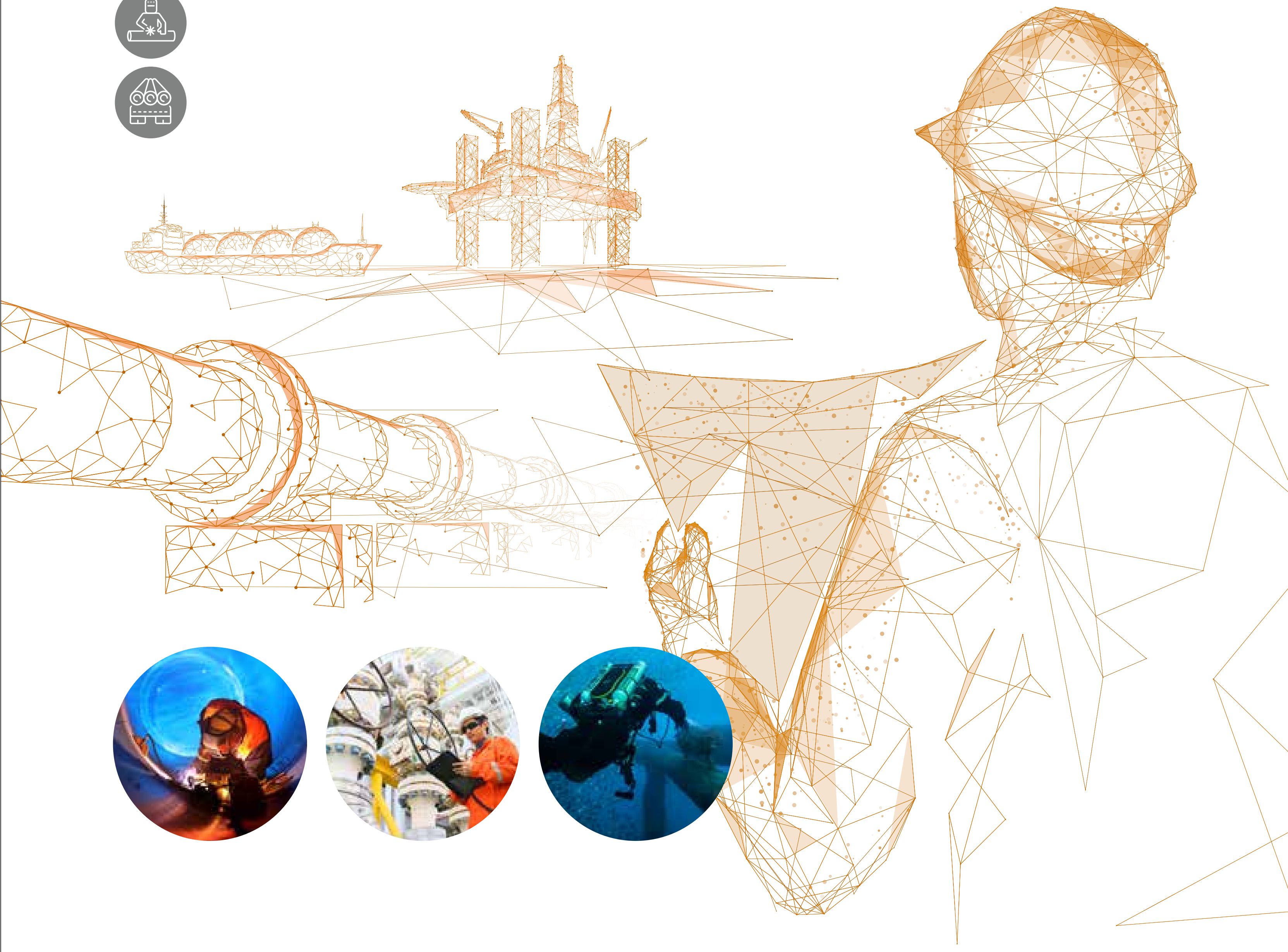
BARAKAH OFFSHORE PETROLEUM

MANAGING
TURBULENT TIMES

ANNUAL REPORT 2021



VISION

Excel in providing unique services to the industries

MISSION

To be competitive and innovative without compromising safety and quality

BUSINESS

OFFSHORE TRANSPORTATION AND INSTALLATION

- Pipeline/Riser/Submarine Cable Installation
- Transportation and Installation of Offshore Structures
- Shore Approach
- Pipeline and Structure Repairs

TOPSIDE MAJOR MAINTENANCE, AND HOOK–UP AND COMMISSIONING

- Onshore pre-fabrication work for structural steel and process piping
- Offshore Hook-up, Tie Ins and Commissioning of pre-fabricated structural steel, process piping, mechanical equipment, electrical system and instrument control system for topside of offshore oil & gas production facilities
- Maintenance of offshore facilities
- Blasting & Painting work

EPCC (ENGINEERING, PROCUREMENT, CONSTRUCTION & COMMISSIONING) ONSHORE & OFFSHORE CONSTRUCTION

- EPCC of Onshore Gas Transmission Pipeline
- Mechanical and Piping Erection for onshore process plant
- Minor Fabrication Services
- Shutdown Maintenance Services
- EPCC of small to medium size process facilities

ACTIVITIES

PIPELINE SERVICES PRE-COMMISSIONING, COMMISSIONING & DE-COMMISSIONING

- Cleaning Maintenance
- Gauging
- Hydrotesting
- Drying (Air/Vacuum)
- Flushing
- Deoiling
- Pigging
- Flooding
- Dewatering
- Leaks/Nitrogen Testing
- Degassing

DE-COMMISSIONING

- Pipeline, Structure and Topside
- Preservation and Abandonment

SHIP MANAGEMENT AND CHARTERING

- Pipe Lay Barge
- Derrick Lay Barge
- Accommodations Work Barge
- Work Boat

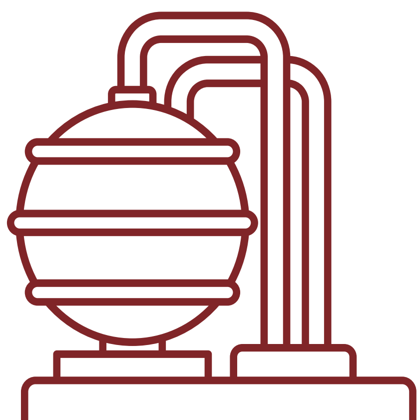
UNDERWATER SERVICES

- Inspection, maintenance, repair, drilling support and related-services for underwater facilities, using Main/Support Vessels, Air & Saturation Diving System and Remotely Operated Vehicle
- DPDSV Services
- Subsea Underwater Services and Maintenance
- Underwater Repair

TECHNOLOGY, MINERAL OPERATION & ENERGY SERVICES

- Water Mining System
- Pumping & Jetting Services
- Boring & Soil Testing
- Mineral processing & EPCC (Engineering, Procurement, Construction & Commissioning) Plant
- LNG Storage Operation
- Nitrogen Generation Plant
- Wind Vertical Power Turbine

INSIDE THIS REPORT



CORPORATE PROFILE

Barakah Offshore Petroleum Berhad ("Barakah" or "the Company") was incorporated in Malaysia on 1 March 2012 as an investment holding company for PBJV Group Sdn Bhd ("PBJV") and its subsidiary companies. The strength of PBJV is driven by its unwavering commitment to excellence and delivering results, backed by sound technical expertise and ability to resolve matters to exceed clients' expectations.

The business of PBJV started in August 2000 in offshore pipeline services. PBJV has since grown to become one of Malaysia's leading companies in pipeline services. Being focussed and committed in this ever-challenging industry and consistently striving to be the best are the key success factors of the Company.

Within 6 years by 2006, PBJV expanded its business activities into offshore transportation and installation works, hook-up and commissioning, onshore pipeline construction, pipeline services, underwater inspection services and chartering of marine vessels and equipment.

PBJV continued to expand its capability with people and assets and in November 2013 was listed on the Main Board of Bursa Malaysia Securities Berhad under Barakah. By then, PBJV was recognised as one of the main contractors in offshore pipeline installation and hook-up and commissioning when it secured long-term contracts with major clients. In executing the projects, PBJV recognises that the implementation of good Quality, Health, Safety and Environment ("QHSE") practices are critical to the achievement of Man-Hours without Loss-Time Injuries ("LTI").

Up to the date of reporting, we delivered RM4.3 billion worth of work to the industries and achieved 9,160,977 million Man-hours without LTI since 26 October 2016.

As the industry has become more challenging and too competitive, Barakah and its subsidiary companies are enhancing our capabilities by exploring new technologies that can contribute to our revenues such as from the sectors of Renewable Energy and Operation & Maintenance.

With its depth of experience and strength, Barakah is positively gaining momentum towards its vision 'EXCEL IN PROVIDING UNIQUE SERVICES TO THE INDUSTRIES'. The Company is capable to continue undertaking technically challenging works and has set its sights to expand its business activities in Malaysia and beyond.

NIK HAMDAN DAUD
Group President & Chief Executive Officer
Barakah Offshore Petroleum Berhad

CORPORATE STRUCTURE

BARAKAH OFFSHORE PETROLEUM

- **100% PBJV GROUP SDN BHD** — Oil & Gas Services
  - **100% KOTA LAKSAMANA MANAGEMENT SDN BHD** — Vessel Management
  - **100% KOTA LAKSAMANA 101 LTD** — Vessel Ownership
  - **100% PBJV INTERNATIONAL LTD** — Oil & Gas Services for the International Market
  - **85% PBJV GULF CO LTD** — Oil & Gas Services for the Middle East Region
  - **51% PBJV MACFEAM SDN BHD** — Procurement, Construction & Commissioning of Pressurised Piping System
- **100% PBJV ASSET MANAGEMENT SDN BHD** — Investment Holding
- **100% PBJV ENERGY (LABUAN) LIMITED** — Exploration, Development & Production
- **100% BARAKAH OFFSHORE ENERGY SDN BHD** — Investment in oil & gas ventures
  - **100% PBJV ENERGY SDN BHD** — Investment in oil & gas and energy related assets
- **100% BARAKAH ONSHORE VENTURES SDN BHD** — Investment in oil & gas ventures
- **100% ALLSEAS OIL & GAS SDN BHD** — Oil & Gas Services

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Mohd Zaid bin Ibrahim
Independent Non-Executive Chairman

Nik Hamdan bin Daud
Group President & Chief Executive Officer/
Non-Independent Executive Director

Sulaiman bin Ibrahim
Senior Independent Non-Executive Director

Nurhilwani binti Mohamad Asnawi
Independent Non-Executive Director

Dr. Rosli bin Azad Khan
Independent Non-Executive Director

Azman Shah bin Mohd Zakaria
Non-Independent Executive Director

Rasdee bin Abdullah
Non-Independent Executive Director

AUDIT & RISK MANAGEMENT COMMITTEE

Nurhilwani binti Mohamad Asnawi
Chairman

Sulaiman bin Ibrahim

Dr. Rosli bin Azad Khan

NOMINATION & REMUNERATION COMMITTEE

Sulaiman bin Ibrahim
Chairman

Nurhilwani binti Mohamad Asnawi

Dr. Rosli bin Azad Khan

EXECUTIVE COMMITTEE

Nik Hamdan bin Daud
Chairman

Azman Shah bin Mohd Zakaria

Rasdee bin Abdullah

Megat Khairulazhar bin Khairodin

Haniza binti Jaffar

Ahmad Azrai bin Abu Bakar

ESOS COMMITTEE

Sulaiman bin Ibrahim
Chairman

Nurhilwani binti Mohamad Asnawi

Rasdee bin Abdullah

COMPANY SECRETARIES

Ng Heng Hooi
(MAICSA 7048492)
(PC No. 202008002923)

Wong Mee Kiat
(MAICSA 7058813)
(PC No. 202008001958)

REGISTERED OFFICE

BO3-B-13-1, Level 13
Menara 3A, KL Eco City
No. 3, Jalan Bangsar
59200 Kuala Lumpur
T: +603 2280 6388
F: +603 2280 6399

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Professor
Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
T: +603 7890 4700
F: +603 7890 4670

STOCK EXCHANGE

Main Market of Bursa Malaysia
Securities Berhad
Listed on 6 November 2013

Shariah-Compliant Ordinary Shares
Stock Name : BARAKAH
Stock Code : 7251

CORPORATE WEBSITE

www.barakahpetroleum.com

AUDITORS

HLB AAC PLT
(Formerly known as Morison AAC PLT)
Chartered Accountants
No. 18, Jalan Pinggir 1/64
Jalan Kolam Air
Off Jalan Sultan Azlan Shah
(Jalan Ipoh)
51200 Kuala Lumpur
T: +603 4048 2888
F: +603 4048 2999

SOLICITORS

Messrs. Fairuz Ali & Co
No. 12-1, 1st Floor
Jalan Opera B U2/B
TTDI Jaya, Section U2
40150 Shah Alam
Selangor Darul Ehsan
T: +603 7831 3941/2605
F: +603 7831 3951

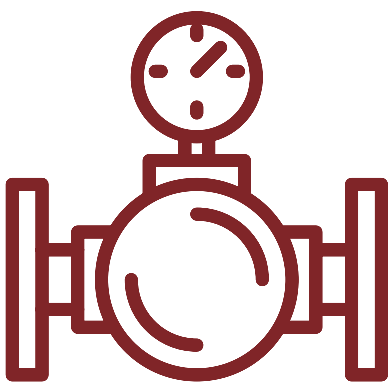
PRINCIPAL BANKERS

Export-Import Bank of Malaysia Berhad

Malayan Banking Berhad

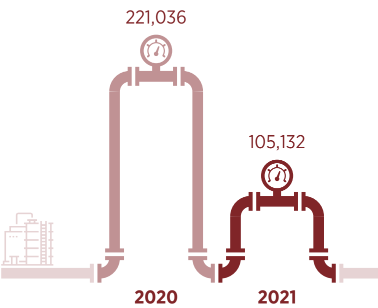
Affin Bank Berhad

Bank Muamalat Malaysia Berhad

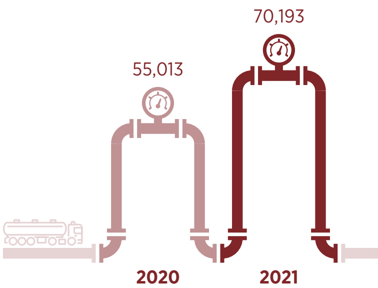


FINANCIAL PERFORMANCE

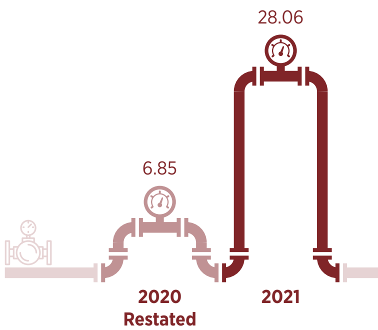
Revenue
(RM'000)



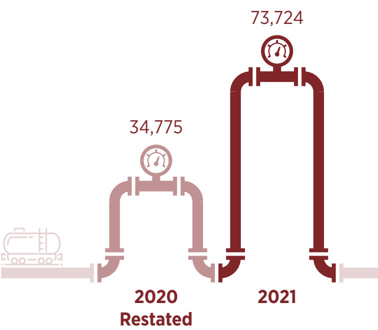
Total Cash
(RM'000)



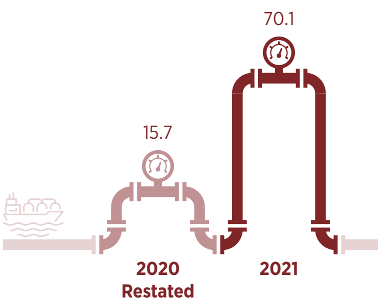
Return of Assets
(%)



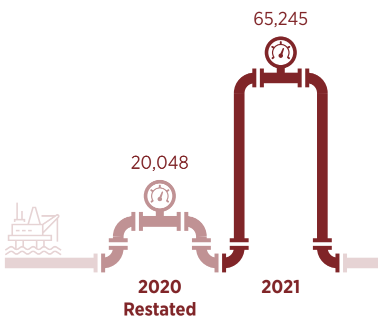
EBITDA*
(RM'000)



EBITDA* Margin
(%)



Profit before Taxation
(RM'000)



	2020 Restated RM'000	2021 RM'000
Revenue	221,036	**105,132**
Profit before taxation	20,048	**65,245**
Profit after taxation attributable to owners of the Company	20,682	**64,344**
EBITDA*	34,775	**73,724**
EBITDA* margin (%)	15.7%	**70.1%**
Total assets	301,872	**229,302**
Total borrowings	189,293	**164,827**
Total cash^	55,013	**70,193**
Total equity attributable to owners of the Company	(160,285)	**(89,777)**
Return on assets (%)	6.85%	**28.06%**
Return on shareholders' equity (%)	N/A	**N/A**
Net gearing (%)	N/A	**N/A**
Basic and diluted EPS (sen)	2.47	**7.70**

* Earnings Before Interest, Tax, Depreciation and Amortisation
^ Total cash includes short term investment, fixed deposits with licensed banks, cash and cash balances, net of bank overdrafts, fixed deposits and cash pledged to licensed bank.

BOARD OF DIRECTORS

Barakah's Board of Directors steers the Company towards sustainable value delivery anchored on high standards of corporate governance.

Rasdee bin Abdullah
Non-Independent Executive Director

Sulaiman bin Ibrahim
Senior Independent Non-Executive Director

Nik Hamdan bin Daud
Group President & Chief Executive Officer
Non-Independent Executive Director

Datuk Mohd Zaid bin Ibrahim
Independent Non-Executive Chairman

Nurhilwani binti Mohamad Asnawi
Independent Non-Executive Director

Dr. Rosli bin Azad Khan
Independent Non-Executive Director

Azman Shah bin Mohd Zakaria
Non-Independent Executive Director

PROFILE OF BOARD OF DIRECTORS

Meeting attendance in July 2020 – June 2021:

- Board of Directors: 7/8

Datuk Mohd Zaid bin Ibrahim

Independent Non–Executive Chairman

Malaysian | 70 | Male

Datuk Mohd Zaid bin Ibrahim, aged 70, a Malaysian, was appointed to the Board of Barakah Offshore Petroleum Berhad as an Independent Non-Executive Chairman on 14 October 2019.

He obtained an LLB (University of London) and was called to the Bar at the Inner Temple in London before establishing Zaid Ibrahim & Co, which grew to become the largest legal firm in Malaysia. He is now Advisor to the firm. He has over 40 years as a legal practitioner, and was involved in multi-disciplinary practice and advises clients on corporate matters, privatization and financing of major infrastructure projects such as the North South Highway and Water privatization. He also had extensive experience in advising government agencies on law reform and drafting of legislation and regulations.

In 2008 he was appointed to the Cabinet of former Malaysian Prime Minister Tun Abdullah Ahmad Badawi, and served as a Minister in the Prime Minister's Department with responsibility for legal affairs and judicial reform.

Datuk Zaid and his wife Datin Suliana Shamsuddin, established and manage YOKUK - Foundation for the Disable and Underprivileged based in Kota Bahru, Kelantan since 1999. This Foundation has helped more than 5,000 children and poorer members of the community. The Foundation not only helped thousands of disabled but also provides palliative care to terminally ill cancer patients.

Meeting attendance in July 2020 – June 2021:

- Board of Directors: 8/8

Nik Hamdan bin Daud

Group President & Chief Executive Officer
Non-Independent Executive Director

Malaysian | 54 | Male

Nik Hamdan bin Daud, 54, a Malaysian, is the founder and Executive Director of PBJV and Barakah Offshore Petroleum Berhad. Holding position as Group President and Chief Executive Officer, he continuously drives the company with various accomplishments in the oil and gas industry.

Nik Hamdan commenced his oil and gas career with ExxonMobil before becoming an entrepreneur. He is self-driven and motivated with 26 years of experience in serving various reputable local and international clients.

He has contributed excellent track records to the offshore and onshore sectors by developing and delivering more than RM4.3 billion jobs. With his leadership, exceptional achievements and commitments, Nik Hamdan has captained the company towards very challenging periods and with future success to come.

Graduated with Bachelor of Science in Electrical/Electronic Engineering from Worcester Polytechnic Institute MA, USA in 1989, Nik Hamdan holds directorship in several private limited companies.

He is the Chairman of Executive Committee of Barakah.

Meeting attendance in July 2020 – June 2021:

- Board of Directors: 8/8
- ARMC: 6/6
- NRC: 1/1

Sulaiman bin Ibrahim

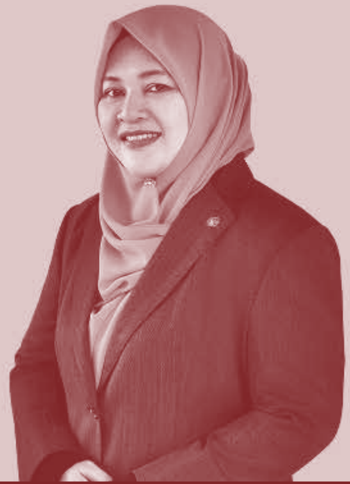
Senior Independent Non-Executive Director

Malaysian | 61 | Male

Sulaiman Ibrahim, aged 61, a Malaysian, was appointed to the Board of Barakah Offshore Petroleum Berhad on 1 March 2012 as a Non-Executive Director. On 12 December 2013 he was designated as the Senior Independent Non-Executive Director.

Sulaiman was with PETRONAS Carigali from 1986 to 2011, and was exposed to various areas such as engineering, construction, installation and structural installations. He has experienced the full cycle of project management from tendering exercises, detail design, procurement, fabrication and installation to hook-up and commissioning of offshore facilities and onshore sludge catchers and tank farms. He also holds directorships in other private limited companies. Sulaiman graduated with a Bachelor's degree in Civil Engineering from University of Malaya in 1984.

He is the Chairman of the Nomination and Remuneration Committee and member of the Audit and Risk Management Committee.



Meeting attendance in July 2020 – June 2021:

- Board of Directors: 8/8
- ARMC: 6/6
- NRC: 1/1

Nurhilwani binti Mohamad Asnawi

Independent Non-Executive Director

Malaysian | 46 | Female

Nurhilwani Mohamad Asnawi, aged 46, a Malaysian, was appointed to the Board of Barakah Offshore Petroleum Berhad on 1 March 2012 as an Independent Non-Executive Director. She is a Chartered Accountant of the Malaysian Institute of Accountants and has 20 years of experience in accounting, finance and treasury.

She joined Konsortium Perkapalan Berhad in 1999 as an Accounts Supervisor and in 2000, Laras Architects Sdn Bhd where she held the position of Accountant. Nurhilwani graduated with a Bachelor's degree in Accountancy from University (Institute) Technology MARA in 1998.

She is the Chairman of the Audit and Risk Management Committee and the member of Nomination and Remuneration Committee.

Meeting attendance in July 2020 – June 2021:

- Board of Directors: 8/8
- ARMC: 6/6
- NRC: 1/1

Dr. Rosli bin Azad Khan

Independent Non-Executive Director

Malaysian | 64 | Male

Dr. Rosli bin Azad Khan, aged 64, a Malaysian, was appointed to the Board of Barakah Offshore Petroleum Berhad on 14 October 2019 as an Independent Non-Executive Director.

Dr. Rosli obtained his Ph.D in Transport Economics and Masters in Transport Planning from Cranfield University, England. He is a Fellow of the Chartered Institute of Logistics & Transport (CILT) and formerly the Vice President until 2018. Throughout his entire working career in the transportation sector, he has directed or managed consultancy projects in South East Asia, Europe, Africa and the Middle East. These include large-scale studies for both public and private sector clients involving multi-disciplinary teams.

He has more than 37 years of management and industrial experience including business consultancy especially in transportation, traffic and logistics sectors covering various modes of transport such as air, land, rail and sea. His experience covers areas such as ports & shipping, shipyard & shipbuilding, cruise & ferry studies, oil & gas, container trade, traffic planning for highways, high speed rail, MRT, LRT and urban transportation.

He has also been involved in privatization projects and consultancy, public private partnership (PPP), feasibility studies, traffic forecasting, project assessment and evaluations, financial analysis, project financing and policy reviews. He was previously a Board Member of Drydocks World, Dubai, UAE and Polarcus LLC, Norway.

Since April 2018, he was appointed as an Adjunct Professor at UTEN Melaka teaching technopreneurship to MBA students. He was also a Director for Yayasan Bank Rakyat untill January 2021.

He is a member of Audit and Risk Management Committee and Nomination and Remuneration Committee.

Meeting attendance in July 2020 – June 2021:

- Board of Directors: 8/8

Meeting attendance in July 2020 – June 2021:

- Board of Directors: 7/8

Azman Shah bin Mohd Zakaria

Non-Independent Executive Director

Malaysian | 57 | Male

Azman Shah bin Mohd Zakaria, aged 57, a Malaysian, was appointed to the Board of Barakah Offshore Petroleum Berhad on 14 May 2012 as an Executive Director. He is one of the founding members of PBJV and is presently the Executive Chairman of PBJV starting November 2017.

Azman has more than 23 years experience in the oil and gas industry, mainly in the areas of offshore pipeline installation, pre-commissioning and other related services. He started his career as an Aircraft Technician in 1988 with AIROD Sdn Bhd. In 1994, he joined Sukitronics Sdn Bhd as a Project Engineer and subsequently, Projass Engineering Sdn Bhd in 1995 until 1998 as a Lead Engineer where he headed the mechanical and piping construction team for power plant fabrication and construction work. He joined PTIS (M) Sdn Bhd as an Operation Manager in 1998 and headed the company's pre-commissioning and commissioning projects and operations. In 2000, he joined PBJV as General Manager and led the company in pre-commissioning and commissioning, T&I, onshore pipeline, HUC projects and operations.

Azman also holds directorships in several private limited companies. He graduated with a Higher Diploma in Mechanical and Manufacturing Engineering and BTEC Diploma in Mechanical and Manufacturing Engineering from Wigan and Leigh Technical College (Salford University), Greater Manchester, UK in 1994. He is also a qualified gas pipeline licensed contractor with the Energy Commission of Malaysia.

He is a member of Executive Committee.

Rasdee bin Abdullah

Non-Independent Executive Director

Malaysian | 51 | Male

Rasdee Abdullah, aged 51, a Malaysian, was appointed to the Board of Barakah Offshore Petroleum Berhad on 14 May 2012 as an Executive Director. He is also the President and Chief Executive of PBJV and has assumed the role since 2014.

He has over 27 years of experience in areas such as project management, engineering, procurement, construction, and commissioning of onshore and offshore oil and gas facilities. He started his career in 1994 and has served a few local oil and gas main contractors such as Drexel Bakti Oilfield Sdn Bhd, MMC Engineering & Services Sdn Bhd, Shapadu Energy and Engineering Sdn Bhd and Ranhill Engineers and Constructors Sdn Bhd.

