in) investing activities</b>		<b>29,308</b>	<b>(35,201)</b>

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
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**Unaudited Condensed Consolidated Statement of Cash Flows**  
**For The Year Ended 31 December 2022 (Continued)**

	Note	Year Ended	
		31.12.2022	31.12.2021
		RM'000	RM'000
			(Audited)
<b>Cash flows from financing activities</b>			
Repayment of conventional term loan		(29,449)	(36,119)
Repayment of Islamic term financing facilities		(12,783)	(31,487)
Drawdown from Islamic term financing facilities		-	119,902
Net repayment of finance lease		-	(21)
Repayment of lease liabilities		(123)	(7,134)
<b>Net cash (used in)/generated from financing activities</b>		<b>(42,355)</b>	<b>45,141</b>
<b>Net increase in cash and cash equivalents</b>		<b>10,196</b>	<b>(3,767)</b>
Cash and cash equivalents at beginning of financial year		958	4,725
<b>Cash and cash equivalents at end of financial year</b>	<b>(i)</b>	<b>11,154</b>	<b>958</b>

(i) Cash and cash equivalents

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

	Year Ended	
	31.12.2022	31.12.2021
	RM'000	RM'000
		(Audited)
Cash and bank balances	13,605	6,442
Fixed and security deposits with licensed banks	46,997	4,165
	<b>60,602</b>	<b>10,607</b>
Less: Bank overdrafts	(2,451)	(5,484)
	58,151	5,123
Less: Fixed and security deposits pledged	(46,997)	(4,165)
	<b>11,154</b>	<b>958</b>

*The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.*



Company No : 256516-W

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
**(Incorporated in Malaysia)**

**PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND  
FINANCIAL YEAR ENDED 31 DECEMBER 2022**

**A1 BASIS OF PREPARATION**

The interim financial report has been prepared in accordance with Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

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

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2021, except for the following which were adopted at the beginning of the current financial period. These pronouncements are either not relevant or do not have any material impact on the Group's financial statements for the current financial period.

**Description**

- Amendments to MFRS 16 Leases: Covid-19 Related Rent Concessions beyond 30 June 2021
- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018 - 2020 Cycle)
- Amendments to MFRS 3 Business Combinations (Reference to the Conceptual Framework)
- Amendments to MFRS 9 Financial Instruments (Annual Improvements to MFRS Standards 2018 - 2020 Cycle)
- Amendments to MFRS 116 Property, Plant and Equipment Proceeds before Intended Use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract
- Amendments to MFRS 141 Agriculture (Annual Improvements to MFRS Standards 2018 - 2020 Cycle)



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**PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**A1 BASIS OF PREPARATION (CONTINUED)**

Standards, amendments and interpretations issued but not yet effective

The amendments that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards and interpretations, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
• MFRS 17: Insurance Contracts	1 January 2023
• Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
• Amendments to MFRS 17 Initial Application of MFRS 17	1 January 2023
• Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
• Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
• Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2024
• Amendment to MFRS 16 Leases - Lease Liability in a Sale and Leaseback	1 January 2024
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Directors expect that the adoption of the above amendments will have no material impact on the financial statements in the period of initial application.



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**PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**A2 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

Auditor did not express an opinion to the audit report of the annual financial statements for the financial year ended 31 December 2021.

**A3 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations have not been significantly affected by any seasonal or cyclical trend.

**A4 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flow during the current quarter under review.

**A5 CHANGE IN ACCOUNTING ESTIMATES**

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

**A6 DEBT AND EQUITY SECURITIES**

There were no cancellation, resale and prepayment of debt and equity securities during the current quarter other than loans repayments in accordance with the Group's loans repayment schedules.

**A7 DIVIDENDS**

There was no dividend paid during the quarter.

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**PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**A8 SEGMENT REPORTING**

Operating segments are reported in a manner consistent with the internal management reporting as follows:

**(i) Marine transport and Floating Storage Unit / Floating, Storage and Offloading Vessel (FSU/FSO)**

Our product tankers are used to transport refined petroleum products from oil refineries to end-users.

FSU/FSOs are typically used as storage facility at offshore Oil & Gas.

Fast crew boats are primarily used to transport personnel between shore and platform, platform and platform or other offshore facilities.

**(ii) Port Marine Services**

The port marine services provided by the Company are towage services comprising of towing, pushing or manoeuvring vessels.

**(iii) Marine Engineering Services**

Marine Engineering services is ship building and ship repairs.

**(iv) Others**

Other operating segments include mooring services activities.

The Group assesses the performance of the operating segments based on revenue and earnings before interest, taxation, depreciation and amortisation (EBITDA).

**Revenue**

	Fourth Quarter Ended		Year Ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Marine transport and FSO	22,268	11,292	72,726	79,841
Port marine services	19,458	24,692	80,914	80,576
Others	-	-	-	139
	41,726	35,984	153,640	160,556



Company No : 256516-W

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**PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**A8 SEGMENT REPORTING (CONTINUED)**

**EBITDA**

	Fourth Quarter Ended		Year Ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Marine transport and FSO	559	(5,155)	3,327	10,021
Port marine services	22,674	5,893	41,866	6,848
EPCIC	-	23,984	-	23,984
Others	-	-	-	(113)
	23,233	24,722	45,193	40,740

**A9 VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

The Group has carried out valuation on its property, plant and equipment in the current financial quarter.

**A10 MATERIAL EVENTS**

**a) Classification as PN17 Issuer**

On 25 February 2022, the Company announced to Bursa Malaysia Securities Berhad (Bursa) that the Company is classified as a PN17 issuer as it has triggered the prescribed criteria pursuant to Paragraph 8.04 of the Chapter 8, Paragraph 2.1(a) and Paragraph 2.1(e) of PN17 of the Listing Requirements.

Pursuant to PN17, the Company is required to submit a regularisation plan to either Bursa or Securities Commission (SC) for approval within 12 months from the announcement date and to complete the implementation of the plan within the timeframe set by Bursa or SC.

Currently, the Company is in the midst of formulating a regularisation plan to address its financial condition and the company shall make the necessary announcement(s) in regard to the development on the above matter.

On 9 February 2023, the Company has submitted an application for an extension of time ("EOT") up to 24 August 2023 for the Company to submit its regularisation plan. The outcome of the Proposed EOT is subject to Bursa Securities' approval. An announcement in relation to the outcome of the EOT application will be released in due course.

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**PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND  
FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**A10 MATERIAL EVENTS (CONTINUED)**

**b) Proposed debt restructuring exercise**

On 28 February 2022, the High Court had granted the following orders to the company:

- i. a restraining order pursuant to Section 368 of the Act ("Restraining Order") for a period of three months which is valid until 28 May 2022.
- ii. an order pursuant to Section 366(1) of the Act to summon meetings of the creditors of the Company. Permission is given to the Company to hold the Court Convene Meeting ("CCM") within three months from the date of this order.

The duration of three months for the initial restraining order and for permission to hold the CCM can be extended by way of a further Court Order upon application.

On 25 May 2022, the Company announced that, the High Court of Malaya at Kuala Lumpur ("High Court") granted, among others, an extension of time for leave to convene the creditors' meeting and an extension of the restraining order for a further six (6) months from 28 May 2022.

On 5 December 2022 the Court-convened creditors' meeting pursuant to section 366 of the Companies Act 2016 ("Act") was held by the Company. The proposed scheme of arrangement presented in the Court-convened creditors' meeting has been approved by the requisite majority in value of the creditors present and voting at the Court convened meeting, obtaining a 90.95% in value approval.