Rasdee also holds directorships in other private limited companies. He graduated with a Bachelor of Science in Mechanical Engineering from University of Tulsa, Oklahoma, USA in 1993.

He is a member of Executive Committee.

Disclaimer: The above Directors have no family relationship with any Director and/or major shareholder of Barakah, have no conflict of interest with Barakah and have not been convicted of any offence within the past 5 years other than traffic offences. None of the Directors hold any directorship in other public companies.

PROFILE OF SENIOR MANAGEMENT

Megat Khairulazhar bin Khairodin
Chief Financial Officer
Barakah Offshore Petroleum Berhad

Malaysian | 48 | Male

Megat Khairulazhar bin Khairodin, male, aged 48, a Malaysian, is the Chief Financial Officer of Barakah Offshore Petroleum Berhad. He was appointed to the position on the 14 October 2019. He has more than 24 years' experience in corporate finance, financial services, project and tender evaluation, mergers and acquisitions, fund raising, cash management, budgeting and controls and asset management.

Prior to joining Barakah, Megat Khairulazhar was the Group Strategy and Transformation Officer of Prasarana Malaysia Berhad and was the Group Chief Financial Officer since 2016.

His career with Prasarana Malaysia Berhad started back in 2002 where he was the Head of Corporate Finance Department. He was a key personnel involved in the take over initiative of rails from PUTRA-LRT, STAR-LRT and Monorail as well as buses from Intrakota and Cityliner and also the Langkawi Cable Car and Penang Ferry concession.

Before joining Prasarana, Megat Khairulazhar was with Projek Usahasama Transit Ringan Automatik Sdn. Bhd., formerly known as PUTRA-LRT, a concession company under Renong Berhad Group that design, construct and operate the LRT System 2 for Kuala Lumpur.

Megat Khairulazhar graduated with a Bachelor of Science (Hons) in Accounting from University of Hull, United Kingdom and an Associate Member of the Institute of Certified Management Accountants of Australia.

He is a member of Executive Committee.

Haniza binti Jaffar
Vice President of Finance and Accounts
Barakah Offshore Petroleum Berhad

Malaysian | 46 | Female

Haniza binti Jaffar, female, aged 46, a Malaysian, is the Vice President of Finance and Accounts at Barakah Offshore Petroleum Berhad. She heads the Finance and Accounts Division. She is in charge of the treasury, working capital, financial management and reporting in compliance with Malaysian Financial Reporting Standards, policy and procedures, cashflow management and financial resources planning in support of the operations of the Group. She has over 20 years of experience in finance, accounting and treasury functions.

She started her career in 1998 as an Accounts Executive with several private limited companies, where she was involved in financial and management reporting, office management, project financing and project development scheduling. She joined PBJV as Head of Finance and Accounts in 2001. She was promoted to General Manager of Group Finance and Accounts in 2010 and to the current position in 2014.

Haniza graduated with a Bachelor's degree in Accountancy from University (Institute) Technology MARA in 1998. She is a Chartered Accountant of the Malaysian Institute of Accountants.

She is a member of Executive Committee.

Ahmad Azrai bin Abu Bakar

Vice President of Operations
PBJV Group Sdn Bhd

Malaysian | 58 | Male

Ahmad Azrai bin Abu Bakar, male, aged 58, a Malaysian, was appointed the Vice President of Operations at PBJV on 25 November 2014. He is in charge of project management and deliveries of the Group. He has 33 years of experience in project management, execution and deliveries.

Azrai joined PBJV as General Manager of Operations in 2006. He started his career as a Marine Engineer with Malaysian International Shipping Corporation Bhd in 1986. In 1988, he joined Chiyoda Malaysia Sdn Bhd as Construction Superintendent. Three years later, he joined Nigata Engineering Sdn Bhd as Construction Supervisor. In 1992, he joined Sri Takada (M) Sdn Bhd as a Field Engineer. A year later, he took on the role of Senior Mechanical Engineer and subsequently Site Manager with Projass Engineering Sdn Bhd. From 1995 to 1997, he moved up the rank from Superintendent in Toyo Engineering Corporation and Nigata Engineering Corporation Japan to Project Manager in Ramgate System Sdn Bhd. In 1998, he joined Pakaruji Sdn Bhd as Engineering Inspector before moving to OGP Technical Services Sdn Bhd as Senior Static Planner. In 2000, he joined Dialog Engineering and Construction Sdn Bhd as Construction Manager before moving to MMC Engineering & Services Sdn Bhd in 2003.

Ahmad Azrai graduated with a Diploma in Marine Engineering from Politeknik Ungku Omar, Ipoh, Perak in 1986.

He is a member of Executive Committee.

MANAGEMENT DISCUSSION AND ANALYSIS

In early 2020, the global market was hit by the outbreak of the novel coronavirus pandemic ("COVID-19"), causing a global economic downturn. Global oil and gas demand fell significantly as several major economies went into lockdown to control the pandemic. The Brent crude oil spot prices fell from a monthly average price of USD64 per barrel in January 2020 to a record low of USD21 per barrel in April 2020.

Nik Hamdan bin Daud
Group President & Chief Executive Officer

OVERVIEW OF 2020/2021

Towards the end of 2020, the oil and gas industry experienced a mild recovery as the crude oil price rebound from a low of USD21 in April 2020 to close at USD52 per barrel at the end of 2020 which was due to the imbalance of supply and demand. Growing production from the United States has restrained the upward trend of Brent crude oil price despite OPEC members' continued curtailment of production. In addition, a slowdown in oil demand attributed to dampened global economic growth also weighed down the average price of Brent crude oil in 2020.

However with the increase in vaccination rate being implemented worldwide, the demand for oil and gas is raising due to unrestricted travelling, opening of border and increased business activities resulting in the increase in the average price of oil from USD55 per barrel in January 2021 to USD75 per barrel in June 2021 due to rising oil demands.

Nevertheless the outlook for the oil and gas industry remains challenging despite the strengthening of oil price. The demanding operating conditions that was faced by the industry and the Group was partly due to continued cautiousness in capex spending by the oil and gas clients and uncertainties caused by the COVID-19 pandemic. The post-pandemic new normal will also introduce operational challenges, for which oil and gas companies must learn and adapt.

Despite the challenging market conditions of oil and gas industry, the Group managed to remain focused to further improve operational efficiency and cost optimisation mainly on its existing Topside Maintenance and Hook-up 5 year contracts which runs until year 2023. This is to ensure sustainability of its business in near future.

The Group also continues to explore opportunities in the international markets and also into non-oil and gas related industries by leveraging the Group's capability and track record as part of its expansion strategy.

Meanwhile, the Group has successfully restructured its debt and exploring several proposals in order to add more value to its assets as required to regularise its financial conditions.

THE GROUP IS CURRENTLY FORMULATING A PLAN TO REGULARISE ITS FINANCIAL CONDITIONS TO UPLIFT THE GROUP FROM THE PN17 STATUS.

DEBT RESTRUCTURING EXERCISE AND PN17 STATUS

A Court Convened Meeting ("CCM") of PBJV Group Sdn Bhd ("PBJV"), a wholly-owned subsidiary of Barakah was conducted on 5 April 2021 and the proposed debt settlement have been agreed by the requisite majority of more than seventy-five (75) per centum of the respective class of creditors under the proposed debt settlement present and voting either in person or by proxy in the CCM.

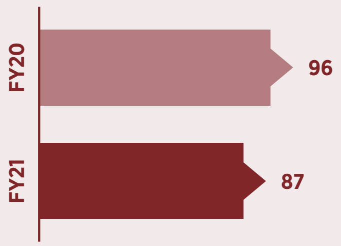
An application to the Court pursuant to Section 366(3) and (4) of the Companies Act 2016 for an approval of PBJV's proposed debt settlement as detailed in the Explanatory Statement dated on 19 February 2021 and the application has been duly granted approval ("the Approval Order") by the Court on 26 April 2021.

On 30 April 2021, PBJV lodged the sealed copy of the Approval Order with the Registrar of the Companies Commission of Malaysia whereupon the Proposed Debt Settlement shall be binding on PBJV and its scheme creditors.

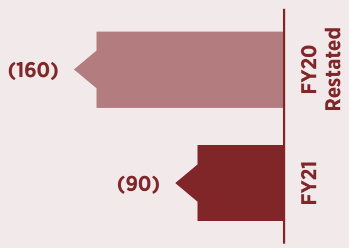
The debt settlement scheme include the largest creditors of PBJV, Export-Import Bank of Malaysia Berhad (EXIM Bank). On 26 July 2021, a settlement agreement was entered into between EXIM Bank, the Company and Kota Laksamana 101 Ltd, an indirect wholly-owned subsidiary. With the Approval Order and the settlement agreement in place, the default in payment of the loan facility to EXIM Bank has therefore been addressed.

Meanwhile, the Group is currently formulating a plan to regularise its financial conditions to uplift the Group from the PN17 status. On 3 May 2021, the Group has submitted an application for an extension of time from Bursa Malaysia Securities Berhad ("Bursa Securities") on the deadline for Regulation Plan. On 3 June 2021, Bursa Securities has granted the Company an extension of six (6) months up to 17 November 2021 to submit a regulation plan to the regulatory authorities.

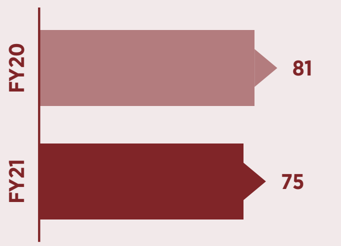
CASH BALANCE (RM'MILLION)



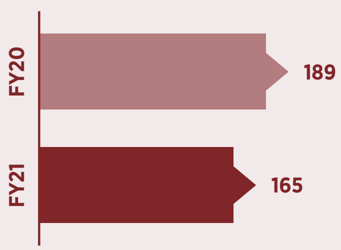
NET ASSETS (RM'MILLION)



PROPERTY, PLANT, EQUIPMENT (RM'MILLION)



TOTAL BORROWINGS (RM'MILLION)



ONGOING PROJECTS

Despite the three (3) year PETRONAS Suspension, the Group is allowed to continue its ongoing project through its operating subsidiary, PBJV, mainly the five (5) year contract for the Provision of Pan Malaysia Maintenance, Construction and Modification ("PM-MCM") Contract for year 2018 – 2023 Package A from Enquest Petroleum Production Malaysia Ltd (ENQUEST), Sapura Exploration and Production (PM) Inc. (SEP), HESS Exploration and Production Malaysia B.V (HESS), Petrofac (Malaysia-PM304) Limited (PETROFAC) and IPC Malaysia B.V (IPC).

FINANCIAL PERFORMANCE

The Group has recorded a profit after tax of RM64 million for FY2021 mainly due to the outcome from the debt restructuring exercise and various initiatives undertaken to improve the profit margin which includes refining operational efficiency, continuous cost optimisation, maximising value of existing contract and strengthening legal and contractual position with clients and sub-contractors.

CASHFLOW

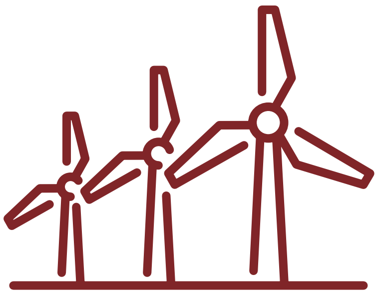
The cash balance at the end of FY2021 was lower by RM9 million at RM87 million as compared to RM96 million as at end FY2020. The decrease in cash balance are mainly due to settlement of debt restructuring which consist 40% of operating and 60% of financing activities.

BALANCE SHEET

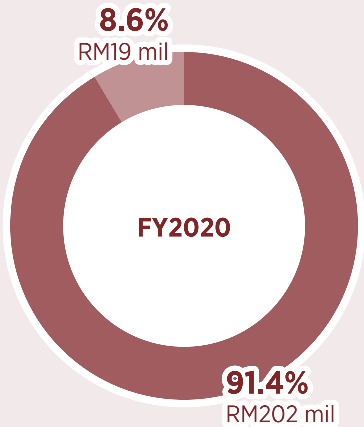
FY2021 Net Assets improved to negative RM90 million, an improvement of RM70 million from FY2020 Net Assets of negative RM160 million. This was mainly due to the successful implementation of debt settlement scheme resulting in reduced liability of the Company.

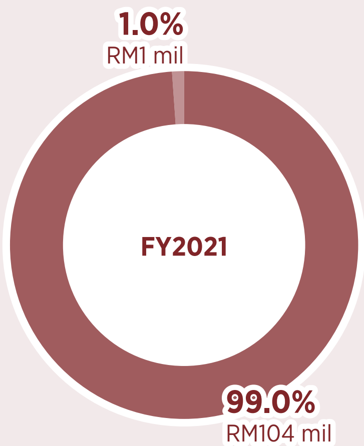
The Group's property, plant and equipment reduced to RM75 million in FY2021 from RM81 million in FY2020, mainly due to yearly depreciation of the property, plant and equipment, as well as lower net book value of the pipe lay barge after taking into consideration the valuation carried out by a professional marine vessel valuation company and the estimated cost of disposal.

FY2021 total borrowings decreased to RM165 million from RM189 million in FY2020 mainly due to payment of term loan.



THE BREAKDOWN OF REVENUE FOR FY2020 AND FY2021 BY DIVISION IS AS FOLLOWS:





- Pipeline and commissioning services
- Installation and construction services

OPERATIONS

The Group reported a total revenue of RM105 million during the current FY2021 as compared to RM221 million for FY2020. The reduction of revenue is due to completion of projects during the FY2020 mainly from the Provision of Repair and Maintenance of Sabah Sarawak Gas Pipeline (SSGP), Provision of Basic and Detailed Engineering, Procurement, Construction and Commissioning Package (DABAI) and Provision of Production riser Tensioner Overhaul, Maintenance and Upgrade for MURPHY Production Operations.

Nevertheless, FY2021 saw an increase in the contribution from our pipeline and commissioning services division as a percentage of the Group's revenue from 91.4% in FY2020 to 99% in FY2021, whereas the installation and construction services division recorded a reduction in activities as compared to FY2020.

FY2021 SAW AN INCREASE IN THE CONTRIBUTION FROM OUR PIPELINE AND COMMISSIONING SERVICES DIVISION AS A PERCENTAGE OF THE GROUP'S REVENUE FROM 91.4% IN FY2020 TO 99.0% IN FY2021.

Total Revenue

2021

RM105

million

Profit after Tax

2021

RM64

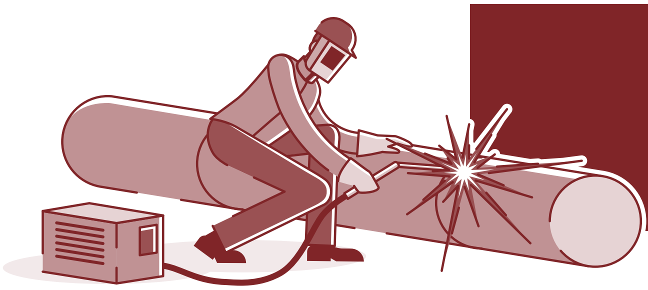
million

PIPELINE AND COMMISSIONING SERVICES ("PCS")

Total revenue from PCS for FY2021 was RM104 million as compared to RM202 million in FY2020 due to lesser work orders received from Pan Malaysia Maintenance Construction and Modification ("PM-MCM") works from clients during the current financial year. These contracts provide services to 5 oilfield operations, which generally covers the scope of repair and maintenance work for their offshore platforms. The main resources required for these contracts were manpower, equipment, supply of materials, fabrication, testing and commissioning including assistance of offshore support vessel where required.

INSTALLATION AND CONSTRUCTION SERVICES ("ICS")

FY2021 revenue from ICS was RM1 million mainly contributed from contract closure and final account. There are no new significant projects secured during the financial year.



Total operation man-hours FY2021

667,257

OUTLOOK FY2022

Rising global oil prices amidst increasing Covid-19 vaccination rates and anticipated higher world economic growth rates in 2022 are brightening the outlook for oil and gas sector. As vaccination rates rise, the Covid-19 pandemic is expected to be better managed and economic activities and mobility will firmly return to pre-Covid-19 levels.

Despite the strengthening of oil price, the challenging operating conditions that faced by the industry and the Group and uncertainties caused by the COVID-19 pandemic resulting to continued cautiousness in capex spending by the oil and gas clients.

Nevertheless there are still project opportunities deployed by project owners and main contractors around the Asian region. The Group will continue pursuing these opportunities and with the Group capabilities and proven track record, there is a good chance and prospect to secure the opportunities available. The Group will continue enhancing its operational efficiency of existing projects and cost optimisation to improve profit margins thus ensuring sustainability of its business.

IMMEDIATE ACTION PLAN

From the improved bottom line and the positive outlook for FY2022, the Group still need to address the balance sheet and sustainability plan moving forward. Notable initiatives that require us to focus and take immediate actions as follows:

1. Formulating a plan to regularise financial conditions including injection of new projects and assets hence to uplift the Group from the PN17 status. The plan also includes potential request for extension of time from Bursa Securities should the deadline to submit the plan cannot be achieved due to the challenging market conditions.

2. Continue focusing on efficiency and performance including cost rationalisation in executing the existing Pan Malaysia Maintenance, Construction and Modification ("PM-MCM") Contract to sustain operations and cashflow.

3. Marketing the pipelay barge Kota Laksamana 101 for better contract opportunities and includes exploring for potential buyer or refinancer of the barge.

4. Strengthening legal and contractual positions to maximise value of existing contracts in hand.

5. Utilizing capabilities and assets in non-oil and gas sectors such as renewable energy and power generation to avoid over-reliance to the challenging oil and gas industries. This can be done through collaboration with local and international partner to strengthen bidding success rate and improve project delivery capability.

6. Backing on current facilities and resources the Group to venture into water industry, civil and construction and accquiring new technology capabilities.

7. Continuously exploring new international business venture through collaboration with international service providers to mitigate PETRONAS license suspension and exposure on local market.

Nik Hamdan bin Daud
Group President & Chief Executive Officer

THERE ARE STILL PROJECT OPPORTUNITIES DEPLOYED BY PROJECT OWNERS AND MAIN CONTRACTORS AROUND THE ASIAN REGION. THE GROUP WILL CONTINUE PURSUING THESE OPPORTUNITIES AND WITH THE GROUP CAPABILITIES AND PROVEN TRACK RECORD, THERE IS A GOOD CHANCE AND PROSPECT TO SECURE THE OPPORTUNITIES AVAILABLE.

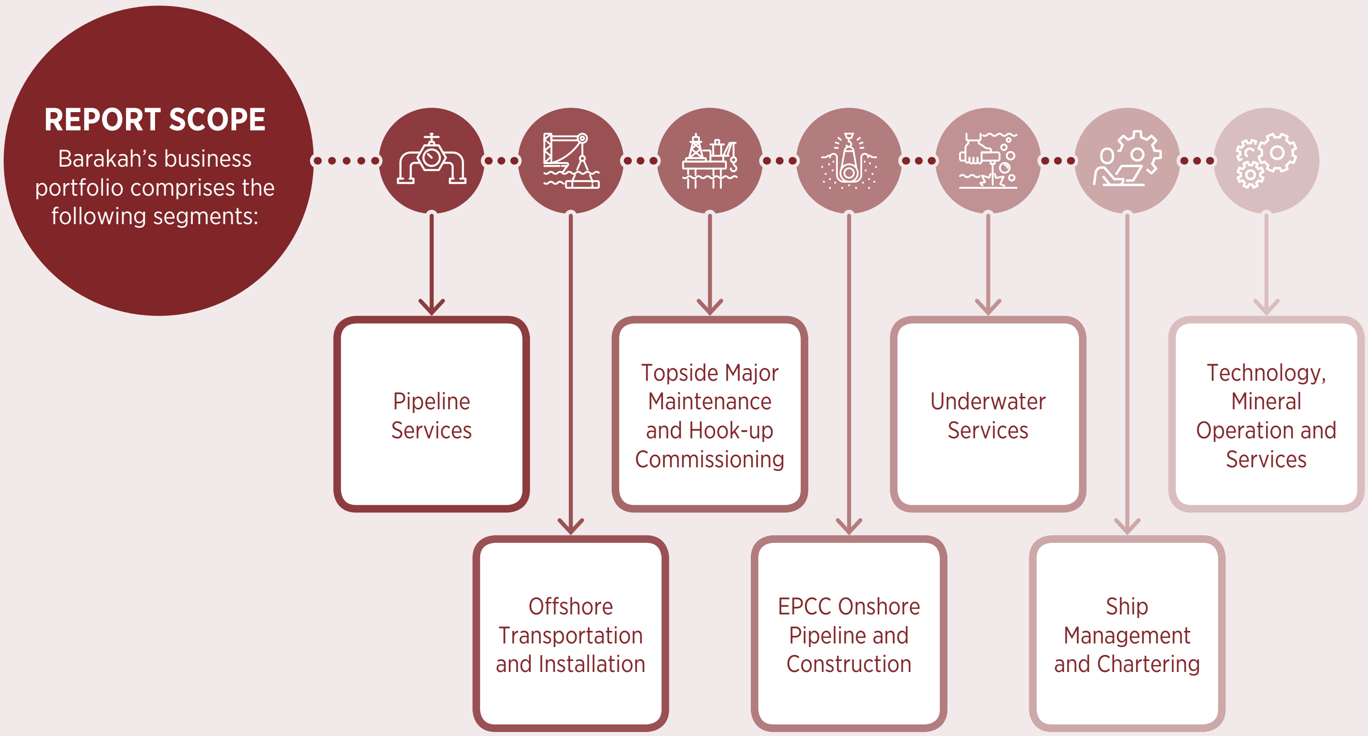
SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

Barakah Offshore Petroleum Berhad ("Barakah" or the "Company") is pleased to present our sustainability statement which is in line with the Main Market Listing Requirements ("MMLR") issued by Bursa Malaysia Securities Berhad ("Bursa Securities") in October 2015. This statement is prepared in accordance with the Global Reporting Initiatives ("GRI") Standards: Core Option and describes the sustainability impacts of the Company's Environment, Economic and Social ("EES") risks and opportunities.

Our reporting period is from 1 July 2020 to 30 June 2021.

Barakah is committed to incorporating sustainability practices throughout our business guided by the importance of EES aspects that benefit our stakeholders. We strive to achieve a positive impact in terms of our economic and social performance whilst safeguarding the environment.



For this year of reporting, the Company has disclosed our qualitative and quantitative sustainability performance for two business segments – Topside Major Maintenance and Hook-up Commissioning as well as EPCC Onshore Pipeline and Construction.

SUSTAINABILITY STRATEGY

Barakah has adopted a Sustainability Policy that aims to deliver lasting value to its stakeholders and the Company. Sustainability ensures that the Company is able to move in a strategic direction to enhance our economic growth whilst monitoring our impact on the environment and our commitment to corporate social responsibility. The Company's key success factors in the competitive industries are attributed to our continued strive for excellence and our unwavering focus and commitment in the execution of our services, supported by the elements of sustainability embedded into our business practices. Barakah's Sustainability Policy is anchored on four main pillars - workplace, marketplace, environment and community.

MARKET PLACE

Ensuring that the Company's business is governed by a professional code of conduct.

01

WORKPLACE

Ensuring a positive workplace and providing continuous development and training for our employees.

02

ENVIRONMENT

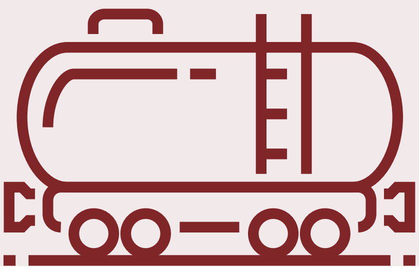
Protecting the environment by reducing negative environmental impacts.

03

COMMUNITY

Interacting with the communities and contributing to the underprivileged.

04



LEADERSHIP FOR SUSTAINABILITY

The committee structure for sustainability leadership consists of the Board of Directors that establishes clear objectives and relevance of the sustainability within the Company.

To ensure continuous improvement in sustainability performance, at the foundation of the structure is the Sustainability Committee ("SC") which is helmed by the Chairman, who reports directly to the Board of Directors. The Sustainability Committee is divided into two teams, Operations and Business, and is responsible for all sustainability policies and strategies.

Board of Directors

Chairman of the Sustainability Committee

Sustainability Committee

Operations

- Group Supply Chain
- Tender and Commercial
- Project Management
- Quality, Health, Safety and Environment (QHSE)

Business

- Legal
- Human Resource
- Finance
- Investor Relations

The roles and responsibilities of the Sustainability Committee are defined as below:

Board of Director

- Establishes clear objectives and relevance of sustainability within the Company.
- Provides strategic guidance and oversees sustainability management.
- Reviews and approves the Company's sustainability strategies and ensures transparency in sustainability reporting.

Chairman of the Sustainability Committee

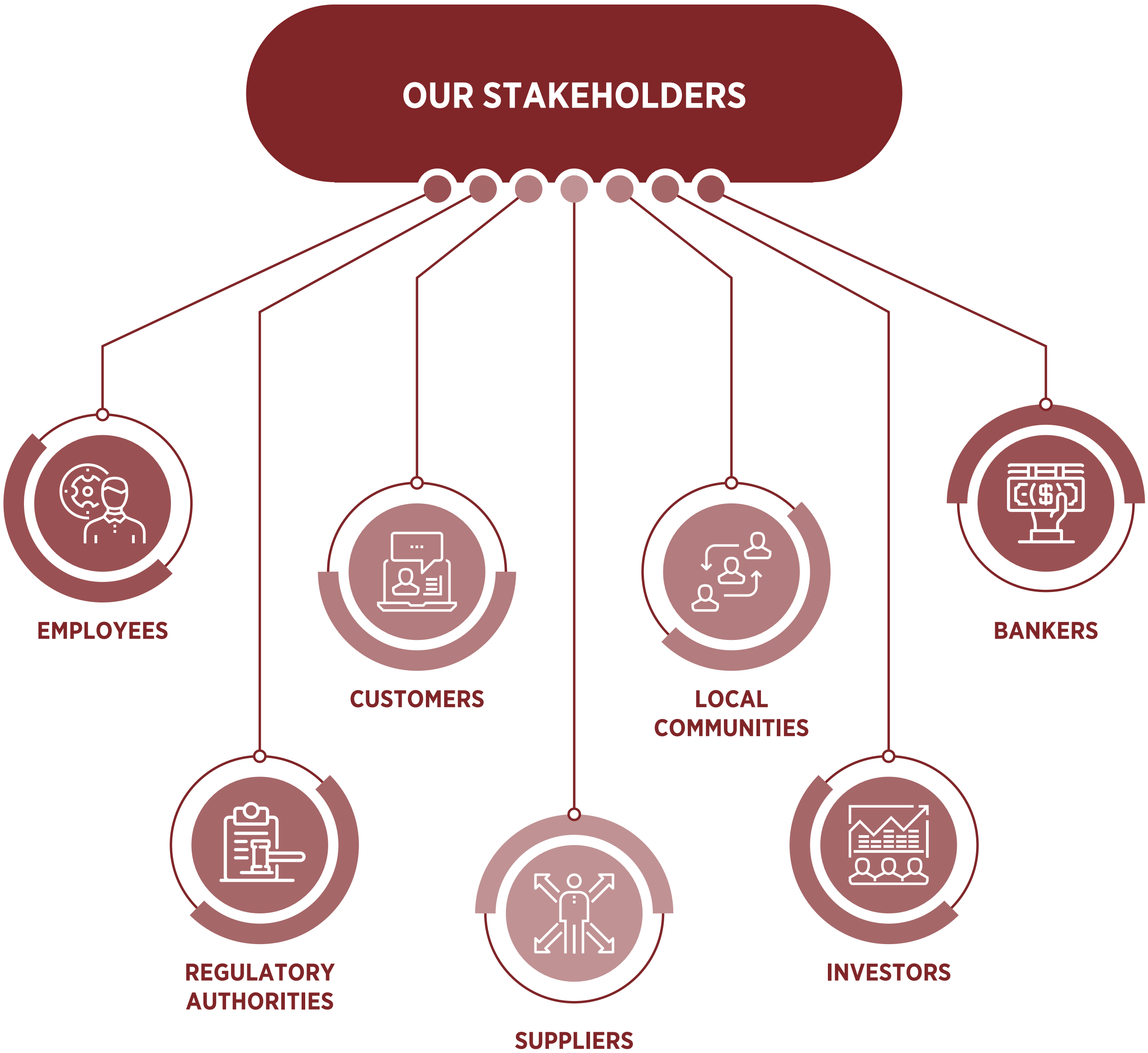
- Oversees the progress of the Sustainability Committee.
- Reports to the Board of Directors.

Sustainability Committee

- Develops sustainability policies and strategies.
- Develops and prioritises material sustainability matters.
- Develops related internal guidance documents on sustainability.
- Reports planning to the Chairman.

OUR STAKEHOLDERS

Barakah believes in the long-term sustainability of our business, thus building strong relationships with our key stakeholder groups is a priority to us. The Company has identified our key stakeholders based on their influence on our business operations, and we continuously endeavour to maintain good ethics, integrity and conduct in our business practices to foster positive relations with our stakeholders.



STAKEHOLDER ENGAGEMENT

The table below shows our stakeholders' interests, how we engage with each of the stakeholder group(s) and the frequency of each engagement.

OUR STAKEHOLDERS	STAKEHOLDER INTERESTS	HOW WE ENGAGE WITH THEM	FREQUENCY OF ENGAGEMENT
Employees	• Fair remuneration • Career development and progression opportunities • Work life balance • Safe and conducive workplace	• Training programme • Management visits • Sport activities • Toolbox meetings	• Regularly • Quarterly visit • Regularly • Daily
Regulatory Authorities	• Regulatory compliances • Keeping abreast of policy and regulatory changes	• Policy briefings • Consultation sessions and conferences • ISO and OHSAS certificate compliance	• Regularly • Regularly • Annually
Customers	• Performance Reviews • Contractor's Engagement Sessions • Industry Conference and Networking Events	• Customer feedback and surveys • Meetings	• Quarterly • Monthly
Suppliers	• Suppliers evaluation • Establish price agreement/ contract for cost optimisation	• Supplier assessment review and performance • Site visits and supervision • Maintaining good relationship	• Regularly • Regularly • Regularly
Local Communities	• Creating a positive impact on the surrounding communities • Responsible corporate citizen-giving back to the community • Employment opportunity	• Corporate Social Responsibility ("CSR") programmes • Staff engagement programmes • Public engagement programmes • Internship programme	• Regularly • Regularly • Regularly • Regularly
Investors	• Stable and sustainable distribution of income • Solid financial performance • Timely and transparent reporting • Prudent risk management	• Statutory announcements • Annual general meetings • Annual Report • Financial report and Investor Briefing	• Regularly • Annually • Annually • Quarterly
Bankers	• Business growth and stability • Sustainable cashflow • Compliance to facilities condition	• Meetings and continuous correspondence • Annual review	• Regularly • Annually

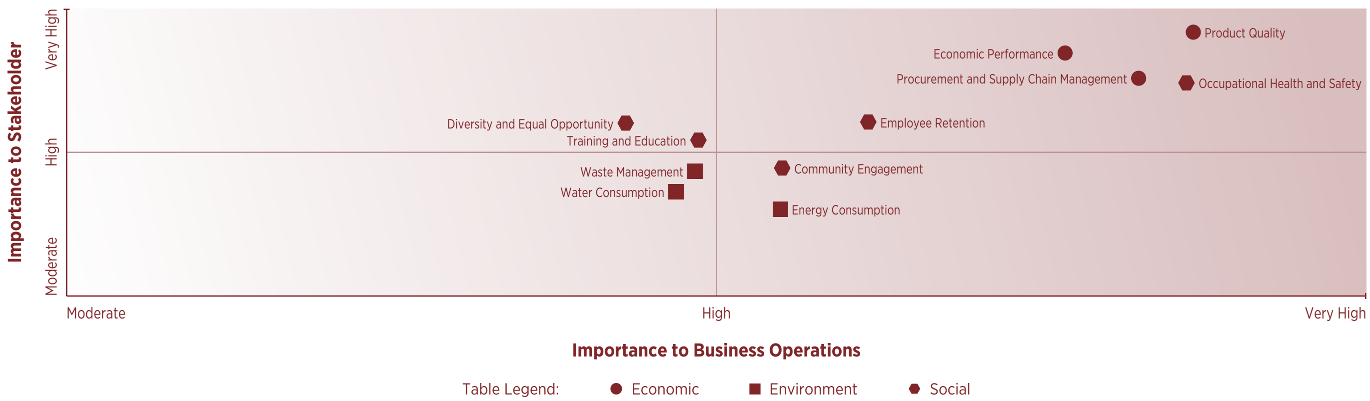
SUSTAINABILITY MATTERS

Barakah's Sustainability Committee has identified and assessed material sustainability matters that are relevant to the Company's business operations and influence stakeholders' decisions. We have taken appropriate measures in assessing each material sustainability matters via a materiality assessment exercise to rank the level of importance that each material matter has on our Company and stakeholders.

Materiality Matrix

A materiality assessment was conducted with the management team and our Sustainability Committee to identify and rank the material sustainability matters that are unique to our business operations. The matrix below presents the results of the materiality assessment for the Company.

Materiality Matrix



The table below shows the ranked material sustainability matters based on its relevance to our stakeholders as well as its corresponding GRI Standards indicators.

MATERIAL SUSTAINABILITY MATTER	RELEVANT STAKEHOLDER(S)	CORRESPONDING GRI INDICATOR(S)
Product Quality	Customers, Investors, Bankers	GRI General Standard Disclosures
Economic Performance	Investors, Suppliers, Bankers	Economic Performance
Occupational Health and Safety	Employees, Suppliers, Regulatory Agencies	Occupational Health and Safety
Procurement and Supply Chain Management	Suppliers, Regulatory Agencies, Investors	Procurement Practices
Employee Retention	Employees	Employment
Training and Education	Employees	Training and Education
Diversity and Equal Opportunity	Employees	Diversity and Equal Opportunity
Energy Consumption	Suppliers, Regulatory Agencies	Energy
Waste Management	Suppliers, Regulatory Agencies, Local Communities	Waste and Effluent
Water Consumption	Suppliers, Regulatory Agencies, Local Communities	Water
Community Engagement	Local Communities	Local Communities

OUR MARKETPLACE

Despite the vagaries of the global oil and gas industry. Barakah has remained economically resilient and overcome the challenges of continued low revenue in the past three years through the strategic reallocation of capital to optimise financial returns. The Company has further adopted a business approach focused on improving our project win rate and delivery to address the sustainability and safety matters.

To maintain a competitive advantage in the ever-challenging oil and gas industry, Barakah undertakes initiatives to deliver services with integrity, ethics, safety and quality. The Company's continued investments in our people and services have been critical in the ongoing drive for improvements in our business.

Our Procurement Practices

The Company seeks to conduct a fair, transparent and traceable procurement practices in all our business dealings. At Barakah, 90% of our suppliers are Malaysian companies registered under the PETRONAS Standardised Work & Equipment Categories ("SWEC") Code while the non-local suppliers make up the remaining 10%. Non-local suppliers are only considered in the event that there is an unavailability of resources in the local market or as per clients' preference in selective cases. Through this practice, the Company is able to provide economic opportunities to local businesses, thereby strengthening the local economy.

Our Product Quality

Barakah pays close attention to our product quality and complies with all applicable regulations to meet the needs and expectations of our clients. With regular monitoring of our business performance, the Company is able to identify continual improvement measures to achieve product quality excellence.

Barakah's commitment to product quality and customer satisfaction is further enhanced by the Company's certification to the ISO 9001:2015 Quality Management System, the ISO 14001:2015 Environment Management System and the OHSAS 18001:2007 Occupational Safety and Health Management System. The Company takes a proactive approach to workplace safety and health by regularly undergoing audits, conducting inspections and reporting any unsafe activities during operations.

OUR ENVIRONMENT

Barakah places great importance in ensuring a sustainable environment and as such, the Company continuously strives to take the necessary measures and initiatives in our operations to minimise our impact on the environment. The Company strictly complies with all laws and regulations related to protecting the environment in Malaysia and we regularly conduct internal and external monitoring to ensure that our organisation meets these standards.

TYPE OF WASTE	DESCRIPTION
SW 408	Contaminated soil, debris or matter resulting from cleaning up of a spill of chemical, mineral oil or scheduled wastes
SW 417	Waste of inks, paints, pigments, lacquer, dye or varnish
SW 410	Rags, plastics, papers or fi lters contaminated with scheduled wastes
SW 305	Spent lubricating oil
SW 416	Sludges of inks, paints, pigment, lacquer, dye or varnish

Licensed Contractor
We engage only licensed contractors to dispose our schedule waste.

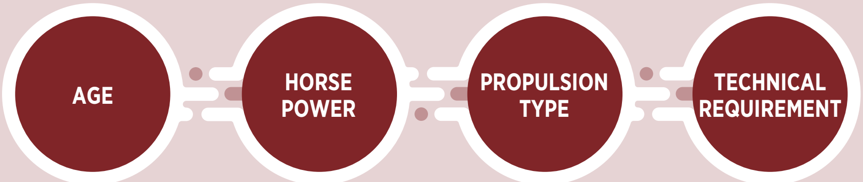
Paper Usage
Effort in reducing the usage of paper by communicating via email and phone.

Campaign
We have on-going Go Green Campaign – “Save Green, Save Planet” for recycling.

Operation Efficiency
We use selected approved vessels for our operation.

Energy Consumption

As part of the Company’s initiatives to minimise our energy consumption, we only select the most efficient vessels to carry out operations, whilst also ensuring cost efficiency. The criteria for selection of vessels are as presented below.



Concurrent with our efforts in sustainability, we have implemented measures to ensure that our unused vessels remain pertinent to us. These unutilised vessels are scheduled to undergo maintenance, certification validity and physical or sea trials, in compliance with the requirements of our client’s third-party Marine Warranty Surveyor audit.

Water Management

In conformity with the International Convention for the Prevention of Pollution from Ships (MARPOL) - Annex IV regulations, all Barakah’s vessels are equipped with sewage water treatment plants. On account of the Company’s operations involving the hydro test process which utilises treated sea water, we have developed and communicated a site-specific emergency response plan for each hydrostatic test with the appropriate resources and response materials available for implementation as required.

Waste Management

As part of our efforts in waste management, the Company has established an on-going Go Green Campaign – “Save Green, Save Planet” at our headquarters and region to promote recycling and initiatives to go paperless by encouraging business communication via emails and phones.

For the Company’s offshore waste disposal, we only engage licensed contractors or third-party licensed contractors approved by the Department of Environment (“DOE”) to collect, transport and dispose of our scheduled wastes, which are categorised as shown in the table on the left.

OUR WORKPLACE

Occupational Safety and Health

Occupational safety and health ("OSH") at the workplace has always been a prime consideration for Barakah. The Company strictly complies with the relevant legislation prescribed by the Department of Occupational Safety and Health ("DOSH"), and are proud to note that we are certified to the OHSAS 18001:2007 Occupational Safety and Health Management System, having met the requirements and undergo surveillance audits by regulatory agencies and certification body.

The Company is committed to health, safety and environmental ("HSE") objectives in the execution and implementation of its operations and will do its utmost to provide a safe and healthy working environment at all times, to provide proper safety equipment required for the job, to safeguard the natural environment by taking into account any statutory requirement.

The Company has established management HSE performances standards which are spelled out in the HSE-MS Manual and the HSE Implementation Plan, while the site performance standards are mainly detailed out in the Operations HSE Manual and work procedures. The specific responsibilities for implementing the HSE policy and the HSE Plan are captured in the Company HSE-MS Manual.

Yearly HSE Implementation plan involves the senior management to lead and promote HSE values and culture via site visits, planned inspections, employee engagements, counselling sessions and various HSE meetings. Key project management personnel including those from marine operations, construction services, and line supervisory staff have conducted various time out sessions, campaigns and on-the-job trainings.

Senior management carries out review of the HSE activities and its performance, to ensure its continuing suitability and effectiveness. The review is carried out quarterly and during monthly project HSE meetings to evaluate the performance of the Company and projects. The key performance indices include incident statistics, surveillance trending, programme feedback, and incentives performance. All statistics are compiled and shared with all operating units for the purpose of performance trending.

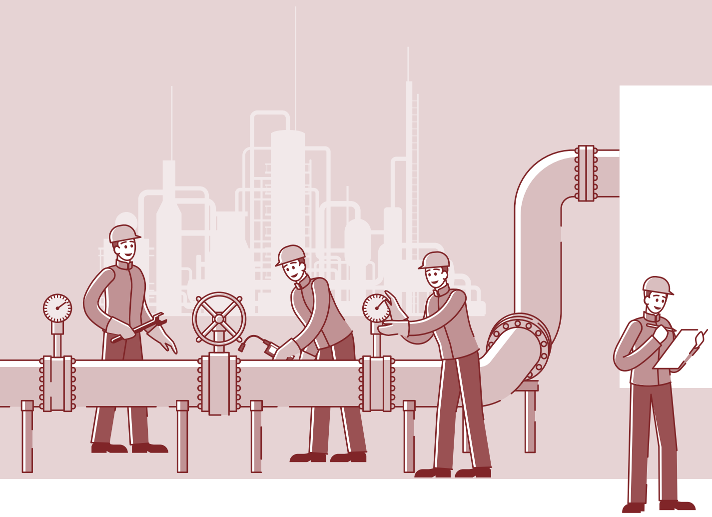
Towards FY2021, the Company was promoting the HSE Implementation Plan through HSE programmes, HSE trainings, HSE Campaign, HSE Leaderships programmes, HSE meeting and HSE audit & inspections. The result of the yearly HSE Implementation Plan was measured above 71.79% achievement for actual vs plan despite the Movement Control Order imposed by the government.

Safety is a key priority at Barakah and as such, all personnel in the Company have a responsibility to play a role in maintaining our safety and health performance. We are proud of our standing figures on incident rates and strive to continually increase safety awareness in pursuit of an incident-freenworkplace.

Recognition for Good Safety Practices

Barakah is proud to announce that we have been presented awards for the year 2021 in recognition of the Company's commitment to operational excellence and quality.

In September 2020, Barakah received a Certificate of Contractor MD Merit Awards for Notable HSE Achievement by EnQuest Petroleum Production Malaysia Ltd ("EnQuest").



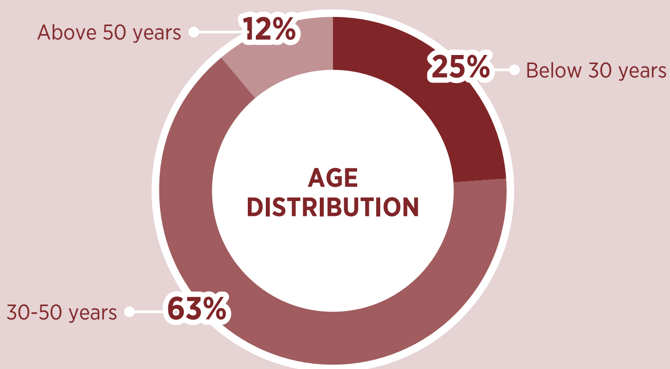
Barakah is also proud to announce the achievement of

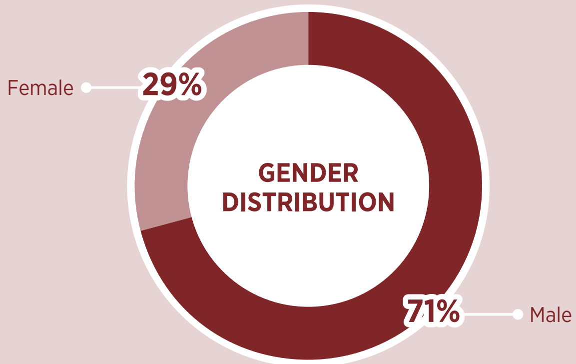
9,160,977 Man-Hours

without Lost Time Injuries (LTI) from 26 October 2016 to 30 June 2021.

Our Diversity and Equal Opportunity

Barakah is a firm believer in diversity and equal opportunity, and provides opportunities to employees on meritorious grounds regardless of race, ethnicity and gender. The Company also strongly encourages knowledge sharing and networking among employees.





EMPLOYEE DISTRIBUTION

	BELOW 30 YEARS		30-50 YEARS		ABOVE 50 YEARS		TOTAL
	M	F	M	F	M	F	
Non-Executive	3	3	7	4	1	0	18
Executive	14	7	32	12	3	0	68
Management	1	0	8	5	3	0	17
Senior Management	0	0	1	1	7	0	9
TOTAL	18	10	48	22	14	0	112

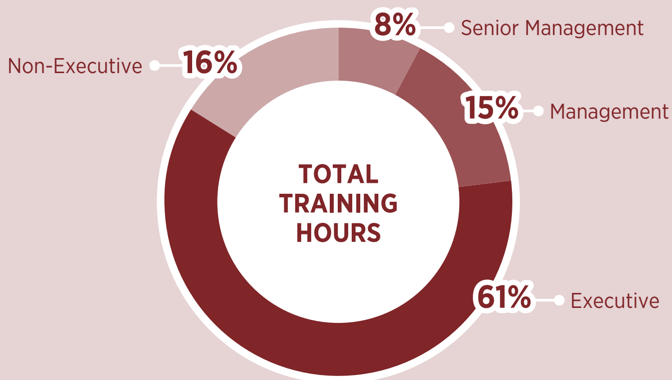
M - Male **F** - Female

Training

Barakah offers dedicated development programmes to our employees from all employment categories for enhancement of their skills and competencies. These training and development programmes are based on the employees' performance and their individual training matrix, and include but is not limited to, skills development, competencies and safety training. The Company is pleased to note that our total training hours for the reporting period has reached 424 hours, with an average of 3.79 hours per employee. Our aim is to further increase these learning activities to support the development of our people.

The figure below shows our training statistics based on employment categories.

Total Training Hours
for the Reporting Period
424 hours



119 hours
training for male
28.07%

305 hours
training for female
71.93%

Moving forward, the Company realizes that all our employees need to be equipped with the right skills and capabilities to facilitate continuous business growth and success. Thus, we attach great importance in ensuring that sufficient training and skill enhancement programmes are provided to our employees.

List of Training

NO.	COURSE
1	Navigating ESG Requirements for Growth
2	Occupational Safety and Health Management in Construction
3	International Conference of Women In Health , Safety & Environment
4	Intergrated Management System Internal Audit (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018)
5	Occupational Safety and Health Management in Construction
6	Certified Environmental Professional in Schedule Waste Management
7	Microsoft Excel 2016: Use Excel like a Pro
8	Health, Safety & Environment 4.0
9	Occupational Safety and Health Management in Construction
10	Primavera Training: PP6C Fundamental Training
11	Primavera Training: PP6C Advanced Training

New Employee Hires and Employee Turnover

Barakah's new employee hires for the reporting year are as shown in the figure below, with the majority from the below 30 years age group followed by the 30-50 years age group and the least from the above 50 years age group.

Age below 30 years	Male: 2	Female: 0
Age between 30-50 years	Male: 1	Female: 0
Age above 50 years	Male: 0	Female: 0

During the reporting period, the Company's employee turnover rate was 0.89% which is a normal percentage for the oil & gas industry during the Covid-19 pandemic.

OUR COMMUNITY

Barakah values its role in working with the local communities and networking as we believe that engaging with the communities is essential to creating sustainable impacts. To this end, the Company constantly endeavours to contribute and provide a helping hand to underprivileged through various sustainability initiatives.

Beyond our employee's welfare initiatives, the Company also focused on programmes related to safety, development of youth and spirituality. Programmes conducted includes monthly contribution to an orphanage home manage by Persatuan Kebajikan Pusat Jagaan Rumah Kasih Harmoni known as Rumah Kasih Harmoni, which located in Paya Jaras, Selangor and currently have 114 children from preschool to secondary school.

Due to COVID-19 issues, some of our events and programmes for the year have been postponed until the situation is under control.

CONCLUSION

To remain relevant and competitive in the industry, the Company needs to gain insight into the dynamics of the market and capitalise on potential business opportunities. We need to continuously improvise approaches and solutions on how to overcome any challenges that may come our way. Guided by our four pillars of marketplace, workplace, environment and community. We seek to steadfastly realise the sustainability for our Economic, Environment and Social Initiatives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Barakah Offshore Petroleum Berhad ("Barakah" or the "Company") and its subsidiary companies (Group) pledges a high standard of corporate governance and ensures these standards are established into the governance framework, policies and practices within the Group.

The Board is pleased to present this Statement to provide an overview of the governance practices carried out by the Group. This Statement is prepared to comply with the format required by the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements (MMLR) with references made to the Corporate Governance Report published by the Company on its website at www.barakahpetroleum.com

COMPLIANCE WITH THE MCCG

As a Main Market Listed entity, the Board is pleased to present this statement in accordance with the Malaysian Code on Corporate Governance ("MCCG") which sets out the standards of good practice in relation to:

PRINCIPLE A	PRINCIPLE B	PRINCIPLE C
Board Leadership and Effectiveness	Effective Audit and Risk Management	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. ESTABLISH CLEAR ROLES AND RESPONSIBLITIES FOR LEADERSHIP FUNCTIONS

An Overview of the Roles and Responsibilities of the Board

ROLE	KEY RESPONSIBILITIES
Chairman	To preside over the Board meetings and ensure the smooth functioning of the Board in the interest of good corporate governance.
Group President & Chief Executive Officer ("GPCEO")	To assume overall responsibilities for the execution of the Group's strategies in line with the Board's direction, drives the Group's businesses and performance towards achieving its vision and mission.
Executive Director	To manage the day to day operations of the Group's businesses and implement policies, strategies and decisions approved by the Board.
Non-Executive Director (Independent and Non-Independent)	To provide an independent, balanced and objective judgement in making board decisions.

Clear Roles and Responsibilities

The key roles and responsibilities of the Board are to:

- Adopt and review the strategic business plan for the Group.
- Oversee and evaluate the conduct of the Group's business including the formulation of strategy and performance objectives, control and accountability systems, corporate governance framework, risk management practices and human capital management.
- Identify principal risks and ensuring the implementation of appropriate systems to manage these risks.
- Approve and monitor the progress of major capital expenditure, fund-raising, acquisition and divestitures. Review the efficiency and quality of the Group's financial reporting process and systems of accounting and internal controls.
- Establish a succession plan for senior management. Ensure strategies of the Group promote sustainability. Ascertain the independence of the external auditors and Group's internal audit functions.
- Assess on an annual basis the performance and the effectiveness of the Board, Board Committees and individual Directors including GPCEO and Chief Financial Officer (CFO).

Responsibilities of Company Secretary

Company Secretary plays important roles in advising and supporting the Board. The Company Secretary through the Chairman plays important role in good governance by helping the board and its committees function effectively and in accordance with their respective Term of Reference (TOR).

The Company has two (2) Company Secretaries who are qualified under the Section 235(2) of the Companies Act 2016 and are members of Malaysian Institute of Chartered Secretaries and Administrators (MAICSA).

The Company Secretaries also act as secretaries of all Board Committees (except for Executive Committee). The Company Secretaries circulate relevant guidelines and updates on statutory and regulatory requirements from time to time for the Director's reference. They also ensure that all Board and Board Committee meetings are properly convened and that deliberations, proceedings and resolutions are properly documented in the minutes of meetings.

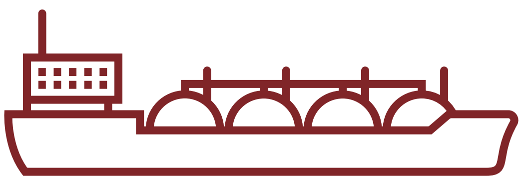
The Board Charter & Delegation of Authority

The Company has a Board Charter (Charter) that sets out the role and responsibilities of the Board and those matters which are delegated to management. The Charter was first approved and adopted by the Board on 23 October 2013. The Board reviews the Charter periodically and makes appropriate revisions from time to time. The Charter is available in the Corporate Governance section at the Company's website www.barakahpetroleum.com

The Charter addresses the following pertinent matters:

- Provides term and reference for the Board's composition, appointments and removals, and the division of powers, roles and responsibilities of the Board and its key values.
- Provides guidance and reference to the Board on the overall business affairs and operations that include processes and procedures in line with the principles of good corporate governance.

In addition, the Board has established and reviewed the Group's Delegation & Limit of Authority (DLA) on 1 February 2021 to define policy and operational decision making process that include matters reserved for the Board's approval and those delegated to the Board Committees, Group President & Chief Executive Officer (GPCEO) and management.



Board Committees

Four (4) Board Committees were established to assist the Board in the discharge of its statutory and fiduciary responsibilities. The Board Committees and their roles are as follows:-

BOARD COMMITTEE	ROLE
Audit & Risk Management Committee (ARMC)	Oversees the Group's financial report and its processes before presenting to Board for deliberation and approval. The ARMC also reviews the internal audit and external audit plans and reports, Group's risk management and internal controls statement in order to achieve the Group's objective.
Nomination & Remuneration Committee (NRC)	Manages the nomination and remuneration process of the Board, Board Committee and key management position. Evaluates the performance and effectiveness of the Board and Board Committees, GPCEO and CFO.
Executive Committee (EXCO)	Makes decision on strategic direction of the Group, including but not limited to matters involving business proposals, financials and stakeholder relations.
Employees' Share Option Scheme (ESOS) Committee	Administer the Employees' Share Option Scheme.