On 4 January 2023, the Company, has obtained from the High Court of Malaya at Kuala Lumpur the following Order pursuant to section 366 of the Companies Act 2016 to sanction the Company's scheme of arrangement ("Order"). The Order sets out, among others:

- i. That the Scheme of Arrangement contained in the Explanatory Statement, read together with the Updated List of Adjudicated Scheme Debts of the Company and the Errata dated 30.11.2022, is approved and sanctioned by this Honourable Court so as to be binding upon the Company, and the Scheme Creditors as defined therein; and
- ii. That an office copy of the Order shall be lodged with the Companies Commission of Malaysia.

On 12 January 2023, the Company, had lodged with the Companies Commission of Malaysia the sealed Order granted on 4 January 2023, sanctioning the Company's scheme of arrangement ("Sanction Order"). With the lodgment of the Sanction Order, the schemes of arrangement have now taken effect.

Further developments on the above matter will be announced to Bursa Malaysia Securities Berhad in due course.



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**PART A : NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND  
FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**A11 CHANGES IN THE COMPOSITION OF THE GROUP**

There are no material changes in the composition of the Group during the current quarter.

**A12 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

Since the last Statement of Financial Position, there were no material changes in contingent liabilities and contingent assets.

**A13 CAPITAL COMMITMENTS**

There is no capital commitments provided for in the interim financial report as at 31 December 2022.



Company No : 256516-W

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
**(Incorporated in Malaysia)**

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022**

**B1 REVIEW OF THE PERFORMANCE OF THE GROUP**

**Review of performance for the cumulative quarter 12 months ended 31 December 2022**

	Year Ended		
	31.12.2022	31.12.2021	Changes
	RM'000	RM'000	%
Revenue	153,640	160,556	(4)
Cost of sales	(128,693)	(134,093)	4
Gross profit	24,947	26,463	(6)
Profit/(Loss) before tax	8,977	(149,533)	>100
Profit/(Loss) for the financial year	20,043	(150,645)	>100

The Group recorded a revenue of RM153.6 million for the year ended 31 December 2022 as compared to RM160.6 million in the previous corresponding year, resulted in decrease of RM7.0 million in revenue. Lower revenue mainly due to expiry of certain contracts.

The Group recorded a profit before tax (PBT) of RM9.0 million for the year ended 31 December 2022, as compared to a loss before tax (LBT) of RM149.5 million in the previous corresponding year. The PBT was mainly due to lower depreciation (certain assets reclassified to assets held for sale in December 2021 and disposed in 2022), gain on disposal of vessels and reversal of vessel impairment. In addition, there was impairment loss of one vessel under construction in FY2021.

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**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**B1 REVIEW OF THE PERFORMANCE OF THE GROUP (CONTINUED)**

**Review of performance for the current quarter 3 months ended 31 December 2022**

	<b>Fourth Quarter Ended</b>		
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>Changes</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	41,726	35,984	16
Cost of sales	(38,777)	(16,154)	(140)
Gross profit	2,949	19,830	(85)
Profit/(loss) before tax	11,914	(104,163)	>100
Profit/(loss) for the financial period	22,980	(105,275)	>100

The Group recorded a revenue of RM41.7 million for the current quarter 31 December 2022 as compared to RM36.0 million in the previous corresponding quarter, an increase of RM5.7 million. The increase was due to spot charter contracts from the new tankers.

The Group posted a PBT of RM11.9 million for the quarter ended 31 December 2022, as compared to a LBT of RM104.1 million in the previous corresponding quarter. Profit recorded in Q4 2022 mainly due to lower holding costs for laid up vessels and reversal of vessel impairment.

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**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**B2 MATERIAL CHANGES IN THE QUARTERLY RESULTS**

Review of performance for the current quarter compared to immediate preceding quarter

	Quarter Ended		Changes %
	31.12.2022 RM'000	30.09.2022 RM'000	
Revenue	41,726	43,242	(4)
Cost of sales	(38,777)	(28,264)	(37)
Gross profit	2,949	14,978	(80)
Profit before tax	11,914	5,677	>100
Profit for the financial period	22,980	5,677	>100

The Group recorded a revenue of RM41.7 million for the current quarter ended 31 December 2022, as compared to RM43.2 million in the preceding quarter, a decrease of RM1.5 million due to lower vessels' utilisation rate.