Policies

The Board has the following policies/framework in place:

a) Succession Planning Policy

A program is in place for the orderly succession of senior management that involves the development of skills and abilities for the betterment of their current and future competencies. Succession planning helps to ensure continuity of business and prevent potential business and operational disruption due to any change of senior management personnel.

b) Corporate Disclosure Policy

This policy emphasises the importance of the development and implementation of a stakeholder's communication policy for the Group.

c) Risk Management Policy/Framework

The Board is ultimately responsible for the adequacy and integrity of the internal control system of the Group. This policy was adopted to ensure principal risks are adequately identified and appropriate internal controls and mitigation measures are implemented by the management in managing those risks. The Board reviews the internal control system as set out in the Statement on Risk Management and Internal Control of this Annual Report on pages 40 to 43.

d) Code of Conduct & Business Ethics Policy

The Code requires the Board and the employees of the Group to uphold the highest standards of ethical behaviour, honesty and personal integrity in their dealings.

A summary of the code and the following policies are available in the Company's website at www.barakahpetroleum.com

- Code of Ethics and Conduct Policy
- Whistle-blowing Policy and
- Insider Dealing Policy
- Anti-Corruption Policy and Procedure

Together with Corporate Disclosure Policy, these policies promote appropriate communication and feedback channels including those that facilitate whistle blowing. These policies also encourage every person in the Group to act in the best interest of the Group, safeguarding confidentially, compliance with the relevant laws and regulations, safety provisions and avoiding any conflict of interest or duties.

e) Sustainability Policy

This policy establishes clear objectives for sustainability within the Group. The Board provides strategic guidance and oversight of management that includes reviewing and approving the Group's sustainability strategy and ensuring transparent sustainability reporting. The Sustainability Statement is provided in this Annual Report on pages 20 to 30.

2. ESTABLISHED POLICY OF BOARD INDEPENDENCE

Board Composition

The Board Charter currently provides for at least two (2) directors or one third (1/3) of the Board of Directors, whichever is higher, shall be independent non-executive directors.

Nevertheless in practice, more than half of the current Board of Directors of the Company comprise of Independent Non-Executive Directors. The Board composition reflects a balance of Executive and Non-Executive Directors to instill strong check and balances on the management of the Group.

During the financial year under review, the Board assessed the independence of its Independent Non-Executive Directors based on criteria set out in the MMLR of Bursa Securities and was satisfied that the Independent Directors continue to exercise independent and objective judgement and acted in the interest of the Company and its stakeholders.

Appointment of Independent Directors

The Nomination and Remuneration Committee (NRC) is responsible for recommending to the board for approval for the following appointments:

a. Chairman

b. Members of the Board

c. Members of the Board Committees

d. Senior Independent Non-Executive Director

e. Top Management

The NRC shall ensure that the Group recruits, retains, trains and develops suitably qualified and capable executive and non-executive directors and manages the Board's renewal and succession effectively. It also makes recommendations on the remuneration policy for the directors and the top management.

The NRC shall prepare a report on the effectiveness of the Board as a whole and the individual performance of each Director for the Board to assess annually.

Separation of Key Roles of Chairman and GPCEO

The Board supports the principle that separates roles of the Chairman and GPCEO with a clear division of responsibilities to ensure a balance of power and authority such that one individual has unlimited powers of decision making. Each of their roles had been identified in the Board Charter and DLA.

The Chairman holds a non-executive function and leads the Board in overseeing of management and chairs the Board meetings and functions. The GPCEO has overall management responsibilities of the Group's operations and implementation of Board policies, strategies, directives and decisions. They report and discuss at the Board meetings all material matters currently or potentially affecting Barakah and its performance.

ESTABLISH STRUCTURE FOR LEADERSHIP EFFECTIVENESS

The Board has established the Nomination and Remuneration Committee (NRC) to assist the Board in managing the composition of the Board through nomination process and to evaluate the performance of the Board, Board Committees and key management position as well as the remuneration for the Directors and key management position.

Roles and Responsibilities of the NRC

The main duties of the NRC as provided in the NRC Term of Reference include:

- Assist the Board in ensuring that the Group recruits, retains, trains and develops suitably qualified and capable Executive and Non-Executive Directors and manages the Board's composition effectively including assessment of the required mix of skills and experience of the individual Board Members and the Board Committees.

- Review and determine whether a director can continue to be independent in character and judgement and also to take into account the need for progressive change of the Board's composition at the conclusion of a specific term of office.

- Assess the annual effectiveness of the Board as a whole, the committees of the Board, the contribution of each individual Director, including Independent Non-Executive Directors and the Group President and Chief Executive Officer (GPCEO).

- Recommended the remuneration for the directors and key management and review and recommend the annual bonus pool for employees.

The NRC terms of reference are disclosed in the Company's website at www.barakahpetroleum.com

The NRC has established guidelines on the recruitment and appointment of a Board member that forms a part of the NRC's Term of Reference. The Board supports non-discrimination on gender, ethnicity and age group of candidates to be appointed as Board members although no formal policy has been formed. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with skills, experience, time commitment and other qualities in meeting the future needs of the Company. The Board is aware that there is no such policy on gender composition of the Board. Such policy may be considered in future depending on future growth and requirement of the Group.

Leadership Effectiveness

During the year, the NRC assessed the knowledge, skills and experience of the individual director and skill matrix based on evaluation forms recommended by Malaysian Code of corporate Governance (MCCG). The assessment on the individual directors were then mapped onto Skill Matrix Form. Following this review, the NRC was satisfied that the Board as a whole has the required level and mix of skills to steer the Group within the industry that it is operating. The NRC also carried out assessment on the directors based on the Directors/ Key Officers Evaluation Form recommended by the MCCG. Based on this assessment, the NRC was satisfied that the Board has been effective in carrying its leadership role for the Group.

Training

The Group recognises the importance of continuing professional development to ensure that Board members and employees are updated with the necessary skills and knowledge to meet business challenges. The Group conducted in-house training for Board and employees facilitated by external trainers and management as well as provided budget to external training workshop or conferences. These include the training for leadership skills, team building and technical knowledge as well as for industry updates and business networking.

One of the trainings attended by the Board is Navigating ESG Requirements for Growth.

Meeting

During the financial year ended 30 June 2021, below are the total number of meeting attended by all the Board:

NAME	BOARD MEETING
Dato' Mohd Zaid bin Ibrahim	7/8
Nik Hamdan bin Daud	8/8
Sulaiman bin Ibrahim	8/8
Nurhilwani Mohamad binti Asnawi	8/8
Dr. Rosli bin Azad Khan	8/8
Azman Shah bin Mohd Zakaria	8/8
Rasdee bin Abdullah	7/8

3. REMUNERATION

The remuneration of the employees of the Group was structured based on the study conducted by professional human resources consultant in 2014 that looked into the job responsibilities, scale of the Group's operations and salary range of peer companies. From this review, the Group has structured the staff salary scale and the benefits where the Group had positioned itself to be approximately within the median range of the industry.

The Board determines and approves the remuneration of the Executive Directors' including GPCEO following assessment and recommendation by the NRC done on annual basis. For this assessment, the NRC took into account the individual performance. Company's performance, prevailing market rates, market conditions and other relevant factors.

The Non-Executive Directors' remuneration is determined by the Board with the recommendation from the NRC taking into consideration the market competitiveness in order to attract and retain directors of such calibre and to provide the necessary skills and experience as required. Their remuneration comprises fees and allowances that reflect their expected roles and responsibilities within the Board and Board Committees. The directors' fees for the Non-Executive Directors for next year will be tabled for the shareholders' approval at the upcoming Ninth AGM of the Company.

The detailed breakdown of director's remuneration is provided in the Corporate Governance Report published on the Company's website.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

The Board has approved the Risk Management Policy/Framework of the Group and has delegated the overseeing function to ARMC whilst the EXCO manages the risk management. To assist the ARMC and EXCO, a management working group in the form of the Risk Management Steering Committee was established to coordinate the identification, monitoring and mitigation of the risk issues of the Group. The ARMC continues to maintain and review the issues of the Group. The ARMC continues to maintain and review the overall internal control system to ensure as far as possible the protection of its assets and its shareholders' investments.

Details of the Group's internal control system and framework are stated in the Statement on Risk Management and Internal Control set out on pages 40 to 43.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Financial Reporting

The Board, with the assistance of the ARMC, review the financial statements to ensure that the Group's financial statements are prepared in accordance with the provisions of the Companies Act 2016 and the applicable approved Financial Reporting Standards. The Statement of Directors' Responsibility in relation to the Financial Statement is presented in the appropriate section of this Annual Report as shown on page 44.

The ARMC reviewed all financial reports prepared by the management prior to submission to the Board for deliberation and approval. The External Auditors (EA) and the CFO provide assurance to the ARMC that appropriate accounting policies has been adopted and applied consistently and the relevant financial statements gave a true and fair view of the state of affairs of the Group in compliance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, as part of the Group's annual financial reports.

In addition to the above, the Internal Auditors (IA) have performed limited review on the quarterly financial reports for additional reasonable assurance to the ARMC and Board.

Communication with Stakeholders

In line with the MMLR to enhance corporate disclosure requirements, the Board's policy is to ensure a high standard of communications in a timely manner to stakeholders, on all material and significant information on the Group. Barakah's corporate website: www.barakahpetroleum.com contains non-exhaustive Group's corporate information, Board profiles, Group's businesses and announcement to Bursa Securities, press release, share information, financial results, annual report, corporate governance and corporate news. The website is regularly updated to provide current and comprehensive information on Barakah. This allows all shareholders and the public to gain access to information about the Group.

Annual General Meeting (AGM)

The AGM is a principal avenue for shareholders to communicate and engage in dialogue with the Board and management of Barakah. The highlights of the Group's operations and financial performance will be presented directly by the management to the shareholders. Shareholders are given opportunity to raise questions on issues pertaining to the Group's operational and financial performance. At the AGM, the shareholders can exercise their voting rights in convened to strict compliance with the laws and procedures of a general meeting. To promote good attendance at AGM, the Company has provided ample notice of more than 28 days prior to the meeting. The Ninth AGM will be held on 22 December 2021 and detailed information of this meeting can be found in the Notice of Annual General Meeting.

Poll Voting

Pursuant to the Paragraph 8.29A(1) of the MMLR of Bursa Securities, the Company is required to ensure that any resolution set out in the Notice of AGM is voted by poll. A resolution set out in Notice of AGM will be voted by way of poll. An independent scrutineer will be appointed to validate the votes cast at general meeting.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

A. COMPOSITION AND ATTENDANCE

The Audit and Risk Management Committee ("ARMC") comprises of three (3) members, all of whom are Independent Non-Executive Directors. This is in line with the requirement of paragraph 15.09 (1)(a) and (b) of Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The members are as follows:

Puan Nurhilwani binti Mohamad Asnawi
ARMC Chairman
Independent Non-Executive Director

Encik Sulaiman bin Ibrahim
ARMC Member
Senior Independent Non-Executive Director

Dr. Rosli bin Azad Khan
ARMC Member
Independent Non-Executive Director

The ARMC Chairman, Puan Nurhilwani binti Mohamad Asnawi, is a fellow member of the Malaysian Institute of Accountants. Accordingly, Barakah complies with paragraph 15.09(1)(c)(i) of MMLR.

The Board assesses the performance of ARMC and its members. The Board is satisfied that the ARMC and its members have discharged their functions, duties and responsibilities according to the Terms of Reference ("TOR") of ARMC.

The TOR of ARMC was also reviewed by its members during the financial year ended 30 June 2021 ("FY2021") and is published in Barakah's website in line with MMLR.

B. MEETINGS

The ARMC held six (6) meetings during the FY2021. Attendance record of the ARMC meetings can be found on pages 9 and 10 of the Annual Report.

The meetings deliberated amongst others the Internal Audit ("IA") annual plan and reports, the quarterly results, related party transactions, risk reports as well as the External Auditors ("EA") reports; i.e. Audit Planning Memorandum and Audit Review Memorandum.

At the ARMC meetings, the Executive Directors and Management were invited to brief the ARMC on specific issues arising from the audit reports or any matters of interest.

Two (2) private meetings with the Internal Auditors and two (2) private meetings with the External Auditors were held without presence of Executive Directors and Management. The focuses of these meetings were to get feedback on the audit performed, challenges faced and audit scope.

Minutes of each ARMC meetings were recorded and tabled for confirmation at the following ARMC meeting. The minutes were also tabled to the Board of Directors ("Board") for notation. In addition, the ARMC Chairman would update the meetings proceedings of each ARMC meeting to the Board for information and/or deliberation.

C. SUMMARY OF ACTIVITIES

The summary of activities of ARMC during FY2021:

1. Financial Reporting

In line with the MMLR requirements, the ARMC reviewed the unaudited quarterly results. Before their deliberation, the IA would perform limited review of the results and presented their reports during the ARMC meetings.

The ARMC also reviewed the unaudited quarterly result and full year audited accounts, among others, the members focused on the following:-

(i) Trend analysis on the financial amount and ratios

(ii) Review of any material changes against budget and trend; and

(iii) Any impact due to implementation of new accounting policy or accounting standards.

ARMC also sought assurance from Chief Financial Officer ("CFO") on matters which involve judgements and estimates.

Based on the ARMC deliberations and discussions with management, CFO and IA, the ARMC recommended to the Board for deliberation and approval before releasing to Bursa Securities.

2. External Audit

The engagement partner of HLB AAC PLT is Ms Tang Yan Yu and in line with Malaysian Institute of Accountants' By-Law (On Professional Ethics, Conduct and Practice).

The EA presented their audit plan to ARMC before embarking on the FY2021 audit. ARMC deliberated the audit plan including on the scope, resources and timeline. On 29 September 2021, the EA presented its audit review memorandum to the ARMC for deliberation. Subsequently, the ARMC Chairman updated the Board accordingly.

ARMC also reviewed any matters considering the appointment and re-appointment, and any questions of resignation or dismissal of the External Auditors.

3. Internal Audit

ARMC reviewed and deliberated

- The adequacy of scope and coverage of IA Plan for FY2021. The review of audit plan took into account the risk profile and direction of the Barakah Group as well as the IA resource. Then, ARMC Chairman shared the audit plan in the Board meeting.
- The audit findings raised in the IA reports tabled during the year. The Management was invited to the ARMC meetings where the ARMC members would seek for explanation from the management whenever required. Subsequently, ARMC Chairman updated the Board on the key outcome from all audit reports.
- The adequacy of the scope, functions, competency, resources levels as well as the process and results of the internal audits functions.

ARMC reviewed the scope of audit and the performance, their independence and objectivity, and their services rendered including non-audit services. The non-audit services were related to review of the fourth quarter financial results and review of the Statement on Risk Management and Internal Control. Considering the nature and scope of non-audit fees, the ARMC is that they were not likely to create any conflict of interest or impair the independence and objectivity of the IA.

ARMC Chairman also had several private discussions with the IA to receive direct feedback and updates on the IA and the Company.

Detailed activities of IA function are in page 39 of the Annual Report.

4. Risk Management

ARMC reviewed the risk reports prepared by the secretary of Risk Management Steering Committee ("RMSC") for FY2021. RMSC is chaired by President and Chief Executive of PBJV who is also an Executive Director of Barakah. During the discussion, ARMC would seek for clarification and explanation on the risk reports.

ARMC also reviewed the effectiveness of Statement on Risk Management & Internal Control by deliberating the following:

- Risk reports provided by RMSC;
- EA's review report on Statement on Risk Management and Internal Control;
- EA's report on improvement to be made by Management from the control review;
- IA review report on Risk Management processes;
- IA Reports on various areas during the year;
- Follow-up audit reports conducted by IA; and
- The assurance letter from GPCEO and CFO on behalf of the EXCO.

5. Related Party Transactions and Employees' Share Option Scheme ("ESOS")

ARMC discussed and reviewed the related party transactions tabled by the CFO on quarterly basis. Clarification (whenever necessary) was sought from the CFO during meetings.

There is no ESOS recommendation to ARMC for deliberation during the financial year period.

D. INTERNAL AUDIT FUNCTION

The IA is an integral part of the governance structure of Barakah Group. IA provides independent, objective assurance and consultancy services designed to add value and improve the Group's operations. IA implements a systematic approach to evaluate and improve the effectiveness of the Group's risk management, internal control and governance processes.

The IA is an outsourced function, which report directly to ARMC Chairman and administratively to GPCEO.

During the FY2021, a total of RM207,018 was incurred as part of resources allocation for IA, covering mainly on manpower and incidental costs such as travelling and training costs.

The IA function adopts a risk-based audit methodology to ensure that the effectiveness of relevant controls addressing the Group's key risks, are reviewed on a periodically basis. The purpose, authority, responsibility and independence are clearly articulated in the IA Charter in line with Main Market Listing Requirements ("MMLR"), Malaysia Code on Corporate Governance and the Institute of Internal Auditors' International Professional Practices Framework.

The IA plan for FY2021 was reviewed and approved by ARMC and Board was subsequently notified. Amongst others, the plan include risk based audit engagement and consulting activities, manpower requirements, budget and key performance indicators of the function.

The IA activities were carried out based on the approved risk based audit plan and adhoc assignment. The key IA engagements for FY2021 were:

- Limited Review of Quarterly Results;
- Follow-up on previous audit findings of FYE2020;
- Review of Related Parties Transactions/Recurrent Related Parties Transactions;
- Review on Contract Management;
- Review on Information Technology Management;
- Review on Human Resource Management

The results of audit conducted were presented to top management and Executive Committee for management response to the audit findings. The reports were then reviewed by ARMC. On quarterly basis, IA updates its activities in relation to the execution of the approved audit plan, adhoc assignments and consulting activities performed, if any.

Apart from the above, on a periodically basis, IA also provides advice to management on control, risk and governance matters whenever consulted. Nevertheless, the IA ensure its independence is maintained during the consulting activities.

This statement is made in accordance with the resolution of the Board dated 21 October 2021.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

INTRODUCTION

The Company acknowledges that the Board's responsibilities for the risk management and internal control, which include the establishment of appropriate control and ensures the framework and related system are manageable in good level. In compliance with Paragraph 15.26(b) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, the Board is pleased to set out our Group's Statement of Risk Management and Internal Control for financial year ended 30 June 2021 which prepared in accordance with the "Statement on Risk Management and Internal Control – Guidelines for Directors and Listed Issuers".

BOARD RESPONSIBILITY

In relation to risk management and internal control, pursuant to the requirement under the Malaysian Code on corporate Governance (MCCG) for companies listed on the Bursa Malaysia Securities Berhad (Bursa Securities), the Board acknowledges their responsibilities under the MMLR of Bursa Securities as follows:

- Review on the risk management framework, processes and responsibilities in order to provide reasonable assurance that risks are managed in all aspects of business operations and activities by identifying principal risks and implement appropriate control measures to manage those risks.
- Review on the adequacy and integrity of the risk management and internal control systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- Establish the policies and procedures in the Group in ensuring the adequacy and effectiveness of the risk management and internal control systems as it oversees its roles and responsibilities towards promoting that environment within all aspects of the Group's activities.

The management of Barakah is accountable to provide assurance to the Board that the risk management and internal control systems are implemented as mentioned in this statement. The Board has received assurance from the Executive Director and Chief Financial Officer (CFO), on behalf of the EXCO, that the risk management framework and processes and also the internal control system are operating adequately and effectively as intended.

RISK MANAGEMENT POLICY

The risk management policy/framework defines the risk management policy of the Group and risk management framework including the reporting structure to the Board. It was established and approved by the Board on 31 March 2016 and revised on 2 January 2021.

Our risk management framework is based on enterprise risk management (ERM) concept that covers: identifying, assessing, evaluating, reviewing, treating reporting and monitoring of risks and took reference from the best practices and standards (including ISO31000:2009 Risk Management – Principles and Guidelines) for effective control and mitigation of risks.

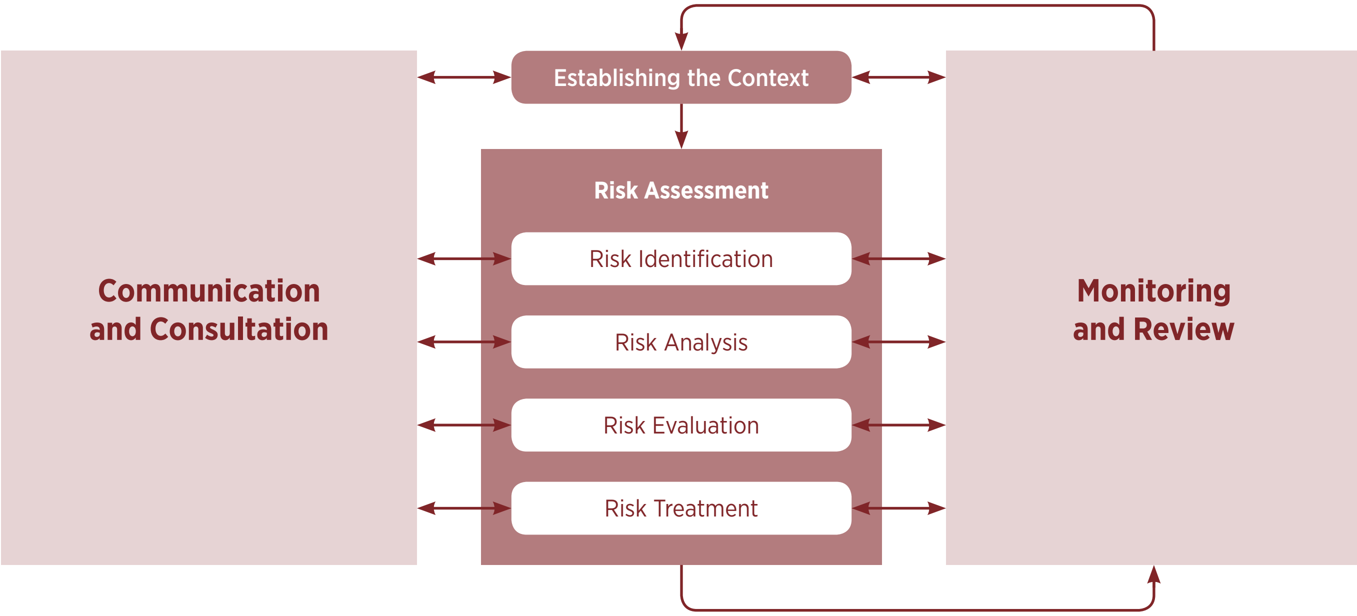
The Board has delegated the oversight role of risk management and internal control to the Audit and Risk Management Steering Committee (RMSC). The primary role of RMSC is facilitate the implementation of the risk management framework within the Group. The RMSC members comprise of Executive Director (cum President & Chief Executive (PCE), PBJV Group Sdn Bhd ("PBJV")) as Chairman and Heads of Divisions and Departments whom are identified as the respective Risk Owners within their divisions/departments.

The coordination and reporting of risk management activities are managed by the PCE of PBJV and assisted by Quality Health Safety and Environment (QHSE) Department.

The primary role of RMSC consists of issuance of risk report providing risk support to the operation and administration maintaining appropriate risk policies, procedures and providing coordination of the Group integrated risk management in holistic approach.

The RMSC provides the risk management reports to the EXCO, ARMC and Board. The Board reviews the risk management report including assessing the extent of reasonable assurance that all identified risk are continuously being monitored and managed within tolerable level. The risk reports include the identification of risks, potential impact, and evaluation of effectiveness of the mitigation and control procedures. The reports also include recommendation for further controls or indicators where necessary.

The key elements of these Risk Management processes are as follows:



1. Establish, communicate and consult within the Group on its risk management and framework. This helps to establish the context, articulates the objectives, define the internal and external parameters in managing risk and define the risk criteria in line with our policy and establish the management process.
2. Conduct risk assessment exercise covering:-

    a. Risk Identification

    It involves identifying sources of risk, areas of impacts, events (including changes in circumstances) and their causes and their potential consequences. The aim of this step is to generate a comprehensive list of risks based on those events that might create, enhance, prevent, degrade, accelerate or delay the achievement of objectives.

    b. Risk Analysis

    It involves developing an understanding of the risk. Risk analysis provides an input to risk evaluation and to decisions on whether risks need to be treated, and on the most appropriate risk treatment strategies and methods. Risk analysis can also provide an input into making decisions where choices must be made and the options involve different types and level of risk.

    c. Risk Evaluation

    It involves comparing the level of risk found during the analysis process with risk criteria established when the context was considered. Based on this comparison, the need for treatment can be considered. The risk evaluation can also lead to a decision not to treat risk in any way other than maintaining existing controls.

    d. Risk Treatment

    It involves selecting the most appropriate one or more options for modifying risks and implementing those options. Once implemented, treatments provide or modify the controls. Risk treatment involves a cyclical process of assessing a risk treatment; deciding whether residual risk levels are tolerable; if not tolerable, generating a new risk treatment and assessing the effectiveness of that treatment.

3. Conduct risk awareness sessions by QHSE Department with Risk Owners and staff on the ERM practice and on-going review sessions for continuous improvement and promoting a proactive risk management culture and environment.
4. Record our risk management process that includes the identified risks, and methods and tools for handling the said risks.

5. Deliberations at RMSC meetings to monitor and review on implementation of risk management process. At the RMSC meeting, the risk reports were tabled, reviewed and challenged. And when necessary, recommendations were made for improvements on the risks mitigation actions. The risk report is further monitored and reviewed at the following levels with EXCO and ARMC.
6. Presentation of a risk report summarizing risks to the Board through the Audit and Risk Management Committee for further deliberation where necessary.
7. Review by the Internal Audit on the implementation of risk control measures to check for compliance.

There were three (3) meetings held during the financial year under review.

KEY INTERNAL CONTROL PROCESSES

The Group's internal control systems encompasses the following key processes:

Authority and Responsibility

1. Clear responsibilities have been delegated to the Board Committees through clearly defined Terms of Reference (TOR) of the relevant committees and existing Delegation & Limit of Authority (DLA). The DLA also encompasses delegation of authority not only to the Board Committees but also to the management based on the roles and responsibilities of the respective committees and management position.
2. The Board has established four (4) Board Committees to support the Board functions. The committees are the ARMC, NRC, ESOS and EXCO. The detailed TOR of each committee can be found at our corporate website at www.barakahpetroleum.com
3. The Group's systems of internal control comprises but not limited to the following activities:-
    a. The ARMC comprises solely of Independent Non-Executive Directors with full access to both the internal and external auditors.
    b. The ARMC meetings are held separately from Board meetings.
    c. The ARMC is assisted by the Company's outsourced Internal Auditors.
4. During the financial year under review, the management had continuously referred to its DLA and risk management framework to reflect the continuous control and delegation for the effective management of the Group.

Policies and Procedures

1. Formalised and documented internal policies are in place to ensure compliance to the MMLR and the MCCG. The Board maintains the following approved Policies in the organization.
    a. Whistle Blowing Policy
    b. Related Party Transaction Policy
    c. Risk Management Policy/Framework
    d. Insider Dealing Policy
    e. Code of Ethics and Conduct Policy
    f. Corporate Disclosure Policy
    g. Sustainability Policy
    h. Directors' Assessment and Remuneration Policy
    i. Succession Planning Policy
    j. Privacy Notice
    k. Anti-Corruption Policy and Procedure
2. The Group through its main operating subsidiary, PBJV is continuously embracing the international standards in its operations by implementing and complying with its ISO certified "Integrated Management Systems" that consist of the ISO 9001:2015 Quality Management System, OHSAS 18001:2007 Occupational Health and Safety Management System and ISO 14001:2015 Environmental Management System.
3. Continuous improvement and updates are made to our Standard Operating Procedures (SOP) from time to time, if necessary, to meet the demand of the business and keeping abreast with the competition and new rules and regulation.

Internal Audit (IA)

Barakah has an outsourced IA reporting directly to ARMC. The IA provides an independent, objective assurance and consulting activity designed to add value and improve Barakah's operations. This is in addition to review for compliance checking. It helps Barakah to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process. Further information on the IA is provided in pages 38 to 39 of the Annual Report.

CONCLUSION

The Board is of the view that the Group's internal control system is adequate and effective to safeguard the shareholders' interest and the Group's assets. However the Board also is aware of the fact that the Groups internal control system and risk management practices must continuously evolve to meet the challenges of the changing business environment. Therefore the Board will, when necessary put in place appropriate action plans to further enhance the Group's internal control systems and risk management framework.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control and reported to the Board that nothing has come to their attention that causes them to believe that the statement is not prepared, in all material aspects, in accordance with the disclosures required by Paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuer, nor is the statement factually inaccurate.

This Statement of Risk Management and Internal Control is made accordance with the resolution of the Board dated 21 October 2021.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are responsible for the preparation of the Group's and the Company's financial statements so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards, the requirements of the Companies Act 2016 in Malaysia and the Main Market Listing Requirements of Bursa Securities.

In preparing the financial statements for the financial year ended 30 June 2021, the Directors have:-

a) adopted and applied consistently accounting policies;

b) made judgment, estimates and assumptions based on their past experience and best knowledge of current events and actions;

c) ensured that accounting records are properly maintained; and

d) prepared the financial statements on a going concern basis.

The Directors have also taken the necessary steps to ensure that appropriate internal controls are in place to enable the preparation of the financial statements that are free from material misstatements, as well as to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposals during the financial year ended 30 June 2021.

2. AUDIT AND NON-AUDIT FEES

The total amount of audit fees paid or payable to the external auditors by the Company and the Group during the financial year ended 30 June 2021 amounted to RM75,000 and RM174,000 respectively.

The total amount of non-audit fees paid or payable to the external auditors, or a firm or corporation affiliated to the auditors' firm by the Company and the Group during the financial year ended 30 June 2021 are as follows:

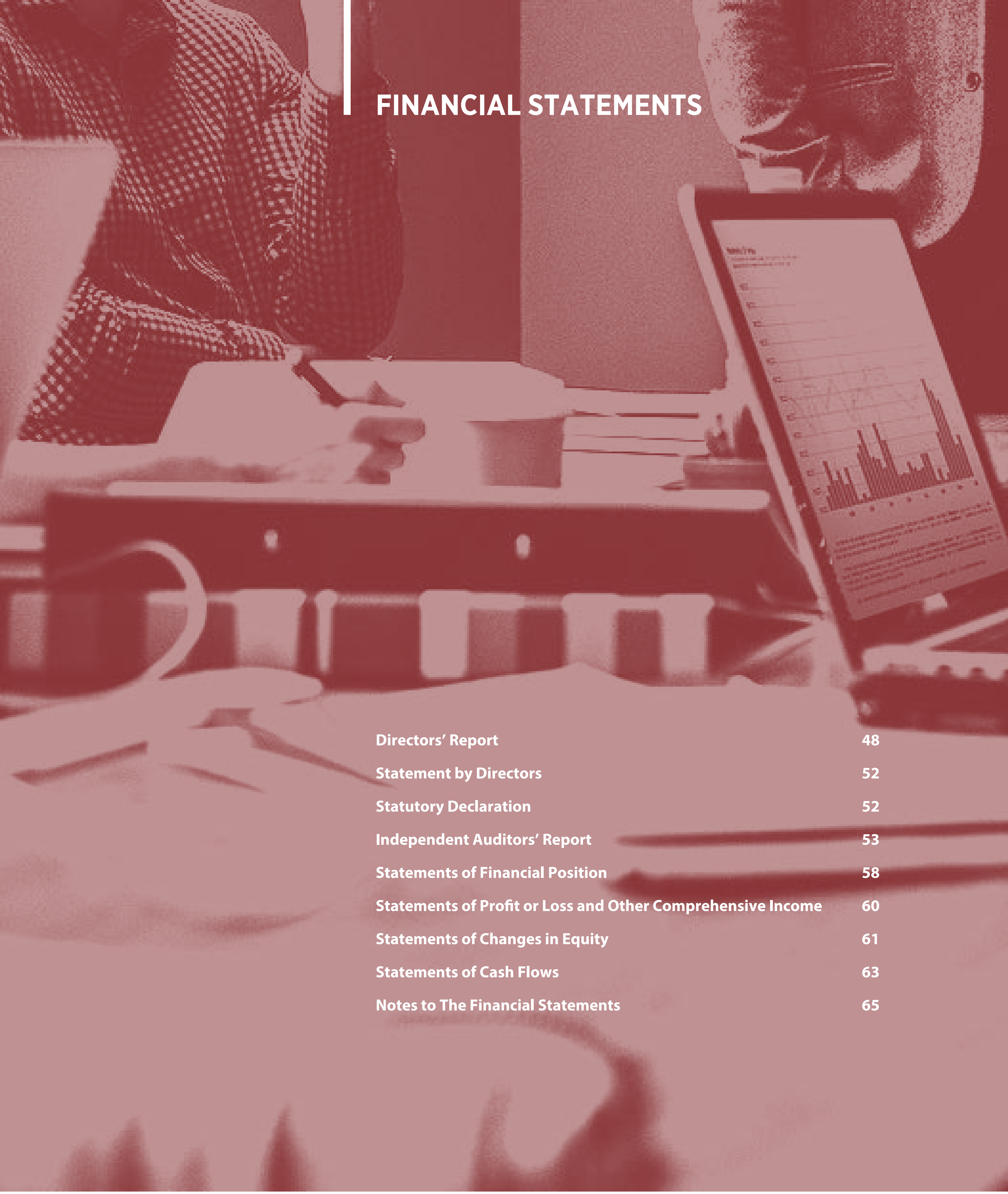
	THE COMPANY RM	THE GROUP RM
• Review of Statements on Risk Management and Internal Control	5,000	5,000
	5,000	**5,000**

3. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiaries, involving directors' and major shareholders' interest, which subsisted at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year except as disclosed in Note 27 to the financial statements.

4. RELATED PARTY TRANSACTIONS

The details of related party transactions for the financial year ended 30 June 2021 are disclosed in Note 27 to the financial statements.



FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding.

The principal activities of its subsidiary companies are disclosed in Note 4 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit/(Loss) for the financial year attributable to:		
- Owners of the Company	64,344	(51,975)
- Non-controlling interests	(5)	-
	64,339	(51,975)

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year. The Board of Directors does not recommend any dividend to be paid for the financial year under review.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

There were no issuances of shares and debentures during the financial year under review.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year under review.

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Datuk Mohd Zaid Bin Ibrahim
Nik Hamdan Bin Daud
Sulaiman Bin Ibrahim
Nurhilwani Binti Mohamad Asnawi
Dr Rosli Bin Azad Khan
Azman Shah Bin Mohd Zakaria
Rasdee Bin Abdullah

The names of Directors of subsidiaries are set out in the respective subsidiaries' financial statements and the said information is deemed incorporated herein by such reference and made a part thereof.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of Directors' shareholdings required to be kept under Section 59 of the Companies Act, 2016, none of the Directors who held office at the end of the financial year held any shares or debentures in the Company or its subsidiaries during the financial year except as follows:

	Number of ordinary shares			
	At 1.7.2020	**Acquired**	**Disposed**	**At 30.6.2021**
Interest in the Company:				
Direct interest				
Datuk Mohd Zaid Bin Ibrahim	1,200,000	-	-	1,200,000
Nik Hamdan Bin Daud	64,872,837	-	-	64,872,837
Sulaiman Bin Ibrahim	5	-	-	5
Nurhilwani Binti Mohamad Asnawi	5	-	-	5
Dr Rosli Bin Azad Khan	551,200	300,000	-	851,200
Azman Shah Bin Mohd Zakaria	20,611,624	-	-	20,611,624
Indirect interest				
Nik Hamdan Bin Daud[1]	10,891,800	-	-	10,891,800

Note:
[1] *Deemed interested by virtue of his child's shareholding in the Company.*

By virtue of their interests in the shares of the Company, Datuk Mohd Zaid Bin Ibrahim, Nik Hamdan Bin Daud, Azman Shah Bin Mohd Zakaria, Dr Rosli Bin Azad Khan, Sulaiman Bin Ibrahim and Nurhilwani Binti Mohamad Asnawi are deemed to have interests in the shares of all the subsidiary companies to the extent the Company has an interest.

Other than as disclosed above, according to the register of Directors' shareholdings, the Directors in office at the end of the financial year did not hold any interest in shares or debentures in the Company or its subsidiaries during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

Details of Directors' remuneration are disclosed in Note 20 to the financial statements.

SUBSIDIARY COMPANIES

Details of the subsidiary companies are disclosed in Note 4 to the financial statements.

AUDITORS' REMUNERATION

Details of auditors' remuneration are disclosed in Note 19 to the financial statements.

INDEMNITY AND INSURANCE COSTS

There was no indemnity given to or insurance effected for Directors or officers of the Company in accordance with Section 289 of the Companies Act, 2016.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) any amount stated in the financial statements of the Group and of the Company misleading.

No contingent or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group and of the Company to meet their obligations when they fall due.

OTHER STATUTORY INFORMATION (continued)

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

MATERIAL LITIGATIONS

Details of the material litigations are disclosed in Note 28 to the financial statements.

SIGNIFICANT EVENTS

Details of the significant events are disclosed in Note 29 to the financial statements.

SUBSEQUENT EVENTS

Details of the subsequent events are disclosed in Note 30 to the financial statements.

AUDITORS

The auditors, HLB AAC PLT (LLP0022843-LCA & AF001977) (formerly known as Morison AAC PLT), have expressed their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

AZMAN SHAH BIN MOHD ZAKARIA **RASDEE BIN ABDULLAH**

PUCHONG, SELANGOR
21 October 2021

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016

We, AZMAN SHAH BIN MOHD ZAKARIA and RASDEE BIN ABDULLAH, being two of the Directors of BARAKAH OFFSHORE PETROLEUM BERHAD, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 58 to 114 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2021 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

AZMAN SHAH BIN MOHD ZAKARIA **RASDEE BIN ABDULLAH**

PUCHONG, SELANGOR
21 October 2021

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT, 2016

I, MEGAT KHAIRULAZHAR BIN KHAIRODIN, being the officer primarily responsible for the financial management of BARAKAH OFFSHORE PETROLEUM BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 58 to 114 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed **MEGAT KHAIRULAZHAR BIN KHAIRODIN**)
at PUCHONG, SELANGOR)
on this date of 21 October 2021) **MEGAT KHAIRULAZHAR BIN KHAIRODIN**

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BARAKAH OFFSHORE PETROLEUM BERHAD
REGISTRATION NO.: 201201007022 (980542-H)
(INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the financial statements of Barakah Offshore Petroleum Berhad, which comprise the statements of financial position as at 30 June 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 58 to 114.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2021, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Qualified Opinion

Because we were appointed as auditors of the Group in 2020 and that a modified opinion on the existence and valuation of inventories as at 30 June 2019 was issued in the auditors' report, we were not able to observe the counting of the physical inventories or satisfy ourselves concerning those inventory quantities as at the beginning of the previous financial year by alternative means. Since opening inventories affect the determination of the results of operations, we were unable to determine whether adjustments to the results of the operations and opening retained earnings might be necessary for 2020. Our audit opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1 to the financial statements, the financial statements of the Group and of the Company have been prepared on a going concern basis notwithstanding that:

(a) As at 30 June 2021, the Group's current liabilities exceeded its current assets by RM166.737 million and it has a deficit in shareholders' fund amounting to RM89.777 million;

(b) As disclosed in Note 14 to the financial statements, an indirect wholly-owned subsidiary of the Group, Kota Laksamana 101 Ltd ("KL101 Ltd") had received first and second notice of demand of its term loan facilities from a licensed bank on an event of default in payment of loan instalments on 17 May 2019 and 16 August 2019 respectively. On 22 October 2019, KL101 Ltd received a notice of termination, recall and demand of the facilities for an outstanding amount of USD43.590 million.

(c) On 17 May 2019, the Group has become an Affected Listed Issuer pursuant to Paragraph 2.1(f) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") after the event of default in payment of the principal and interest pursuant to Paragraph 9.19A of the Listing Requirements and the Group was unable to provide a solvency declaration to Bursa Securities. As an Affected Listed Issuer, the Group is required to submit a regularisation plan to address its financial situation to Bursa Securities. As at the date of this report, the Group is in the process of formulating a regularisation plan, which is due for submission on 17 November 2021.

Material Uncertainty Related to Going Concern (continued)

(d) On 8 July 2019, a wholly-owned subsidiary of the Group, PBJV Group Sdn. Bhd. ("PBJV Group") received a notice of suspension of its license from a major customer, Petroliam Nasional Berhad ("PETRONAS") for a period of three years with effect from the date of the letter. The implications of the suspension letter are as follow:

   i. During the suspension period, PETRONAS, including its subsidiaries and any Petroleum Arrangement Contractors ("PACs") will not award any new contracts to PBJV Group;

   ii. PBJV Group will not be allowed to bid for new projects undertaken by PETRONAS, including its subsidiaries and any PACs during the suspension period; and

   iii. PBJV Group is still allowed to continue and complete its existing and on-going contracts with PETRONAS and its subsidiaries and PACs in accordance to the terms and conditions of the existing and on-going contracts.

(e) As disclosed in Note 28 to the financial statements, the Group and the Company is involved in several pending material litigations.

These conditions, indicate the existence of material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as going concerns. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matters	How our audit addressed the key audit matters
Impairment assessment of barge and pipe laying equipment *Refer to Note 2.2(iii), Note 2.4(c) and Note 3 of the financial statements*	
As at 30 June 2021, the Group recognised barge and pipe laying equipment with a carrying amount of RM68.253 million. The barge and pipe laying equipment was idle during the current financial year as a result of the Covid-19 pandemic and the adverse impact from the suspension of license by Petroliam Nasional Berhad, which poses as an impairment indicator over the recoverability of the barge and pipe laying equipment. The Group determined the recoverable amount of the assets based on fair value less cost of disposal and had engaged an external valuer to determine the fair value of the barge and pipe laying equipment at the reporting date. The valuation of barge and pipe laying equipment is of significance to our audit due to their magnitude, complex valuation method and high dependency on a range of estimates which are based on current and future market or economic conditions.	Our audit procedures focused on the following: • assessed the appropriateness of the independent professional valuer's scope of work and evaluated whether they possess sufficient expertise, capability and objectivity to competently perform the valuation of the Group's barge and pipe laying equipment; • obtained the valuation report and evaluated the valuation methodology, data relating to comparisons of the recent transactions involving similar assets and estimates used by the independent professional valuer; • discussed with the external valuer to understand other considerations in deriving the final valuation of the assets; • conducted site visit to the barge to observe the condition, safeguards and maintenance put in place by the Group; and • evaluated whether disclosures in the financial statements relating to the valuation of barge and pipe laying equipment were in accordance with Malaysian Financial Reporting Standards.

Key Audit Matters (continued)

Key audit matters	How our audit addressed the key audit matters
Revenue recognition from pipeline commissioning and construction contracts *Refer to Note 2.2(i), Note 2.4(m)(i) and Note 18 of the financial statements* The Group generates revenue from pipeline commissioning and construction contracts amounting to RM105.132 million for the financial year ended 30 June 2021. Significant accounting judgements involved in the revenue recognition, including: • Estimation of total budgeted project costs and the assessment of costs to complete; • Determination of the progress towards satisfaction of the performance obligations and overall progress of the Group's projects; and • Consideration of variation orders and claims with the Group's customers. We focus on this area due to the complexity and inherent subjectivity in revenue recognition.	Our audit procedures focused on the following: • obtained an understanding on the Group's revenue recognition policies and internal controls over the approval of project budgets; • verified budgeted revenue to the approved work order, and in certain circumstances, approved variation orders; • inspected cost incurred to-date against suppliers' invoices to ascertain the reasonableness of budgeted costs; • verified the progress towards satisfaction of the performance obligations by checking to service acceptance forms, and performed re-computation on the percentage of completion; and • assessed the completeness, accuracy and adequacy of disclosures in the financial statements.
Contingent liabilities arising from material litigations *Refer to Note 2.2(iv), Note 2.4(l) and Note 28 of the financial statements* The Group is involved in several material litigations with its customers and subcontractors. We focused on this area due to the potential significance of the contingent liabilities. The assessment as to whether or not a liability should be recognised or whether the amounts can be estimated reliably includes, to a certain extent, judgement from management.	Our audit procedures focused on the following: • periodic discussions with management in regards to the developments in ongoing legal proceedings; and • obtained confirmations from the Group's external solicitors and held discussions with the Group's external solicitors to assess the appropriateness of disclosures in the financial statements.
Expected credit loss of trade receivables and accrued billing *Refer to Note 2.2(ii), Note 2.4(g)(iv), Note 8 and Note 9 of the financial statements* As at 30 June 2021, the Group carried trade receivables and accrued billing balances of RM40.013 million and RM13.437 million respectively and recognised expected credit loss allowance of RM0.411 million. In assessing expected credit losses, the Group considered the historical loss rate of the receivables, adjusted for forward-looking factors specific to the industry of the customer, and any known adverse conditions in respect of the receivables which would affect the recoverability of the balances. We focused on this area due to the inherent subjectivity in making judgement in relation to credit risk exposures in determining the recoverability of the trade receivables and accrued billing.	Our audit procedures focused on the following: • obtained an understanding of the Group's credit control; • recomputed the probability of default using historical data and forward-looking information applied by the Group; • scrutinised trade receivable ageing and investigated trends and conditions that may indicate objective evidence of impairment; • reviewed long outstanding trade receivables and discussed with management on the recoverability; and • reviewed the appropriateness and reasonableness of the assumptions applied in the management's assessment of the expected credit loss, taking into account specific known receivables' circumstances.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Annual Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence on the existence and valuation of inventories as at 1 July 2019 and the possible effect of this matter on the comparability of the current year's figures and the corresponding figures. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that:

(a) The subsidiaries of which we have not acted as auditors, are disclosed in Note 4 to the financial statements; and

(b) We have not obtained all the information and explanation that we required for the matter described in Basis of Qualified Opinion.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any person for the content of this report.

HLB AAC PLT
(LLP0022843-LCA & AF001977)
Chartered Accountants

TANG YAN YU
Approved Number: 03452/10/2023 J
Chartered Accountant

KUALA LUMPUR
21 October 2021

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	Group 30.6.2021 RM'000	30.6.2020 RM'000 Restated	1.7.2019 RM'000 Restated
ASSETS				
Non-Current Assets				
Property, plant and equipment	3	75,204	80,521	98,214
Right-of-use assets	5	3,610	5,527	7,408
		78,814	86,048	105,622
Current Assets				
Inventories	7	-	4,291	5,611
Trade receivables	8	39,602	76,527	28,771
Contract assets	9	12,880	21,471	23,402
Other receivables	10	2,448	1,530	2,873
Tax recoverable		8,955	15,920	26,736
Cash and cash equivalents	11	86,603	96,085	89,676
		150,488	215,824	177,069
TOTAL ASSETS		229,302	301,872	282,691
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	12	231,889	231,889	231,889
Reserves	13	(321,666)	(392,174)	(406,130)
Equity attributable to owners of the Company		(89,777)	(160,285)	(174,241)
Non-controlling interests		(129)	(128)	(112)
TOTAL EQUITY		(89,906)	(160,413)	(174,353)
Non-Current Liabilities				
Borrowings	14	-	-	141,264
Lease liabilities	15	1,983	3,809	5,647
Deferred tax liabilities		-	-	22
		1,983	3,809	146,933
Current Liabilities				
Trade payables	16	138,829	257,174	258,058
Other payables	17	3,450	10,170	4,637
Contract liabilities	9	8,261	-	-
Borrowings	14	164,827	189,293	45,095
Lease liabilities	15	1,781	1,839	1,761
Tax payable		77	-	560
		317,225	458,476	310,111
TOTAL LIABILITIES		319,208	462,285	457,044
TOTAL EQUITY AND LIABILITIES		229,302	301,872	282,691

	Note	Company 2021 RM'000	Company 2020 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	2	2
Investment in subsidiary companies	4	40,430	1
Amount owing by subsidiary companies	6	-	85,555
		40,432	85,558
Current Assets			
Other receivables	10	65	1
Tax recoverable		425	550
Cash and cash equivalents	11	2,861	9,815
		3,351	10,366
TOTAL ASSETS		43,783	95,924
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	12	231,889	231,889
Reserves	13	(188,454)	(136,479)
TOTAL EQUITY		43,435	95,410
Current Liability			
Other payables	17	348	514
TOTAL LIABILITY		348	514
TOTAL EQUITY AND LIABILITY		43,783	95,924

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	Group 2021 RM'000	Group 2020 RM'000 Restated	Company 2021 RM'000	Company 2020 RM'000
Revenue	18	105,132	221,036	4,510	4,987
Cost of sales		(76,599)	(159,283)	-	-
Gross profit		28,533	61,753	4,510	4,987
Other income		69,905	4,724	144	323
Administrative expenses		(13,858)	(21,497)	(7,044)	(7,062)
Other operating expenses		(17,443)	(19,465)	(86,212)	(2,141)
Net gain/(loss) on impairment of financial assets and contract assets		95	(161)	36,627	(1,360)
Profit/(Loss) from operations		67,232	25,354	(51,975)	(5,253)
Finance costs		(1,987)	(5,306)	-	(1)
Profit/(Loss) before taxation	19	65,245	20,048	(51,975)	(5,254)
Taxation	21	(906)	622	-	899
Profit/(Loss) for the financial year		64,339	20,670	(51,975)	(4,355)
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences		6,168	(6,730)	-	-
Total comprehensive income/(loss) for the financial year		70,507	13,940	(51,975)	(4,355)
Profit/(Loss) for the financial year attributable to:					
Owners of the Company		64,344	20,682	(51,975)	(4,355)
Non-controlling interests		(5)	(12)	-	-
		64,339	20,670	(51,975)	(4,355)
Total comprehensive income/(loss) for the financial year attributable to:					
Owners of the Company		70,508	13,956	(51,975)	(4,355)
Non-controlling interests		(1)	(16)	-	-
		70,507	13,940	(51,975)	(4,355)
Earnings per share					
Basic and diluted (sen)	22	7.70	2.47		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

Group	Note	Share Capital RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Accumulated Losses RM'000	Sub-Total RM'000	Non-Controlling Interests RM'000	Total RM'000
		Attributable to owners of the Company						
		Non-distributable			Distributable			
At 1 July 2020								
- As previously stated		231,889	(71,909)	180	(318,613)	(158,453)	(128)	(158,581)
- Prior year adjustment	31	-	-	-	(1,832)	(1,832)	-	(1,832)
- As restated		231,889	(71,909)	180	(320,445)	(160,285)	(128)	(160,413)
Profit/(Loss) for the financial year		-	-	-	64,344	64,344	(5)	64,339
Other comprehensive income:								
Foreign currency translation differences		-	-	6,164	-	6,164	4	6,168
Total comprehensive income for the financial year		-	-	6,164	64,344	70,508	(1)	70,507
At 30 June 2021		231,889	(71,909)	6,344	(256,101)	(89,777)	(129)	(89,906)
At 1 July 2019								
- As previously stated		231,889	(71,909)	6,906	(343,638)	(176,752)	(112)	(176,864)
- Prior year adjustment	31	-	-	-	2,511	2,511	-	2,511
- As restated		231,889	(71,909)	6,906	(341,127)	(174,241)	(112)	(174,353)
Profit/(Loss) for the financial year	31	-	-	-	20,682	20,682	(12)	20,670
Other comprehensive loss:								
Foreign currency translation differences		-	-	(6,726)	-	(6,726)	(4)	(6,730)
Total comprehensive income for the financial year		-	-	(6,726)	20,682	13,956	(16)	13,940
At 30 June 2020		231,889	(71,909)	180	(320,445)	(160,285)	(128)	(160,413)

Company	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000
At 1 July 2020	231,889	(136,479)	95,410
Loss/Total comprehensive loss for the financial year	-	(51,975)	(51,975)
At 30 June 2021	231,889	(188,454)	43,435
At 1 July 2019	231,889	(132,124)	99,765
Loss/Total comprehensive loss for the financial year	-	(4,355)	(4,355)
At 30 June 2020	231,889	(136,479)	95,410

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	Group 2021 RM'000	Group 2020 RM'000 Restated	Company 2021 RM'000	Company 2020 RM'000
Cash Flows from Operating Activities					
Profit/(Loss) before taxation		65,245	20,048	(51,975)	(5,254)
Adjustments for:					
Depreciation of property, plant and equipment		6,374	7,992	*	1
Depreciation of right-of-use assets		1,874	1,881	-	-
Amount owing by subsidiary companies written-off		-	-	84,272	-
Inventory written-off		4,291	-	-	-
Property, plant and equipment written-off		42	1,891	-	-
Finance costs		2,010	5,306	-	1
Net provision/(reversal) of expected credit loss allowance on:					
- trade receivables	8	215	(140)	-	-
- other receivables	10	(307)	307	-	-
- contract assets	9	(4)	(6)	-	-
- amount owing by subsidiary companies	6	-	-	(36,627)	1,360
Gain on disposal of property, plant and equipment		-	(150)	-	-
Interest income		(1,779)	(452)	(90)	(280)
Remeasurement of lease liabilities		(62)	-	-	-
Reversal of accrued purchases		(17,000)	-	-	-
(Reversal)/Provision of impairment loss on property, plant and equipment		(3,262)	10,483	-	-
Unrealised foreign exchange loss/(gain)		1,907	(2,693)	2	-
Waiver of debt settlement		(64,335)	-	-	-
Operating (loss)/profit before changes in working capital		(4,791)	44,467	(4,418)	(4,172)
Changes in working capital:					
Trade and other receivables		36,099	(46,580)	(64)	15
Contract assets/liabilities		16,856	1,937	-	-
Inventories		-	1,320	-	-
Amount owing by subsidiary companies		-	-	(2,521)	(7,109)
Trade and other payables		(43,679)	4,649	(166)	217
Cash generated from/(used in) operations		4,485	5,793	(7,169)	(11,049)
Interest paid		(2,010)	(507)	-	-
Interest received		1,779	452	90	280
Tax refund		7,724	12,588	331	-
Tax paid		(1,629)	(1,732)	(206)	(219)
Net cash generated from/(used in) operating activities		10,349	16,594	(6,954)	(10,988)

	Note	Group 2021 RM'000	Group 2020 RM'000 Restated	Company 2021 RM'000	Company 2020 RM'000
Cash Flows from Investing Activities					
Purchase of property, plant and equipment		(23)	(77)	-	-
Proceeds from disposal of property, plant and equipment		-	150	-	-
Decrease in cash and bank pledged to a licensed bank		520	-	-	-
Decrease in fixed deposits pledged to licensed banks		22,919	18,246	-	4,046
Net cash generated from investing activities		23,416	18,319	-	4,046
Cash Flows from Financing Activities					
Repayment of hire purchase liabilities	23	-	(27)	-	(27)
Repayment of term loan	23	(17,511)	-	-	-
Repayment of lease liabilities	23	(1,779)	(1,760)	-	-
Net cash used in financing activities		(19,290)	(1,787)	-	(27)
Net increase/(decrease) in cash and cash equivalents		14,475	33,126	(6,954)	(6,969)
Effect of changes in exchange rate		705	(753)	-	-
Cash and cash equivalents at the beginning of the financial year		55,013	22,640	9,815	16,784
Cash and cash equivalents at the end of the financial year		70,193	55,013	2,861	9,815
Cash and cash equivalents at the end of the financial year comprises:					
Fixed deposit with licensed banks	11	59,879	49,981	-	4,203
Short-term investment	11	381	5,344	357	5,320
Cash and bank balances	11	26,343	40,760	2,504	292
Bank overdraft	14	-	(1,223)	-	-
		86,603	94,862	2,861	9,815
Less: Fixed deposit pledged to licensed banks		(12,413)	(35,332)	-	-
Cash and bank balances pledged to a licensed bank		(3,997)	(4,517)	-	-
		70,193	55,013	2,861	9,815

Notes:-

* *Denotes less than RM500*

The accompanying notes form an integral part of the financial statements.