The Group posted a PBT of RM11.9 million for the quarter ended 31 December 2022, as compared to a PBT of RM5.7 million in the preceding quarter. The increase was due to reversal of vessel impairment.

**B3 OTHER INCOME**

	Fourth Quarter Ended			Period Ended		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Insurance claim	793	4,574	(83)	1,941	6,250	(69)
Other income	3,781	82	4,511	3,958	964	311
Total other income	4,574	4,656	(2)	5,899	7,214	(18)

**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
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**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**B4 COMMENTARY ON PROSPECTS**

As at 31 December 2022, the Group's order book was RM300.0 million with additional RM333.8 million for extension period.

The Company has been awarded a contract on 8 May 2019 by PETCO Trading Labuan Company Limited ("PTLCL") for Provision of Long-term Charter Coastal Vessel Services for new tankers. The duration of the contract is for a primary period of five years with five extension options of one year each at PTLCL's option. The contract value is approximately RM159.28 million, excluding the option period. This contract is expected to commence tentatively in first quarter of year 2023. Hence, it is expected to contribute positively to the earnings and net tangible assets of the Company for the financial year ending 31 December 2023 and beyond.

The company continues to improve on operational efficiencies to maximise vessel's utilisation rate, implement cost savings and containment programs, ensure extension of existing contracts and effective cash management. Leveraging on the rising of oil prices globally, the Company is continuously looking for new businesses and contracts which will contribute positively to the earning stability and cash flow certainty.

The Company is currently formulating a Proposed Regularisation Plan mainly comprise among others a workable debt restructuring plan under 'Scheme of Arrangement' and exploring the option to secure long term contract utilising current or new vessels.

**B5 PROFIT FORECAST / GUARANTEE**

The Group is not subject to any variance of actual profit from forecast profit/profit guarantee for the current financial year under review.

**B6 TAXATION**

	Fourth Quarter Ended			Year-To-Date Ended		
	31.12.2022	31.12.2021	Changes	31.12.2022	31.12.2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Income Tax :						
Current taxation	(518)	(557)	7	(518)	(557)	7
(Over)/under provision of tax in prior year	136	(3)	>100	136	(3)	>100
Deferred tax :						
Temporary differences	11,448	(552)	>100	11,448	(552)	>100
<b>Total taxation</b>	<b>11,066</b>	<b>(1,112)</b>	<b>&gt;100</b>	<b>11,066</b>	<b>(1,112)</b>	<b>&gt;100</b>



**E.A. TECHNIQUE (M) BERHAD (256516-W)**  
**(Incorporated in Malaysia)**

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**B6 TAXATION (CONTINUED)**

The Company has unabsorbed tax losses of RM223.2 million and unutilised capital allowances of RM145.7 million. Pursuant to the Finance Act 2018, unabsorbed tax losses in a year of assessment can only be carried forward for a maximum period of 10 consecutive years of assessment. The unutilised capital allowances do not expire under the current tax legislation.

**B7 STATUS OF CORPORATE PROPOSALS**

The Board of Directors of the Company announced on 03.10.2022 that the Company has completed the sale of a marine vessel, namely Nautica Kota Tinggi ("NKT") to Petroleum Gulf Energy Trading LLC ("PGET") for a total cash consideration of USD4.65 million or approximately RM21.61 million following the delivery of NKT to PGET on 29.09.2022 and the receipt of full payment by the Company on 03.10.2022.

The Board of Directors of the Company announced on 19.09.2022 that the Company had entered into a Memorandum of Agreement for the disposal of a marine vessel, namely Nautica Maharani ("NMH") to Glory International FZ-LLC ("Glory") for a cash consideration of USD4.20 million or approximately RM19.46 million. The Disposal has been completed following the delivery of NMH to Glory on 05.10.2022 and the receipt of full payment by the Company on 07.10.2022.