1. CORPORATE INFORMATION

The principal activities of the Company are investment holding.

The principal activities of its subsidiary companies are disclosed in Note 4 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial year.

The Company is a public limited liability company, incorporated under the Companies Act, 1965 and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at B03-B-13-1, Level 13, Menara 3A, KL Eco City, No. 3, Jalan Bangsar, 59200 Kuala Lumpur.

The principal place of business of the Company is located at No. 3, Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in summary of significant accounting policies.

The financial statements of the Group and the Company have been prepared on a going concern basis notwithstanding that:

(a) As at 30 June 2021, the Group's current liabilities exceeded its current assets by RM166.737 million and it has a deficit in shareholders' fund amounting to RM89.777 million;

(b) As disclosed in Note 14 to the financial statements, an indirect wholly-owned subsidiary of the Group, Kota Laksamana 101 Ltd ("KL101 Ltd") had received first and second notice of demand of its term loan facilities from a licensed bank on an event of default in payment of loan instalments on 17 May 2019 and 16 August 2019 respectively. On 22 October 2019, KL101 Ltd received a notice of termination, recall and demand of the facilities for an outstanding amount of USD43.590 million.

(c) On 17 May 2019, the Group has become an Affected Listed Issuer pursuant to Paragraph 2.1(f) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") after the event of default in payment of the principal and interest pursuant to Paragraph 9.19A of the Listing Requirements and the Group was unable to provide a solvency declaration to Bursa Securities. As an Affected Listed Issuer, the Group is required to submit a regularisation plan to address its financial situation to Bursa Securities. As at the date of this report, the Group is in the process of formulating a regularisation plan, which is due for submission on 17 November 2021.

(d) On 8 July 2019, a wholly-owned subsidiary of the Group, PBJV Group Sdn. Bhd. ("PBJV Group") received a notice of suspension of its license from a major customer, Petroliam Nasional Berhad ("PETRONAS") for a period of three years with effect from the date of the letter. The implications of the suspension letter are as follow:

i. During the suspension period, PETRONAS, including its subsidiaries and any Petroleum Arrangement Contractors ("PACs") will not award any new contracts to PBJV Group;

ii. PBJV Group will not be allowed to bid for new projects undertaken by PETRONAS, including its subsidiaries and any PACs during the suspension period; and

iii. PBJV Group is still allowed to continue and complete its existing and on-going contracts with PETRONAS and its subsidiaries and PACs in accordance to the terms and conditions of the existing and on-going contracts.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(e) As disclosed in Note 28 to the financial statements, the Group and the Company is involved in several pending material litigations.

These factors indicate the existence of material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as going concerns.

However, the Directors have considered the following in assessing the appropriateness of the use of the going concern assumption in the preparation of the current year financial statements:

(a) On 5 April 2021, PBJV Group has conducted Court Convened Meeting of Scheme Creditors as part of the Group's initiative to regularise the operations. The proposed debt settlement has been agreed by the requisite majority of 75% of the respective class of creditors. As at the date of this report, PBJV Group has fully paid the agreed settlement sum.

(b) On 26 July 2021, the Company and KL101 Ltd entered into a settlement agreement with the licensed bank whereby a final registered negotiated settlement of USD12.650 million to be paid over 11 quarterly instalments of USD0.138 million and a final instalment of USD11.138 million.

(c) On 7 October 2021, the Company has completed the listing and quotation of 167,157,000 shares pursuant to private placement for total proceeds of RM9.912 million.

The ability of the Group and of the Company to continue as going concerns is also dependent on the approval of the regularisation plan by Bursa Securities, successful and timely implementation of the regularisation plan to attain sustainable operations, continuous support from its creditors and lender and favourable outcome from the material litigations as disclosed in Note 28 to the financial statements.

Should the going concern basis of preparing the financial statements be inappropriate, adjustments would have to be made to reduce the value of all assets to their estimated realisable values, and to provide further estimated liabilities that may arise, and to reclassify non-current assets and non-current liabilities to current assets and current liabilities respectively.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.2.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Amendments to accounting standards and amendments to IC interpretations that are effective for the Group's and the Company's financial year beginning on or after 1 July 2020 are as follows:

- Amendments to References to the Conceptual Framework in MFRS Standards:
  - Amendments to MFRS 2, "Share Based Payments"
  - Amendments to MFRS 3, "Business Combinations"
  - Amendments to MFRS 6, "Exploration for and Evaluation of Mineral Resources"
  - Amendments to MFRS 14, "Regulatory Deferral Accounts"
  - Amendments to MFRS 101, "Presentation of Financial Statements"
  - Amendments to MFRS 108, "Accounting Policies, Changes in Accounting Estimates and Errors"
  - Amendments to MFRS 134, "Interim Financial Reporting"
  - Amendments to MFRS 137, "Provisions, Contingent Liabilities and Contingent Assets"
  - Amendments to MFRS 138, "Intangible Assets"
  - Amendments to IC Interpretation 12, "Service Concession Arrangements"
  - Amendments to IC Interpretation 19, "Extinguishing Financial Liabilities with Equity Instruments"
  - Amendments to IC Interpretation 20, "Stripping Costs in the Production Phase of a Surface Mine"
  - Amendments to IC Interpretation 22, "Foreign Currency Transactions and Advance Considerations"
  - Amendments to IC Interpretation 132, "Intangible Assets- Web Site Costs"

- Amendments to MFRS 3, "Business Combinations" (Definition of a Business)

- Amendments to MFRS Standards arising from Definition of Material:
  - Amendments to MFRS 101, "Presentation of Financial Statements"
  - Amendments to MFRS 108, "Accounting Policies, Changes in Accounting Estimates and Errors"

- Amendments to MFRS Standards arising from Interest Rate Benchmark Reform:
  - Amendments to MFRS 7, "Financial Instruments: Disclosures"
  - Amendments to MFRS 9, "Financial Instruments"
  - Amendments to MFRS 139, "Financial Instruments: Recognition and Measurement"

The above amendments to accounting standards and amendments to IC interpretations effective during the financial year do not have any significant impact to the financial results and position of the Group and the Company.

Accounting standards and amendments to accounting standards that are applicable for the Group and the Company in the following periods but are not yet effective:

Annual periods beginning on/after 1 January 2021

- Amendments to MFRS Standards arising from Interest Rate Benchmark Reform – Phase 2:
  - Amendments to MFRS 4, "Insurance Contracts"
  - Amendments to MFRS 7, "Financial Instruments: Disclosures"
  - Amendments to MFRS 9, "Financial Instruments"
  - Amendments to MFRS 16, "Leases"
  - Amendments to MFRS 139, "Financial Instruments: Recognition and Measurement"

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Annual periods beginning on/after 1 January 2022

- Amendments to MFRS 3, "Business Combinations" (Reference to the Conceptual Framework)
- Amendments to MFRS 116, "Property, Plant and Equipment" (Proceeds before Intended Use)
- Amendments to MFRS 137, "Provision, Contingent Liabilities and Contingent Assets" (Onerous Contracts - Cost of Fulfilling a Contract)
- Annual Improvement to MFRS Standards 2018 – 2020:
  - Amendment to MFRS 101, "First-time Adoption of Malaysian Financial Reporting Standards"
  - Amendment to MFRS 9, "Financial Instruments"
  - Amendment to Illustrative Examples accompanying MFRS 16, "Leases"
  - Amendment to MFRS 141, "Agriculture"

Annual periods beginning on/after 1 January 2023

- MFRS 17, "Insurance Contracts"
- Amendments to MFRS 17, "Insurance Contracts"
- Amendments to MFRS 101, "Presentation of Financial Statements" (Classification of Liabilities as Current or Non-current)

Effective date yet to be determined by the Malaysian Accounting Standards Board

- Amendments to MFRS 10 and MFRS 128, "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group and of the Company.

2.2 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Revenue recognition from pipeline commissioning and construction contracts

The Group recognises revenue from pipeline commissioning and construction contracts over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation using the output method. The output method recognises revenue based on contract work certified to date which depicts the basis of direct measurements of value to the customer for the work performed to date relative to the remaining pipeline commissioning and construction work promised under the contract.

Significant judgement is required in estimating the progress towards complete satisfaction of performance obligations, the estimated total contract revenue and costs, as well as the recoverability of the cost incurred to fulfill the contract with the customer. In making the judgement, the Group evaluates by relying on past experience, industry practices and the work of specialists.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Significant accounting estimates and judgements (continued)

The key assumptions concerning the future and other key sources of estimation or uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below: (continued)

(ii) Measurement of expected credit loss allowance for financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of reporting period.

(iii) Impairment assessment of barge and pipe laying equipment

The Group has carried out review of the recoverable amount of its barge and pipe laying equipment on board the barge during the financial year. The recoverable amount was determined based on fair value less cost to sell approach. Significant judgement is required in determining fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. The Group engaged an independent valuation specialist to determine fair value as at the end of the financial year.

(iv) Liabilities arising from material litigations

The Group is involved in several pending litigations with its customers and suppliers as disclosed in Note 28 to the financial statements. Significant judgement is required in determining the potential liabilities arising from these litigations. In making the judgement, the Group evaluates the expected outcome and possible range of financial exposure based on consultation with external legal counsels.

2.3 Basis of consolidation

Subsidiaries are entities, including structured entities, controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group considers it has de-facto power over an investee when, despite not having the majority of voting rights, it has the current ability in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations are accounted for using the acquisition method on the acquisition date. The consideration transferred includes the fair value of assets transferred, equity interest issued by the Group and liabilities assumed. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are recognised in the profit or loss as incurred.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Basis of consolidation (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. Any difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities, any non-controlling interests and other components of equity related to the disposed subsidiary. Any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset depending on the level of influence retained.

2.4 Summary of significant accounting policies

(a) Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries are carried at cost less accumulated impairment losses. On disposal of investment in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investment are recognised in profit or loss.

(b) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposals are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised as net in the profit or loss.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(b) Property, plant and equipment (continued)

(ii) Depreciation

Property, plant and equipment under construction are not depreciated until the assets are ready for their intended to use. Other property, plant and equipment are depreciated on the straight-line method to their residual values over their estimated useful lives as follows:

Leasehold land	99 years
Computers	2 years
Furniture and fittings	10 years
Communication equipment	10 years
Motor vehicles	5 years
Machinery and equipment	4 - 10 years
Office equipment	10 years
Renovation	10 years
Barge and pipe laying equipment	10 - 25 years

Depreciation methods, useful lives and residual values are reviewed at end of each reporting period, and adjusted as appropriate.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

(c) Impairment of non-financial assets

Assets that have an indefinite useful life, such as goodwill or intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss unless it reverses a previous revaluation in which it is charged to the revaluation surplus. Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(d) Inventories

Inventories are valued at the lower of cost and net realisable value after adequate allowance has been made for all deteriorated, damaged, obsolete or slow-moving inventories.

Cost is determined using the first in, first out method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(e) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(f) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the translation reserve.

Non-monetary items denominated in foreign currencies measured at fair value are translated using the spot exchange rates at the date when the fair value was determined. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss, except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the consolidated financial statements are translated into the presentation currency as follows:

- assets and liabilities of foreign operations are translated at the closing rate prevailing at the reporting date;
- income and expenses for each statement of profit and loss and other comprehensive income presented are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- all resulting exchange differences are taken directly to other comprehensive income through the translation reserve.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(f) Foreign currencies (continued)

(iii) Foreign operations (continued)

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the group's ownership interest in associates or joint ventures that do not result in the group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income through the translation reserve.

(g) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVTPL")

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(g) Financial assets (continued)

(iii) Subsequent measurement

Debt instruments

Debt instruments mainly comprise of trade and other receivables, amount owing by subsidiary companies and cash and cash equivalents.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost

  Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI

  Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is recognised using the effective interest rate method in profit or loss.

- FVTPL

  Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises.

Equity instruments

The Group subsequently measures all its equity investments at fair value. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise, except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in OCI as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are recognised in OCI. Dividends from equity investments are recognised in profit or loss when the Group's and the Company's right to receive payments is established.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(g) Financial assets (continued)

(iv) Impairment

The Group and the Company assess expected credit losses associated with its debt instruments carried at amortised cost and at FVOCI on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Expected credit losses represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and the Company expect to receive, over the remaining life of the financial instrument.

For trade receivables and contract assets, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

In measuring expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking factors affecting the ability of the customers to settle the receivables.

The Group and the Company define a financial instrument as default, which is aligned with the definition of credit-impaired, when the debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider the following instances:

- The debtor is in breach of financial covenants
- Concessions have been made by the Group and the Company related to the debtor's financial difficulty
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- The debtor is insolvent

Financial assets that are credit-impaired are assessed for impairment on an individual basis.

The Group and the Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and the Company may write-off financial assets that are still subject to enforcement activity.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(h) Financial liabilities

Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. Finance liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

Fair value though profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

All financial liabilities are subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(j) Leases

(i) Accounting by lessee

Leases are recognised as right-of-use assets and a corresponding liability at the commencement date on which the leased asset is available for use by the Group and the Company.

In determining the lease term, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension or termination options are taken into consideration in determining the lease term if it is reasonably certain that the lease will be extended or terminated.

Right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs

Right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment loss. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Company is reasonably certain that it will exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(j) Leases (continued)

(i) Accounting by lessee (continued)

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term leases are leases with a lease term of 12 months or less. Payments associated with short-term leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(ii) Accounting by lessor

The Group and the Company determine at lease inception whether each lease is a finance lease or operating lease. To classify each lease, the Group and the Company make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee.

<u>Operating leases</u>

The Group and the Company classify a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group and the Company recognise lease payments received under operating leases as lease income on a straight-line basis over the lease term.

(k) Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

When the Group expects a provision to be reimbursed (for example, under an insurance contract), the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(m) Revenue and income recognition

(i) Revenue from contracts with customers

Revenue is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and its customer has approved the contract and intend to perform their respective obligations, the Group's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group will collect the consideration to which it will be entitled to in exchange of those goods or services.

Pipeline commissioning and construction activities

Revenue from pipeline commissioning and construction activities is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance creates and enhances an asset that the customer controls as the Group performs.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on direct measurements of the value transferred by the Group to the customer (e.g. surveys or appraisals of performance completed to date).

Incremental costs of obtaining a contract, if recoverable, are capitalised as contract assets and are subsequently amortised consistently with the pattern of revenue for the related contract.

(ii) Management fee

Management fee is recognised on an accrual basis when service is rendered.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Summary of significant accounting policies (continued)

(m) Revenue and income recognition (continued)

(iii) Other income

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

Rental income

Rental income is recognised on a straight-line basis over the tenure of the lease.

(n) Employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss in the period to which they relate.

(o) Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

(p) Operating segments

Operating segments are reported in a manner consistent with the internal reporting and are regularly reviewed by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group President and Chief Executive Officer that makes strategic decisions.

3. PROPERTY, PLANT AND EQUIPMENT

	Balance as at 1.7.2020 RM'000	Addition RM'000	Written-off RM'000	Transfer RM'000	Exchange difference RM'000	Balance as at 30.6.2021 RM'000
Group						
Cost						
Leasehold land	1,858	-	-	-	-	1,858
Computers	3,597	23	(3,454)	81	-	247
Furniture and fittings	84	-	-	-	-	84
Communication equipment	1	-	-	-	-	1
Motor vehicles	3,367	-	-	-	-	3,367
Machinery and equipment	44,137	-	-	-	(402)	43,735
Office equipment	684	-	-	-	-	684
Renovation	3,290	-	-	500	-	3,790
Barge and pipe laying equipment	385,421	-	-	526	(12,260)	373,687
Capital work-in-progress	1,171	-	(42)	(1,107)	(22)	-
	443,610	23	(3,496)	-	(12,684)	427,453

	Balance as at 1.7.2020 RM'000	Charge for the year RM'000	Written-off RM'000	Exchange Difference RM'000	Balance as at 30.6.2021 RM'000
Group					
Accumulated depreciation					
Leasehold land	339	19	-	-	358
Computers	3,555	126	(3,454)	-	227
Furniture and fittings	58	8	-	-	66
Communication equipment	-	-	-	-	-
Motor vehicles	3,222	81	-	-	3,303
Machinery and equipment	31,844	763	-	(324)	32,283
Office equipment	510	65	-	-	575
Renovation	851	379	-	-	1,230
Barge and pipe laying equipment	92,560	4,933	-	(2,869)	94,624
Capital work-in-progress	-	-	-	-	-
	132,939	6,374	(3,454)	(3,193)	132,666

3. PROPERTY, PLANT AND EQUIPMENT (continued)

	Balance as at 1.7.2020 RM'000	Reversal during the year RM'000	Transfer RM'000	Exchange difference RM'000	Balance as at 30.6.2021 RM'000
Group					
Allowance for impairment losses					
Leasehold land	-	-	-	-	-
Computers	-	-	-	-	-
Furniture and fittings	-	-	-	-	-
Communication equipment	-	-	-	-	-
Motor vehicles	-	-	-	-	-
Machinery and equipment	8,856	(19)	-	(64)	8,773
Office equipment	-	-	-	-	-
Renovation	-	-	-	-	-
Barge and pipe laying equipment	220,911	(3,243)	369	(7,227)	210,810
Capital work-in-progress	383	-	(369)	(14)	-
	230,150	(3,262)	-	(7,305)	219,583

	Balance as at 1.7.2019 RM'000	Addition RM'000	Disposal RM'000	Written-off RM'000	Exchange difference RM'000	Balance as at 30.6.2020 RM'000
Group						
Cost						
Leasehold land	1,858	-	-	-	-	1,858
Computers	3,597	-	-	-	-	3,597
Furniture and fittings	84	-	-	-	-	84
Communication equipment	1	-	-	-	-	1
Motor vehicles	3,767	-	(395)	(5)	-	3,367
Machinery and equipment	60,225	-	-	(16,522)	434	44,137
Office equipment	684	-	-	-	-	684
Renovation	3,299	-	-	(9)	-	3,290
Barge and pipe laying equipment	372,200	-	-	-	13,221	385,421
Capital work-in-progress	1,076	77	-	-	18	1,171
	446,791	77	(395)	(16,536)	13,673	443,610

3. PROPERTY, PLANT AND EQUIPMENT (continued)

	Balance as at 1.7.2019 RM'000	Charge for the year RM'000	Disposal RM'000	Written-off RM'000	Exchange difference RM'000	Balance as at 30.6.2020 RM'000
Group						
Accumulated depreciation						
Leasehold land	320	19	-	-	-	339
Computers	3,471	84	-	-	-	3,555
Furniture and fittings	50	8	-	-	-	58
Communication equipment	-	-	-	-	-	-
Motor vehicles	3,349	272	(395)	(4)	-	3,222
Machinery and equipment	44,675	1,453	-	(14,632)	348	31,844
Office equipment	442	68	-	-	-	510
Renovation	531	329	-	(9)	-	851
Barge and pipe laying equipment	83,764	5,759	-	-	3,037	92,560
Capital work-in-progress	-	-	-	-	-	-
	136,602	7,992	(395)	(14,645)	3,385	132,939

	Balance as at 1.7.2019 RM'000	Impairment loss during the year RM'000	Exchange difference RM'000	Balance as at 30.6.2020 RM'000
Group				
Allowance for impairment losses				
Leasehold land	-	-	-	-
Computers	-	-	-	-
Furniture and fittings	-	-	-	-
Communication equipment	-	-	-	-
Motor vehicles	-	-	-	-
Machinery and equipment	8,720	68	68	8,856
Office equipment	-	-	-	-
Renovation	-	-	-	-
Barge and pipe laying equipment	202,904	10,396	7,611	220,911
Capital work-in-progress	351	19	13	383
	211,975	10,483	7,692	230,150

3. PROPERTY, PLANT AND EQUIPMENT (continued)

	2021 RM'000	2020 RM'000
Group		
Carrying amount		
Leasehold land	1,500	1,519
Computers	20	42
Furniture and fittings	18	26
Communication equipment	1	1
Motor vehicles	64	145
Machinery and equipment	2,679	3,437
Office equipment	109	174
Renovation	2,560	2,439
Barge and pipe laying equipment	68,253	71,950
Capital work-in-progress	-	788
	75,204	80,521

	Computers RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Office equipment RM'000	Total RM'000
Company					
Cost					
At 1.7.2020/30.6.2021	3	2	1,372	2	1,379
Accumulated depreciation					
At 1.7.2020	2	1	1,372	2	1,377
Charge for the financial year	*	*	-	*	*
At 30.6.2021	2	1	1,372	2	1,377
Carrying amount					
At 30.6.2021	1	1	-	*	2
Cost					
At 1.7.2019/30.6.2020	3	2	1,372	2	1,379
Accumulated depreciation					
At 1.7.2019	2	1	1,372	1	1,376
Charge for the financial year	*	*	-	1	1
At 30.6.2020	2	1	1,372	2	1,377
Carrying amount					
At 30.6.2020	1	1	-	*	2

Notes:-

* *Denotes less than RM500*

3. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Included in the property, plant and equipment of the Group are the following assets acquired under term loan. These assets have been pledged as security for the facilities granted to the Group as disclosed in Noted 14 to the financial statements of the Group:

	Group	
	2021 RM'000	2020 RM'000
Barge and pipe laying equipment	68,253	71,950

(b) During the financial year, the barge and pipe laying equipment on board the barge had remained idle as a result of the Covid-19 pandemic and the adverse impact from the suspension of license by Petroliam Nasional Berhad. Hence, the Group has undertaken an impairment assessment on its barge and pipe laying equipment on board the barge.

The Group has estimated the recoverable amount of the barge and pipe laying equipment on board based on fair value less cost of disposal method. The Group has determined the fair value based on valuation performed by an external valuer using the market comparison approach, which includes consideration of the recent market transaction of similar assets.

Based on the impairment review, the Group has recognised a reversal of impairment loss amounting to RM3.262 million (2020: Impairment of RM10.483 million).

4. INVESTMENT IN SUBSIDIARY COMPANIES

(a) Investment in subsidiary companies

	Company	
	2021 RM'000	2020 RM'000
Unquoted shares, at cost	97,878	97,878
Share options granted to employees of a subsidiary	5,745	5,745
	103,623	103,623
Less: Impairment loss	(103,622)	(103,622)
	1	1
Amount owing by subsidiary companies treated as quasi-investment	40,429	-
	40,430	1

The amount owing by subsidiary companies are unsecured and interest-free. The settlement is neither planned or likely to occur in the foreseeable future as it is the intention of the Company to treat this amount as long-term source of capital to the subsidiary companies as this amount is, in substance, a part of the Company's net investment in the subsidiary companies.

Movement on the provision for impairment of investment in subsidiary companies is as follows:

	Company	
	2021 RM'000	2020 RM'000
At beginning/end of the financial year	103,622	103,622

4. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(b) The subsidiary companies and shareholding therein are as follows:

Name of company	Country of incorporation/ principal place of business	Effective ownership and voting interest 2021 %	Effective ownership and voting interest 2020 %	Principal activities
Direct holding:				
PBJV Group Sdn. Bhd.#@	Malaysia	100	100	Providing and carrying out onshore and offshore contracting works such as pipeline pre-commissioning, commissioning and de-commissioning, pipeline installation, fabrication, hook-up, topside maintenance and other related activities.
PBJV Energy (Labuan) Limited%@	Federal Territory of Labuan, Malaysia	100	100	Dormant
PBJV Asset Management Sdn. Bhd.*%@	Malaysia	100	100	Dormant
Barakah Offshore Energy Sdn. Bhd.*%@	Malaysia	100	100	Dormant
Barakah Onshore Ventures Sdn. Bhd.*%@	Malaysia	100	100	Dormant
Indirect holding:				
Subsidiary of PBJV Group Sdn. Bhd.				
Kota Laksamana Management Sdn. Bhd.	Malaysia	100	100	Conducting service expedition relating to marine activities for the oil and gas industry.
PBJV International Limited%@	Federal Territory of Labuan, Malaysia	100	100	Dormant
PBJV Gulf Co. Ltd^	Kingdom of Saudi Arabia	85	85	Dormant
Kota Laksamana 101 Ltd@	Malaysia	100	100	Ship-owning and other shipping related activities.
PBJV Macfeam Sdn. Bhd.%	Malaysia	51	51	Dormant

4. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

(b) The subsidiary companies and shareholding therein are as follows:

Name of company	Country of incorporation/ principal place of business	Effective ownership and voting interest 2021 %	2020 %	Principal activities
Indirect holding:				
Subsidiary of Barakah Offshore Energy Sdn. Bhd.				
PBJV Energy Sdn. Bhd.*%@	Malaysia	100	100	Dormant

* Subsidiary companies audited by other firm of chartered accountants.
^ The subsidiary company is under Member's Voluntary liquidation, hence the audited financial statements for the financial year ended 30 June 2021 is not available.
# These subsidiaries were consolidated using the merger method of accounting.
% These subsidiaries are inactive during the financial year.
@ The auditors' report on the financial statements of these subsidiaries contained material uncertainty related to going concern.

(c) Non-controlling interests ("NCI") in subsidiary companies:

	PBJV Macfeam Sdn. Bhd.		PBJV Gulf Co. Ltd	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current assets	81	81	1,107	1,141
Current liabilities	(80)	(71)	(1,971)	(2,032)
Net assets/(liabilities)	1	10	(864)	(891)
Carrying amount of NCI as at 30 June	*	5	(130)	(133)
Loss/Total comprehensive loss for the financial year	(10)	(10)	-	(46)
Loss/Total comprehensive loss allocated to NCI during the financial year	(5)	(5)	-	(7)
Cash used in operating activities/Net decrease in cash and cash equivalents	-	(6)	-	-
Ownership interest and voting rights percentage held by NCI	49%	49%	15%	15%

Notes:-
* *Denotes less than RM500*

5. RIGHT-OF-USE ASSETS

	Office and yard RM'000	Office equipment RM'000	Total RM'000
Group			
Cost			
At 1.7.2020	7,250	158	7,408
Remeasurement of right-of-use assets	(3)	(40)	(43)
Completion of right-of-use assets	(179)	(39)	(218)
At 30.6.2021	7,068	79	7,147
Accumulated depreciation			
At 1.7.2020	1,840	41	1,881
Charge for the financial year	1,834	40	1,874
Completion of right-of-use assets	(179)	(39)	(218)
At 30.6.2021	3,495	42	3,537
Carrying amount			
At 30.6.2021	3,573	37	3,610
Cost			
At 1.7.2019/30.6.2020	7,250	158	7,408
Accumulated depreciation			
At 1.7.2019	-	-	-
Charge for the financial year	1,840	41	1,881
At 30.6.2020	1,840	41	1,881
Carrying amount			
At 30.6.2020	5,410	117	5,527

During the financial year, the Group has reassessed the useful life of its office and yard rights-of-use assets and office equipment rights-of-use assets due to an early termination of the leases. Accordingly, the depreciation for right-of-use assets of the said office and yard as well as office equipment was accelerated during the financial year.

6. AMOUNT OWING BY SUBSIDIARY COMPANIES

	Company	
	2021 RM'000	2020 RM'000
Amount owing by subsidiary companies		
- trade	-	55,046
- non-trade	-	67,136
	-	122,182
Less: Expected credit loss allowances	-	(36,627)
	-	85,555
Analysed as:		
Non-current		
Amount owing by subsidiary companies	-	85,555

The trade balances are subject to credit term ranges from 30 days to 90 days (2020: 30 days to 90 days).

The non-trade balances are unsecured, interest-free and are repayable on demand.

Movement on the provision for expected credit loss allowances on amount owing by subsidiary companies is as follows:

	Company	
	2021 RM'000	2020 RM'000
At beginning of the financial year	36,627	35,267
Charge during the financial year	-	1,360
Reversal during the financial year	(36,627)	-
At end of the financial year	-	36,627

7. INVENTORIES

	Group	
	2021 RM'000	2020 RM'000
At cost:		
- project materials	-	4,282
- personal protective equipment	-	9
	-	4,291

8. TRADE RECEIVABLES

	Group 2021 RM'000	Group 2020 RM'000
Trade receivables	40,013	76,723
Less: Expected credit loss allowances	(411)	(196)
	39,602	76,527

The Group's normal trade credit terms is 30 days (2020: 30 days). Other credit terms are assessed and approved on a case-by-case basis.

The ageing analysis of the Group's trade receivables is as follows:

	Group 2021 RM'000	Group 2020 RM'000
Neither past due nor individually impaired	4,659	71,631
Past due but not individually impaired		
- past due 1 - 60 days	4,903	49
- past due 61 - 365 days	30,251	4,956
- past due more than 365 days	-	87
	35,154	5,092
Individually impaired	200	-
	40,013	76,723

The Group's trade receivables of RM35.154 million (2020: RM5.092 million) were past due but not individually impaired. These relate to a number of independent customers for whom there is no recent history of default.

The Group's trade receivables of RM0.200 million (2020: RM Nil) were individually impaired. The individually impaired receivables mainly relate to trade receivables which are facing cash flow difficulties.

Movement on the provision for expected credit loss allowances on trade receivables is as follows:

	Group 2021 RM'000	Group 2020 RM'000
At beginning of the financial year	196	336
Charge during the financial year	411	195
Reversal during the financial year	(196)	(335)
At end of the financial year	411	196
Represented by:		
Individual impairment	200	-
Lifetime expected credit loss	211	196
	411	196

At the reporting date, the Group's concentration of the top 3 (2020: 1) trade customers represents 86% (2020: 91%) of the total trade receivables.

9. CONTRACT ASSETS/(LIABILITIES)

The breakdown of contract assets/(liabilities) are as follows:

	Note	Group 30.06.2021 RM'000	30.06.2020 RM'000 Restated	1.7.2019 RM'000 Restated
Accrued billing	(a)	13,437	11,282	15,246
Less: Expected credit loss allowances	(b)	-	(4)	(10)
		13,437	11,278	15,236
Amount due (to)/from contract customers		(8,818)	10,193	8,166
		4,619	21,471	23,402
Represented by:				
Construction activities				
- contract assets		12,880	21,471	23,402
- contract liabilities		(8,261)	-	-
		4,619	21,471	23,402

(a) Accrued billing represents work done which the Group has fully satisfied the performance obligation but not yet billed.

(b) The movement of expected credit loss allowances on accrued billing as follows:

	Group 2021 RM'000	2020 RM'000
At beginning of financial year	4	10
Charge during the financial year	-	4
Reversal during the financial year	(4)	(10)
At end of the financial year	-	4
Represented by:		
Lifetime expected credit loss	-	4

(c) As at the end of the financial year, the aggregate amount of the transaction price allocated to the remaining unfulfilled performance obligations of the Group is RM23.114 million (2020: RM11.472 million) which will be recognised as revenue when the relevant projects are completed, which are expected to occur over the next 12 months (2020: 12 months).

10. OTHER RECEIVABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other receivables	598	415	-	1
Prepayments	1,240	812	65	-
Deposits	610	610	-	-
	2,448	1,837	65	1
Less: Expected credit loss allowances	-	(307)	-	-
	2,448	1,530	65	1

Movement on the expected credit loss allowances during the financial year as follows:

	Group	
	2021 RM'000	2020 RM'000
At beginning of the financial year	307	1,407
Charge during the financial year	-	307
Reversal during the financial year	(307)	-
Written-off during the financial year	-	(1,407)
At end of the financial year	-	307
Represented by:		
Lifetime expected credit loss	-	307

11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Short-term investment	381	5,344	357	5,320
Fixed deposits with licensed banks	59,879	49,981	-	4,203
Cash and bank balances	26,343	40,760	2,504	292
	86,603	96,085	2,861	9,815

The short-term investment represents the Group's and the Company's investments in AmCash Management which are designed to provide investors with a stream of income. The redemption proceeds for investments in AmCash Management will normally be collected by the next business day.

The Group considered short-term investments as investments in highly liquid money market instruments which are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value.

11. CASH AND CASH EQUIVALENTS (continued)

Included in the fixed deposits with licensed banks of the Group at the end of the financial year were amounts of RM12.413 million (2020: RM35.332 million) which have been pledged to several licensed banks as security for banking facilities granted to the Group.

The interest rates and maturities of fixed deposits with licensed banks range from 1.40% to 2.00% (2020: 2.85% to 3.80%) per annum and 30 to 365 days (2020: 30 to 365 days) respectively.

Included in the cash and banks balances of the Group at the end of the financial year were amounts of RM3.997 million (2020: RM4.517 million) which have been pledged to a licensed bank as security for banking facilities granted to the Group.

12. SHARE CAPITAL

	Group/Company			
	Number of shares		Amount	
	2021 Units'000	2020 Units'000	2021 RM'000	2020 RM'000
Issued and fully paid				
At beginning/end of the financial year	835,786	835,786	231,889	231,889

13. RESERVES

	Group		Company	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
Non-Distributable:				
Merger deficit	(71,909)	(71,909)	-	-
Foreign exchange translation reserve	6,344	180	-	-
Distributable:				
Accumulated losses	(256,101)	(320,445)	(188,454)	(136,479)
	(321,666)	(392,174)	(188,454)	(136,479)

(a) Merger deficit

The merger deficit of RM71.909 million (2020: RM71.909 million) resulted from the difference between the carrying value of the investment in a subsidiary and the nominal value of the shares of the Company's subsidiary upon consolidation under the merger accounting principles.

(b) Foreign exchange translation reserve

The foreign exchange translation reserves arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

14. BORROWINGS

	Note	Group 2021 RM'000	Group 2020 RM'000
Current			
Secured:			
Term loan	(a)	164,827	188,070
Bank overdraft	(b)	-	1,223
		164,827	189,293

The above credit facilities obtained from a licensed bank are secured by the following:

(a) Term loan

(i) corporate guarantees from the Company and one of the subsidiary companies, PBJV Group Sdn. Bhd.;

(ii) mortgage over the barge known as "Kota Laksamana 101" and pipe laying equipment as disclosed in Note 3 to the financial statements;

(iii) an assignment over contract proceeds of the barge;

(iv) an assignment and charge over the customers' project account; and

(v) an assignment of the barge's insurance policies.

(b) Bank overdraft

(i) fixed deposits pledged as disclosed in Note 11 to the financial statements; and

(ii) joint and several guarantees from certain Directors of the Group.

An indirect wholly-owned subsidiary of the Group, Kota Laksamana 101 Ltd ("KL101 Ltd") had received first and second notice of demand of its term loan facilities from a licensed bank on an event of default in payment of loan instalments on 17 May 2019 and 16 August 2019 respectively. On 22 October 2019, KL101 Ltd received a notice of termination, recall and demand of the facilities for an outstanding amount of USD43.590 million. Accordingly, the total outstanding term loan of RM164.827 million (2020: RM188.070 million) has been classified as a current liability.

On 26 July 2021, the Company and KL 101 Ltd entered into a settlement agreement with the licensed bank whereby a final registered negotiated settlement amounting to USD12.650 million to be paid over 11 quarterly instalment of USD0.138 million and a final instalment of USD11.138 million as disclosed in Note 30(d) to the financial statements.

Should the term loan be repaid based on its repayment schedule, the term loan is analysed as follows:

	Group 2021 RM'000	Group 2020 RM'000
Within 1 year	33,609	29,759
Less than 1 year and not later than 5 years	131,218	158,311
	164,827	188,070

14. BORROWINGS (continued)

The interest rates of the respective credit facility during the financial year are as follows:

	Group	
	2021 %	2020 %
Term loan	5.00	5.00
Bank overdraft	-	8.19

15. LEASE LIABILITIES

	Group	
	2021 RM'000	2020 RM'000
Repayable within twelve months	1,781	1,839
Repayable after twelve months	1,983	3,809
	3,764	5,648

During the financial year, the Group has reassessed the lease liability due to an early termination of the leases. Accordingly, a remeasurement gain of RM0.062 million (2020: RM Nil) is recognised in profit or loss.

16. TRADE PAYABLES

	Group	
	2021 RM'000	2020 RM'000
Trade payables	51,989	121,558
Accrued purchases	86,840	135,616
	138,829	257,174

The trade credit terms granted to the Group range from 30 to 90 days (2020: 30 to 90 days).

Included in trade payables is an amount of RM0.420 million (2020: RM2.928 million) payable to a shareholder of a subsidiary company.

Included in accrued purchases are provisions amounting to RM70.223 million (2020: RM87.223 million) arising from litigations as disclosed in Note 28 to the financial statements.

17. OTHER PAYABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other payables	3,195	9,483	268	206
Accrual	255	687	80	308
	3,450	10,170	348	514

18. REVENUE

Revenue recognised from contracts with customers is as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Pipeline and commissioning	104,105	202,463	-	-
Installation and construction	1,027	18,573	-	-
	105,132	221,036	-	-

Revenue from other sources is as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Management fees	-	-	4,510	4,987
Geographical market				
Malaysia	105,132	221,036	4,510	4,987
Timing of revenue recognition				
Over time	105,132	221,036	4,510	4,987

19. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is derived after charging/(crediting):

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Auditors' remuneration				
- current year	174	192	75	75
- over provision in prior year	(1)	(1)	-	-
(Reversal)/Provision of impairment loss on property, plant and equipment	(3,262)	10,483	-	-
Depreciation of property, plant and equipment	6,374	7,992	*	1
Depreciation of right-of-use assets				
- cost of sales	393	396	-	-
- administrative expenses	1,481	1,485	-	-
Interest expense:				
- bank overdraft	4	257	-	-
- hire purchase	-	-	-	1
- term loan	1,761	4,799	-	-
- bank guarantee	51	21	-	-
- administrative expense - lease liabilities	171	229	-	-
- cost of sales - lease liabilities	23	-	-	-
Staff cost (excluding Directors):				
- salaries, allowances and bonuses	7,811	17,629	3,144	3,054
- defined contribution benefits	849	1,515	380	-
- other benefits	68	243	23	22
Net provision/(reversal) of expected credit loss allowances on:				
- trade receivables	215	(140)	-	-
- other receivables	(307)	307	-	-
- contract assets	(4)	(6)	-	-
- amount owing by subsidiary companies	-	-	(36,627)	1,360
Amount owing by subsidiary companies written-off	-	-	84,272	-
Property, plant and equipment written-off	42	1,891	-	-
Realised foreign exchange loss	*	13	-	-
Unrealised foreign exchange loss/(gain)	1,907	(2,693)	2	-
Remeasurement of lease liabilities	(62)	-	-	-
Inventory written-off	4,291	-	-	-
Waiver of debt settlement	(64,335)	-	-	-
Reversal of accrued purchases	(17,000)	-	-	-
Interest income:				
- fixed deposit placed with licensed banks	(1,213)	(331)	(53)	(159)
- investment income	(155)	-	-	-
- cash and bank balances	(411)	(121)	(37)	(121)
Rental income	(31)	-	-	-
Gain on disposal of property, plant and equipment	-	(150)	-	-
Short term leases of:				
- equipment and machinery	-	7	-	-
- premises	12	130	-	-

Notes:-
* *Denotes less than RM500*

20. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company comprise the Board of Directors and certain members of senior management team.

The remuneration of key management personnel during the financial year are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Directors				
Executive Directors:				
- salary and other emoluments	4,129	4,345	2,169	2,151
- defined contribution plan	489	501	254	252
- other benefit	5	5	2	2
	4,623	4,851	2,425	2,405
Non-Executive Directors:				
- fees	626	451	506	451
- allowances	88	71	88	71
	714	522	594	522
	5,337	5,373	3,019	2,927
Other key management personnel				
Salary and other emoluments	1,807	1,704	1,093	776
Defined contribution plan	221	207	131	94
	2,028	1,911	1,224	870

21. TAXATION

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current taxation:				
- current year	1,048	778	-	-
- over provision in prior year	(142)	(1,378)	-	(891)
	906	(600)	-	(891)
Deferred taxation:				
- over provision in prior year	-	(22)	-	(8)
	906	(622)	-	(899)

Income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit/(loss) for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

21. TAXATION (continued)

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
Profit/(Loss) before taxation	65,245	20,048	(51,975)	(5,254)
Taxation at statutory tax rate of 24% (2020: 24%)	15,659	4,812	(12,474)	(1,261)
Non-deductible expenses	2,668	3,845	11,665	810
Non-taxable income	(4,117)	(39)	(37)	(40)
Effect of different tax rates in subsidiaries	(538)	-	-	-
Change in unrecognised temporary differences	(12,624)	(7,840)	846	491
Over provision of current taxation in prior year	(142)	(1,378)	-	(891)
Over provision of deferred taxation in prior year	-	(22)	-	(8)
Taxation for the financial year	906	(622)	-	(899)

The components of deferred tax assets and liabilities of the Group and the Company during the financial year prior to offsetting are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
Deferred tax assets:				
- provision	51	1,726	-	-
- unrealised foreign exchange loss	460	-	1	-
- unutilised tax losses	17,806	54,215	1,314	491
- unabsorbed capital allowances	4	-	-	-
	18,321	55,941	1,315	491
Offsetting	(2,732)	(3,258)	-	-
Net deferred tax assets not recognised	15,589	52,683	1,315	491
Deferred tax liabilities:				
- property, plant and equipment	(2,732)	(2,609)	-	-
- unrealised foreign exchange gain	-	(649)	-	-
	(2,732)	(3,258)	-	-
Offsetting	2,732	3,258	-	-
Net deferred tax liabilities	-	-	-	-

22. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2021 RM'000	2020 RM'000 Restated
Profit for the financial year attributable to the owners of the Company	64,344	20,682
Weighted average number of ordinary shares issued (unit'000)	835,786	835,786
Basic earnings per share (sen)	7.70	2.47

(b) Diluted earnings per share

There is no diluted earnings per share as the Company does not have any potential dilutive ordinary shares at the financial year end.

23. CASH FLOW INFORMATION

Reconciliation of liabilities arising from financing activities:

	Term loan RM'000	Lease liabilities RM'000	Total RM'000
Group			
At 1.7.2020	188,070	5,648	193,718
Cash flows			
Repayment of principal	(17,511)	(1,779)	(19,290)
Repayment of interest	(1,761)	(194)	(1,955)
	(19,272)	(1,973)	(21,245)
Non-cash changes			
Finance charges recognised in profit or loss	1,761	194	1,955
Remeasurement of lease liabilities	-	(62)	(62)
Termination of lease	-	(43)	(43)
Foreign exchange movements	(5,732)	-	(5,732)
	(3,971)	89	(3,882)
At 30.6.2021	164,827	3,764	168,591

23. CASH FLOW INFORMATION (continued)

	Term loan RM'000	Hire purchase RM'000	Lease liabilities RM'000	Total RM'000
Group				
At 1.7.2019	177,391	27	7,408	184,826
Cash flows				
Repayment of principal	-	(27)	(1,760)	(1,787)
Repayment of interest	-	-	(229)	(229)
	-	(27)	(1,989)	(2,016)
Non-cash changes				
Finance charges recognised in profit or loss	4,799	-	229	5,028
Foreign exchange movements	5,880	-	-	5,880
	10,679	-	229	10,908
At 30.6.2020	188,070	-	5,648	193,718

24. SEGMENTAL INFORMATION

(a) No segmental information is provided as the Group is primarily involved in the oil and gas industry (one business segment) and the Group's activities are predominantly in Malaysia. The overseas segment account for less than 10% of the consolidated revenue and assets. Accordingly, the information by business and geographical segments is not presented.

(b) Major customers

The following are the major customers individually accounting for 10% or more of the Group's revenue:

	Group	
	2021 RM'000	2020 RM'000
Customer A	28,131	13,301
Customer B	22,411	-
Customer C	21,886	17,647
Customer D	12,680	36,010
Customer E	11,586	11,529
Customer F	1,191	126,894
	97,885	205,381

25. CAPITAL MANAGEMENT

The objective of the Group on capital management is to ensure that it maintains a strong credit rating and safeguard the Group's ability to continue as a going concern, so as to support its business, maintain the market confidence and maximise shareholder value.

The Group monitors capital using gearing ratio, which is net borrowings divided by equity attributable to owners of the Company. The Group's policy is to keep the gearing ratio within reasonable levels.

	Group	
	2021 RM'000	2020 RM'000 Restated
Borrowings	164,827	189,293
Less: Cash and cash equivalents	(86,603)	(96,085)
Net liquidity	78,224	93,208
Equity attributable to owners of the Company	(89,777)	(160,285)
Gearing ratio (%)	N/A	N/A

26. FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments and their categories:

	Group		Company	
	2021 Financial assets and liabilities at amortised cost RM'000	2020 Financial assets and liabilities at amortised cost RM'000	2021 Financial assets and liabilities at amortised cost RM'000	2020 Financial assets and liabilities at amortised cost RM'000
Financial assets				
Trade receivables	39,602	76,527	-	-
Other receivables	1,208	718	-	1
Amount owing by subsidiary companies	-	-	-	85,555
Cash and cash equivalents	86,603	96,085	2,861	9,815
	127,413	173,330	2,861	95,371
Financial liabilities				
Trade payables	138,829	257,174	-	-
Other payables	3,450	10,170	348	514
Borrowings	164,827	189,293	-	-
Lease liabilities	3,764	5,648	-	-
	310,870	462,285	348	514

26. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its financial risks, including credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of a financial loss to the Group if a counterparty of a financial asset fails to meet its contractual obligations. The Group's exposure to credit risk arises mainly from trade and other receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis through the review of receivables ageing. At reporting date, there were no significant concentrations of credit risk other than as disclosed in Note 8 to the financial statements.

The maximum exposure to credit risk for the Group is the carrying amount of the financial assets shown in the statements of financial position.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from trade and other payables, lease liabilities and borrowings.

As at 30 June 2021, the Group's borrowing of RM164.827 million (2020: RM188.070 million) has been classified as current liability due to default in repayment of borrowing obligation by the Group as disclosed in Note 14 to the financial statements.

On 26 July 2021, the Company and KL 101 Ltd entered into a settlement agreement with the licensed bank whereby a final registered negotiated settlement of USD12.650 million to be paid over 11 quarterly instalments of USD0.138 million and a final instalment of USD11.138 million.

The Directors have prepared a cash flow forecast and the Group's obligations are expected to be financed via profitable operations, continuous support from creditors and lender and available cash and bank balances. Significant assumptions and judgements are used in the preparation of the cash flow forecast.

The Board of Directors is of the opinion that the Group will be able to discharge its liabilities in the normal course of business over a twelve-month period from the end of the financial year.

Cash flow forecasting is performed by monitoring the Group's liquidity requirements to ensure that it has sufficient liquidity to meet operational, financing repayments and other liabilities as they fall due.

26. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted payments:

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flow RM'000	On demand or within one year RM'000	One to five years RM'000
2021					
Group					
Trade payables	138,829	-	138,829	138,829	-
Other payables	3,450	-	3,450	3,450	-
Borrowings	164,827	5.00	164,827	164,827	-
Lease liabilities	3,764	-	3,939	1,902	2,037
	310,870		311,045	309,008	2,037
Company					
Other payables	348	-	348	348	-
2020					
Group					
Trade payables	257,174	-	257,174	257,174	-
Other payables	10,170	-	10,170	10,170	-
Borrowings	189,293	5.00 - 8.19	189,293	189,293	-
Lease liabilities	5,648	-	5,852	1,865	3,987
	462,285		462,489	458,502	3,987
Company					
Other payables	514	-	514	514	-

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and cash flow and fair value interest rate risk that may affect the Group's financial position and cash flows.

(a) Foreign currency exchange risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies give rise to this risk is primarily United States Dollar ("USD"), Saudi Riyal ("SAR") and Singapore Dollar ("SGD"). Foreign currencies risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

26. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

(a) Foreign currency exchange risk (continued)

The Group's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was:

Functional Currency	USD RM'000	SAR RM'000	SGD RM'000	Total RM'000
2021				
Cash and bank balances	165	1,107	2	1,274
Trade and other payables	(551)	(24)	-	(575)
Borrowing	(164,827)	-	-	(164,827)
	(165,213)	1,083	2	(164,128)
2020				
Cash and bank balances	208	1,141	3	1,352
Trade and other payables	(1,980)	(25)	-	(2,005)
Borrowing	(188,070)	-	-	(188,070)
	(189,842)	1,116	3	(188,723)

The following shows the sensitivity of the Group's equity and profit/(loss) net of tax to a reasonably possible change in the USD, SAR and SGD exchange rates against the functional currency of the affected Group entities which do not have a Ringgit Malaysia functional currency, with all other variables remain constant.

	Group	
	2021 RM'000	2020 RM'000
Increase/(Decrease) in profit or loss		
USD/RM - weakening 1%	1	(12)
SGD/RM - weakening 1%	-	*
Increase/(Decrease) in other comprehensive income		
USD/RM - weakening 1%	(1,256)	(1,431)
SAR/RM - weakening 1%	8	(8)

Notes:-
** Denotes less than RM500*

26. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

(b) Interest rate risk

The Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's and the Company's fixed deposits placed with licensed banks and borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the financial year are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fixed rate instrument				
Fixed deposits placed with licensed banks	59,879	49,981	-	4,203
Floating rate instrument				
Borrowings	(164,827)	(189,293)	-	-

Since the Group and the Company's fixed rate financial assets and liabilities are measured at amortised cost, possible changes in interest rates are not expected to have a significant impact on the Group and the Company's profit or loss.

Interest rate risk sensitivity analysis

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) profit or loss net of tax by the amounts shown below, assuming all other variables remain constant.

	Group Increase/(Decrease) Profit or loss net of tax	
	2021 RM'000	2020 RM'000
Floating rate instrument		
Increase 100 basis points	(1,253)	(1,439)
Decrease 100 basis points	1,253	1,439

26. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The carrying amount of borrowings carried on the statements of financial position reasonably approximate fair value as it is a floating rate instrument that is re-priced to market interest rates on or near the reporting date.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that is not based on observable market data.

The following table analyses the fair values of financial instruments not carried at fair value, together with their carrying amounts in the statement of financial position:

	2021		2020	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group				
Financial liability				
Lease liabilities	3,764	3,764	5,648	5,648

27. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Board of Directors and certain members of senior management team.

27. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

The significant related party transactions of the Group and of the Company, other than key management personnel compensation are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Company in which certain Directors have substantial financial interests				
Rental of premises paid/payable	(1,560)	(1,600)	-	-
Rental of yard paid/payable	(90)	(88)	-	-
Donations	(240)	(240)	-	-
Subsidiary				
Management fee received/receivable	-	-	4,510	4,987

The remuneration of Directors and other member of key management during the financial year is disclosed in Note 20 to the financial statements.

28. MATERIAL LITIGATIONS

(a) On 8 July 2019, PBJV received a notification of suspension of PBJV's license from Petroliam Nasional Berhad ("PETRONAS"). The letter from PETRONAS indicated that there was an adverse report from Petronas Carigali Sdn. Bhd. ("PCSB") pertaining to the non-performance of PBJV in relation to the contract referred to as "Provision for Underwater Services For PCSB" ("the Contract"). Resulting from that, PETRONAS has decided to suspend PBJV's license for a period of three (3) years with effect from the date of the letter.