The Board of Directors of the Company announced on 08.09.2022 that the Company had entered into a Memorandum of Agreement with Poet Shipbuilding & Engineering Pte Ltd ("Poet") for the proposed acquisition of a new tugboat, for a cash consideration of USD3.75 million or approximately RM17.01 million. Shareholders' approval for the proposed acquisition was obtained in an Extraordinary General Meeting held on 25.10.2022. The Company has taken delivery of the new tugboat from Poet on 12 January 2023 and the balance payment has been released to Poet on even date, marking the completion of the Acquisition.

In addition to the above, the Company had also obtained the approval of its shareholders at an EGM held on 12.09.2022 for the disposal of a marine vessel, namely Nautica Muar, to a non-related third party to be identified for a total cash consideration of at least USD4.86 million. Presently, the Company is in the midst of negotiations with several interested parties for the said disposal. The relevant announcements will be made in due course. As per the Circular to shareholders dated 26.08.2022, the Company has until 11.03.2023 to enter into a Memorandum of Agreement for the said disposal.

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**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**B8 LOANS AND BORROWINGS**

Details of the Group's borrowings are as follows:

	As at 31.12.2022					
	Long Term		Short Term		Total Borrowings	
	Foreign RM'000	Ringgit RM'000	Foreign RM'000	Ringgit RM'000	Foreign RM'000	Ringgit RM'000
<b>Secured</b>						
<b>Islamic financing</b>						
Term Loans	8,614	101,917	14,747	9,596	23,361	111,513
Bank Overdraft	-	-	-	2,451	-	2,451
<b>Conventional financing</b>						
Term Loans	-	11,205	-	20,413	-	31,618
Revolving Credits	-	2,151	-	2,133	-	4,284
	8,614	115,273	14,747	34,593	23,361	149,866

Note :

Foreign denomination refers to borrowing in USD currency with a foreign exchange of USD/RM:4.406.

	As at 31.12.2021					
	Long Term		Short Term		Total Borrowings	
	Foreign RM'000	Ringgit RM'000	Foreign RM'000	Ringgit RM'000	Foreign RM'000	Ringgit RM'000
<b>Secured</b>						
<b>Islamic financing</b>						
Term Loans	-	-	34,455	112,853	34,455	112,853
Bank Overdraft	-	-	-	5,484	-	5,484
<b>Conventional financing</b>						
Term Loans	-	-	-	56,755	-	56,755
Revolving Credits	-	-	-	8,460	-	8,460
Finance lease liabilities	-	-	-	7	-	7
	-	-	34,455	183,559	34,455	183,559

Note :

Foreign denomination refers to borrowing in USD currency with a foreign exchange of USD/RM:4.1731.

**B9 FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK**

The Group does not have any derivative financial instruments as at the year ended 31 December 2022.



Company No : 256516-W

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**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS  
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**B10 MATERIAL LITIGATIONS**

The Group does not have any material litigations during the year ended 31 December 2022.

**B11 DIVIDEND PAYABLE**

There was no dividend payment proposed during the year.

**B12 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY**

**Basic earnings per share**

Basic earnings per share of the Group is calculated by dividing the Group's net profit attributable to ordinary equity holders by the average number of ordinary shares in issue during the financial year.

	<b>Year Ended</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
Profit/(loss) for the financial period attributable to equity holders of the Company (RM'000)	20,043	(150,645)
Weighted average number of ordinary shares in issue ('000)	530,500	530,500
<b>Basic earnings per share (sen)</b>	<b>3.78</b>	<b>(28.40)</b>

By Order of the Board  
**E.A. TECHNIQUE (M) BERHAD**

**NURALIZA BINTI A. RAHMAN, MAICSA 7067934**  
**SABARUDIN BIN HARUN, MIA 30423**  
(Secretaries)