The implication of the letter is that PETRONAS including its subsidiaries and any Petroleum Arrangement Contractors ("PACs") will not award any new contract to PBJV during the suspension period. PBJV will not be allowed to bid for new projects undertaken by PETRONAS including its subsidiaries and any PACs during the suspension period. Nevertheless, PBJV is still allowed to continue and complete its existing and on-going contracts with PETRONAS including its subsidiaries and PACs in accordance to the term and conditions of the respective existing and on-going contracts.

In response to this, on 5 August 2019, PBJV has issued a Notice of Demand and Dispute to both PETRONAS and PCSB where it disputes the validity of the suspension being issued without any legal justification nor compliance to procedures. The Contract has been successfully carried out and completed prior to the suspension. Upon completion of the Contract, positive appraisal was subsequently given by PCSB hence making the suspension unwarranted. PBJV has demanded an amount of RM1.02 billion against PETRONAS and PCSB, among others, based on the loss of future profits and reputation.

On 25 September 2019, the Company and PBJV have jointly filed a Writ of Summons proceeding against PETRONAS and PCSB ("the Defendants") in the Kuala Lumpur High Court ("Writ"). The Writ proceeding filed cites that the suspension notice issued by PETRONAS is illegal, unjustified and unwarranted and aims for it to be annulled and invalidated.

On 6 April 2020, the Defendants filed a Striking-out Application against the Plaintiff's suit. On 8 December 2020, the Court delivered the decision to dismiss the Application by the Defendant with cost and ordered the full trial of the case. The trial and witness statement of the case in relation to the Writ has been heard at the Court from 24 August 2021 to 14 September 2021. The Court has instructed the Parties to file the written submission by 29 October 2021.

28. MATERIAL LITIGATIONS (continued)

(b) On 9 August 2019, the Company and PBJV have both received demand notices dated 8 August 2019 from PRPC Utilities and Facilities Sdn. Bhd. ("PRPC") for an amount of RM85.2 million on the basis that among others, PBJV has allegedly failed to fulfil all of its obligations under a contract referred to as "Utilities, Interconnecting, Offsite (UIO) Facilities: Procurement, Construction & Commissioning (PCC) of Underground Pressurised Non-Metallic Piping Firewater Network East Side" ("P14 Contract").

In relation to this, on 22 August 2019, the Company and PBJV have both issued a Notice of Reply to PRPC to dispute the claim. Concurrent to the Notice of Reply, PBJV has further issued a Notice of Demand dated 22 August 2019 to PRPC for the amount of RM6.58 million.

PRPC has filed a Writ of Summons dated 7 February 2020 against the Company and Pegasus Diversified Berhad as respective guarantor for PBJV and Macfeam Sdn Bhd (the P14 Contract joint venture partners) in claiming for RM85.2 million due to a purported breach of contract of the P14 Contract. The Company and Pegasus Diversified Berhad has filed a counterclaim in the amount of RM42.7 million. On 28 December 2020, the Court has struck off PRPC's summons with liberty to file afresh. No further action taken by parties to date.

(c) PBJV has, through its firm of advocates and solicitors, Messrs. Ram Reza & Muhammad, commenced a legal proceeding by filing a Writ of Summons on 12 September 2019 in the Kuala Lumpur High Court for in claiming for RM42.7 million against PRPC. Macfeam Sdn. Bhd. has also been named as the Second Plaintiff in the said legal action. The matter has been stayed pending arbitration and is on-going in the Asian International Arbitration Centre. Both parties have appointed their respective arbitrators and a Third Arbitrator has been appointed as well. As at the date of the report, the arbitrators have proposed an arbitral tribunal's fees and a preliminary meeting will be held in due course.

(d) PBJV has also issued a Winding Up notice dated 23 September 2020 against PRPC to claim for RM6.58 million in respect of Progress Claim No. 9 pertaining to the P14 Contract. PRPC in response has filed a Fortuna Injunction application dated 11 March 2021 to stop PBJV and Macfeam Sdn Bhd from the filing of the Winding-Up petition. On 3 September 2021, PRPC's application was allowed by the High Court and a Notice of Appeal has been filed on the same day. The Case Management has been fixed on 20 October 2021 to fix the hearing date.

(e) On 17 May 2019, an indirect wholly-owned subsidiary of the Company, Kota Laksamana 101 Ltd ("KL101 Ltd"), had received a notice of demand from Messrs. Zain Megat & Murad, acting as solicitors for Export-Import Bank of Malaysia Berhad ("EXIM Bank"). The notice of demand was issued to notify that an event of default has occurred due to a breach of terms in its facility agreement for failing to make instalment payments.

On 22 October 2019, KL101 Ltd had received a notice of termination, recall and demand dated 22 October 2019 from EXIM Bank. EXIM Bank had exercised its right to recall and/or terminate the Facility Agreements. An amount of USD43.6 million as at 15 October 2019 has been stated in the notice being total amount due and owing by KL101 Ltd to EXIM Bank.

On 18 May 2020, the Company and its wholly-owned subsidiary, PBJV and KL101 Ltd have been served a Writ of Summons and Statement of claim dated 17 April 2020 for an amount of USD43.8 million by EXIM Bank.

On 5 April 2021, PBJV's proposed debt settlement has been agreed by the requisite majority during the Court Convened Meeting ("CCM"). Thereafter, the Court has, on 26 April 2021, granted Order i.e. 'Sanction Order' for the approval of the PBJV's Proposed Debt Settlement as detailed in the Explanatory Statement dated 19 February 2021. Pursuant thereto, parties have reached a settlement. On 30 August 2021, the Writ of Summons and Statement of Claim have been withdrawn and the default has been successfully addressed.

28. MATERIAL LITIGATIONS (continued)

(f) On 2 October 2019, PBJV has through its firm of Advocates and Solicitors, Messrs Dinesh Praveen Nair, served a Notice of Demand to Petronas Gas Berhad ("PGB") for a sum of approximately RM179.8 million for the Procurement, Construction and Commissioning (PCC) of Pengerang Gas Pipeline Project (formerly known as Procurement, Construction and Commissioning of RGT2 Pipeline Project ("the Project").

On 28 November 2019, PBJV served a Notice of Arbitration to PGB to claim for a sum of RM179.8 million. The Asian International Arbitration Centre (AIAC) has appointed the Arbitrators for the proceeding. On 12 May 2020 both PBJV and PGB paid the Arbitration Advance Deposit and the first Arbitral Tribunal was held on 16 April 2021 with Parties agreed to make relevant payments to AIAC and the Arbitrators as per milestones determined by the Arbitral Tribunal. PBJV has filed Points of Claim while PGB has filed Defence and Counterclaim. PBJV is to file reply to Defence and Defence of Counterclaim by 9 November 2021.

(g) On 7 November 2019, PBJV had received a Petition for Winding Up dated 25 October 2019 from its creditors, Eureka Efektif Sdn. Bhd. ("Eureka"). An amount of RM1.71 million as at 25 October 2019 has been stated in the said Petition being alleged total amount due and owing by PBJV to Eureka.

Parties had finally reached an amicable settlement and the case was discontinued by Eureka. The settlement between parties was recorded and filed in Court on 16 April 2021.

(h) On 9 March 2020, PBJV received notification from its appointed solicitors that a Notice of Adjudication has been served on Petronas Gas Berhad ("PGB") on 28 February 2020 to claim the sum of RM6.85 million on pre-commissioning works to replace the damage pipeline crossing at Sungai Layau under Global Settlement Agreement dated 12 April 2018 and Main Contract dated 21 April 2014 title "Procurement, Construction and Commissioning (PCC) of Pengerang Gas Pipeline Project. The said Notice of Adjudication was withdrawn on 15 June 2020 as PBJV decided to proceed with Winding-Up proceeding.

On 30 June 2020 PBJV through its Advocates and Solicitors, Messrs Dinesh Praveen Nair served a Winding-up Notice against PGB to claim the said sum of RM6.85 million for PGB to pay the said sum to PBJV by 30 December 2020.

Upon being served with the Winding-up Notice on 30 June 2020 by PBJV, PGB filed Originating summons in Kuala Lumpur High Court (OS) against PBJV to seek leave from Court to file Fortuna Injunction application against PBJV.

On 9 December 2020 the Court delivered decision in favour of PGB's Fortuna Injunction, but also allowed PBJV to still pursue the claim against PGB by means other than a Winding-up Petition.

PBJV then on 8 January 2021 filed the Notice of Appeal with Court of Appeal against Kuala Lumpur High Court's decision. The next Case Management is fixed to be on 17 November 2021 to update the Court of Appeal on the status of Grounds of Judgement from the Kuala Lumpur High Court.

(i) On 22 September 2020, the Company with its wholly owned subsidiary, PBJV Group Sdn. Bhd. ("PBJV") and Nik Hamdan Bin Daud ("NHD") (collectively referred to as Plaintiffs) have filed a Writ of Summons and Statement of Claim in the High Court of Kuala Lumpur against Samling Energy Sdn. Bhd., United Power Group Holdings Limited, Yaw Holding Sdn. Bhd., Samling Resources Sdn. Bhd., Chew Theam Hock, Yaw Teck Seng, Magnadrive Sdn. Bhd. ("Magnadrive") and Syarikat Samling Timber Sdn. Bhd. (collectively referred to as "Defendants").

The Writ of Summons and Statement of Claim have been filed by its firms of advocates and solicitors, Messrs. Ram Reza & Muhammad, based on summarily on the following reasons:

(i) Breach of fiduciary duties due to the internal information obtained by being part of the Board members of Barakah; and

(ii) One of the Defendants breach of contract under the Consortium Agreement dated 29 November 2017 entered with one of the Plaintiffs.

On 20 December 2020, the Defendants have filed an application to Strike Out the Plaintiffs' claims and the Court in March 2021 have dismissed their application.

The Kuala Lumpur High Court has fixed 23 February 2022 to 25 February 2022 as the trial dates. The Court has also fixed 16 November 2021 for pre-trial case management.

28. MATERIAL LITIGATIONS (continued)

(j) On 3 November 2020 Company's wholly-owned subsidiary, PBJV Group Sdn Bhd ("PBJV") has been served with a Notice of Arbitration from Petrofac (Malaysia-PM304) Limited ("Petrofac") for the alleged anchor dropping incident caused by PBJV's appointed subcontractor namely Asian Kaliber Sdn Bhd (the charterer for marine vessel Armada Firman) and Bumi Armada Navigation Sdn Bhd (vessel's owner for Armada Firman) while executing the subcontracting work for the supply of Accommodation Work Barge (AWB) for Petrofac on 6 November 2014. The amount of the claim of USD1.19 million (approximately RM4.95 million) was for the Insurance's deductible/excess and other costs, which are as follows:

(i) Deductible/Excess sum of Petrofac's Insurance Policy in the sum of USD1.0 million; and

(ii) Additional 7% Premium in the sum of USD0.19 million.

On 3 December 2020, PBJV replied the Notice of Arbitration and disputed the liability to pay the sum of USD1.19 million. Subsequently on 8 December 2020 PBJV's Solicitors, Messrs. Dinesh Praveen Nair filed a letter to Petrofac's Solicitors Messrs. Zaid Ibrahim & Co. informing that PBJV has obtained a Court Order to restrain any proceeding against PBJV for a period of 3 months from 18 November 2020 until 18 February 2021 pending PBJV's proposed Scheme of Arrangement (the "Restraining Order"). Currently, the arbitration direction is pending appointment of the Arbitrators.

The Board of Directors is of the view that Petrofac's Notice of Arbitration against PBJV is not justified and has a low chance of success.

(k) In relation to Petrofac's claims, PBJV has, on 3 November 2020, served a Writ and Statement of Claim on Asian Kaliber Sdn Bhd ("Asian Kaliber") and Bumi Armada Navigation Sdn Bhd ("Bumi Armada") under Kuala Lumpur High Court for a sum of USD1.19 million (approximately RM4.95 million).

Asian Kaliber and Bumi Armada are PBJV's subcontractor respectively under the Contract's works (via a Letter of Award dated 4 April 2014, and Charter Party Agreement dated 22 April 2014) and owners of vessel Armada Firman.

The basis of PBJV's Writ Action against Asian Kaliber and Bumi Armada, is as follows:

(i) the incident occurred due to Asian Kaliber and Bumi Armada's negligence and incompetence as owners and handlers of Armada Firman; and

(ii) therefore, Asian Kaliber and Bumi Armada are to indemnify PBJV from Petrofac's claims for the said claim of USD1.19 million and/or any other claims by Petrofac related to the same.

On 3 December 2020 PBJV filed and served Notice of Application and Affidavit to add in Petrofac as a 3rd Defendant in the above case. On 29 December 2020, the Judge allowed application to add Petrofac as the 3rd Defendant in this action.

On 26 April 2021 the hearing was held for Enclosure 20 (Asian Kaliber's Striking-out application) and for Enclosure 29 (Petrofac's application for stay pending Arbitration). On 21 May 2021, the Court has dismissed Asian Kaliber's Enclosure 20 with cost whereas allowed Petrofac's Enclosure 29 with cost.

Next Case Management shall be on 19 November 2021, to update the Court on pre-trial documents and to fix the hearing date for Bumi Armada's Enclosure 60 (Discovery Application taken by Bumi Armada as against Asian Kaliber).

29. SIGNIFICANT EVENTS

(a) On 21 May 2019, the Company announced that the Company had triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(f) of Practice Note 17 ("PN17") of the Listing Requirements of Bursa Securities as the Company's indirect wholly-owned subsidiary, KL101 Ltd had received a notice of demand on 17 May 2019 from EXIM Bank due to breach of terms in its facility agreement for failing to make instalment payments pursuant to Paragraph 9.19A of the Listing Requirements and the Company is unable to provide a solvency declaration to Bursa Securities. In accordance with PN17, the Company is required to submit a regularisation plan within twelve (12) months to Bursa Securities.

On 26 March 2020, Bursa Securities had provided extension of time for submission of regularisation plan by listed issuers for another twelve (12) months i.e. 16 May 2021 for those who had triggered the PN17 criteria between 2 January 2019 to 31 December 2020.

On 3 May 2021, the Group has submitted an application for an extension of time from Bursa Securities on the deadline for Regularisation Plan. On 3 June 2021, Bursa Securities has granted the Company an extension of time of six (6) months from 16 May 2021 up to 17 November 2021 to submit a regularisation plan to the regulatory authorities.

(b) On 19 May 2020, PBJV Group Sdn Bhd ("PBJV") had applied a fresh Restraining Order ("Order") to the High Court of Malaya at Kuala Lumpur pursuant to Sections 366 and 368(2) of the Act and was granted for a period of three (3) months. The Order were then extended another two (2) times until 18 May 2021.

On 19 February 2021, PBJV had issued notice to its scheme creditors that the Court Convened Meeting ("CCM") was to be held on 15 March 2021. Explanatory Statement ("ES") dated 19 February 2021 detailing the debt settlement scheme proposal had also been issued and summarised as follows:-

(i) Proposed cash settlement of RM64.00 million to the Group A Scheme Creditors of PBJV ("Proposed Cash Settlement");

(ii) Proposed payment of RM50.72 million in the ordinary course of business to the Group B Scheme Creditors of PBJV ("Proposed Payment in the Ordinary Course of Business");

(iii) Proposed payment of RM14.50 million to the Group C Scheme Creditors of PBJV over a period of 5 years from the date of the Mersing Settlement Agreement ("Proposed Mersing Settlement"); and

(iv) Proposed waiver of RM292.00 million owing to the Scheme Creditors of PBJV ("Proposed Waiver").

On 15 March 2021, a creditor of PBJV, Export-Import Bank of Malaysia Berhad ("EXIM Bank") had proposed an adjournment of the CCM pursuant to Section 366(2) of the Companies Act 2016. The resolution for adjournment was approved by the requisite majority of more than seventy-five (75) per centum of the total value of creditors present and voting either in person or by proxy at the meeting.

On 5 April 2021, PBJV's proposed debt settlement have been agreed by the requisite majority of seventy-five (75) per centum of the respective class of creditors under the proposed debt settlement present and voting either in person or by proxy in the CCM.

Court has on 26 April 2021, granted Order, i.e. 'Sanction Order' for the approval of the PBJV's Proposed Debt Settlement as detailed in the Explanatory Statement dated 19 February 2021.

(c) On 14 April 2021, the Company announced that the Company proposed to undertake a private placement of up to 167,157,000 new ordinary shares in the Company ("Barakah Shares" or "Shares"), representing 20% of the existing total number of issued shares, to independent third party investor(s) to be identified later and at an issue price to be determined later ("Proposed Private Placement"). The Proposed Private Placement was approved by Bursa Securities on 21 April 2021.

29. SIGNIFICANT EVENTS (continued)

(d) In early year 2020, the global market was hit by the outbreak of the novel coronavirus pandemic ("COVID-19"), causing a global economic downturn. Global oil and gas demand fell significantly as several major economies went into lockdown to control the pandemic. Towards the end of year 2020, the oil and gas industry experienced a mild recovery as the crude oil price rebound from a low of USD21 per barrel in April 2020 to close at USD52 per barrel at the end of year 2020 which was due to the imbalance of supply and demand.

Nevertheless, in January 2021, Movement Control Order restrictions was re-introduced by the government ("MCO 2.0") and has extended several times to curb the spread of COVID-19 outbreak in Malaysia. The MCO 2.0 was impacting the logistics arrangement of the supply chain in project execution coupled with reduced maintenance activities deployed by the client, hence recording lower revenue for the FY2021. The Group and the Company will continuously monitor the impact of Covid-19 on their operations and financial performances.

30. SUBSEQUENT EVENTS

(a) On 21 July 2021, PBJV Group Sdn Bhd ("PBJV") has received Writ and Statement of Claim both dated 8 July 2021 ("WRIT") from Samling Resources Sdn Bhd ("SAMLING").

The amounts purportedly claimed by SAMLING in the WRIT are as follows:

(i) Alleged claim for the sum of RM4.00 million being 'excess amount of deposit';

(ii) Alleged claim for the sum of RM16.91 million being amount due under 'Supplemental Agreement to SSGP';

(iii) Alleged claim for interest of five per centum (5%) per annum for item (i) and (ii);

(iv) Cost; and

(v) Any or further order from Court.

The claim is highly disputed by PBJV, and PBJV has immediately engaged solicitors to defend its legal position and consider a possible counter claim (if any) against the claim.

(b) On 28 July 2021, the Company has made second tranche payment amounting to RM32 million to the stakeholder of the Group A Scheme Creditors via Messrs. Chellam Wong being full and final settlement under the 'Sanction Order' dated 26 April 2021 for the approved PBJV's Proposed Debt Settlement as disclosed in Note 29(b).

(c) On 30 July 2021, the Company has incorporated a wholly owned subsidiary, Allseas Oil & Gas Sdn Bhd with principal business in providing and carrying out onshore and offshore contracting works such as pipeline pre-commissioning, commissioning and de-commissioning, pipeline installation, fabrication, hook up, topside maintenance and other related activities. With an initial RM500,000 paid up capital, the subsidiary will be applying applicable licenses to perform the abovementioned business.

(d) On 26 July 2021, the Company, KL 101 and EXIM Bank had agreed on a final registered negotiated settlement of USD12.650 million to be paid over 11 quarterly instalments of USD0.138 million and a final instalment of USD11.138 million.

On 30 August 2021, the Company, PBJV and KL101 have been notified by its solicitors that pursuant to the settlement agreement, the Writ of Summons and Statement of Claim both dated 17 April 2020 for the amount of USD43.8 million (as at 29 February 2020) by EXIM Bank have been withdrawn.

With the withdrawal of the said Writ of Summons and Statement of Claim by EXIM Bank the default has been successfully addressed.

30. SUBSEQUENT EVENTS (continued)

(e) On 6 September 2021, an Adjudication Claim had been served against Enquest Petroleum Production Malaysia Ltd ("ENQUEST") for the total sum of RM73.57 million ("Outstanding Sum"), breakdown of which are as follows:

(i) RM73.57 million or a sum to be determined for the works carried out and completed up until the year 2020 by PBJV;

(ii) Interest of RM3.56 million as the pre-award interest on the sum of RM73.57 million as at 3 May 2021 (at the rate of 5% per annum from date of adjudication notice until date of full settlement);

(iii) Further interest, at a rate of 5%, on the adjudication sum calculated from the service of the payment claim until the date of full and final payment;

(iv) Costs in the sum of RM0.27 million or a sum to be determined or as may be further incurred later; and

(v) Such further and other relief to be assessed by Adjudicator.

This is a claim by PBJV for the work done and/or services rendered for the Outstanding Sum up until the year 2020 pursuant to a letter of award dated 13 July 2018 whereby PBJV was thereafter engaged by ENQUEST as the contractor for the execution of the Provision of Pan Malaysia Maintenance, Construction and Modification ("PM-MCM") Contract bearing contract no.: EN17051 for year 2018 to 2023-Package A (the "Project").

(f) On 7 October 2021, the Private Placement as disclosed in Note 29(c) has been completed following the listing and quotation of 167,157,000 Placement Shares, being the first and final tranche of the Private Placement, on the Main Market of Bursa Securities.

31. PRIOR YEAR ADJUSTMENTS

In the previous financial years, the Group has misstated contract assets in relation to contract cost incurred for work done pending approval by customers for the financial year ended 30 June 2019 and 30 June 2020. This has resulted in overstatement of cost of sales and understatement of contract assets by RM2.511 million as at 1 July 2019 and understatement of cost of sales and overstatement of contract assets by RM4.343 million as at 30 June 2020 respectively.

The effects of prior year adjustments in the Group's financial statements are as follows:

	As previously reported RM'000	Adjustments RM'000	As restated RM'000
Group			
Statements of financial position (extract)			
As at 1 July 2019			
Contract assets	20,891	2,511	23,402
Reserves	(408,641)	2,511	(406,130)
As at 30 June 2020			
Contract assets	23,303	(1,832)	21,471
Reserves	(390,342)	(1,832)	(392,174)
Statements of profit or loss and other comprehensive income (extract)			
As at 30 June 2020			
Cost of sales	(154,940)	(4,343)	(159,283)

32. CAPITAL COMMITMENTS

	Group	
	2021 RM'000	2020 RM'000
Purchase of property, plant and equipment	556	586

33. CONTINGENT LIABILITIES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unsecured:				
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	-	-	164,827	188,070
Bank guarantees extended to clients	5,246	5,767	-	-

34. DATE OF AUTHORISATION FOR ISSUE

The financial statements of the Group and of the Company for the financial year ended 30 June 2021 were authorised for issue in accordance with a resolution of the Board of Directors dated 21 October 2021.

LIST OF PROPERTIES

NO.	NAME OF REGISTERED OWNER	APPROXIMATE AGE OF BUILDING/ TENURE/ DATE OF EXPIRY OF LEASEHOLD INTEREST	THE IDENTIFICATION/ POSTAL ADDRESS	DESCRIPTION AND EXISITING USE	LAND AREA/ BUILT UP AREA	RESTRICTION IN INTEREST/ ENCUMBRANCES	AUDITED NET BOOK VALUE AS AT 30.06.2021
1	PBJV Group Sdn Bhd	Leasehold, 99 years, expiring on 12.07.2098* Gran No: 7522	PN91735, Lot No. 17895, Mukim Dengkil, District of Sepang, Selangor Lot 9504, Jalan Meranti Permai, Meranti Permai Industrial Park, Batu 15, 47100 Puchong, Selangor	Open yard fabrication facilities Category of land use: Industrial	Land area: 44,670 square feet	The land can only be transferred, leased or charged with the consent of the State Authority of Selangor	RM705,734
2	PBJV Group Sdn Bhd	Leasehold, 60 years, expiring on 14.08.2056	Lot 1244, Block 5 Kuala Baram Land District, in the locality of Lutong - Kuala Baram Road, Miri Sarawak (Registration Number: 04-LCLS-005-005-01244) Lot 1244, Jalan Marigold Desa Senadin 981000, Miri Sarawak	Open yard fabrication facilities Category of land use: Town land to be used as a 2-storey detached building where the ground floor to be used for as office, storage cum watchmen's quarters	Land area: 36,425 square feet	The land can only be transferred or subleased (if subleased within 5 years from 15.08.96) with the written consent of the Director of Lands and Surveys, Miri	RM795,804

GROUP CORPORATE DIRECTORY

HEAD OFFICE

BARAKAH OFFSHORE PETROLEUM BERHAD (980542-H)
PBJV GROUP SDN BHD (524536-A)
No. 3, Jalan Teknologi,
Taman Sains Selangor 1
Kota Damansara PJU 5
47810 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 6143 0000
Fax : +603 6143 0003/02/01

PBJV SUPPORT OFFICES

KUALA LUMPUR

PBJV GROUP SDN BHD
Unit B-3-1
Megan Avenue 1
No 189 Jalan Tun Razak
50400 Kuala Lumpur
Tel : +603 2164 8030
Fax : +603 2164 8034

TERENGGANU

PBJV GROUP SDN BHD
Lot 198, Jalan Kuala Terengganu-Kuantan
Kampung Nyior, Paka
23100 Terengganu
Tel : +609 827 6172
Fax : +609 827 6172

SARAWAK

PBJV GROUP SDN BHD
Sublot 9, Lot 597
1st Floor, Blok 5
Desa Senadin KBLD
98100 Miri, Sarawak
Tel : +6085 622 880
Fax : +6085 622 884

ANALYSIS OF SHAREHOLDINGS
AS AT 15 OCTOBER 2021

SHARE CAPITAL

Number of Issued Shares : 1,002,943,391 ordinary shares

Class of Shares : Ordinary Shares

Voting Rights : One vote per share

ANALYSIS BY SIZE OF HOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Shares	%
1 – 99	1,050	12.194	14,650	0.001
100 – 1,000	1,058	12.287	594,791	0.059
1,001 – 10,000	2,956	34.328	16,849,658	1.680
10,001 – 100,000	2,746	31.889	111,356,403	11.103
100,001 – 50,147,169 (*)	799	9.279	743,586,232	74.140
50,147,170 and above (**)	2	0.023	130,541,657	13.016
Total	**8,611**	**100**	**1,002,943,391**	**100**

Remark:
* Less than 5% of issued shares
** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

		Direct		Indirect	
No.	**Name**	**No. of Shares**	**%**	**No. of Shares**	**%**
1	Nik Hamdan bin Daud	64,872,837	6.468	10,891,800	1.086
2	Baxtech Resources Sdn Bhd	66,862,800	6.667	0	0
3	Dakota Integrated Services Sdn Bhd	63,678,857	6.349	0	0

DIRECTORS' SHAREHOLDINGS

		Direct		Indirect	
No.	**Name**	**No. of Shares**	**%**	**No. of Shares**	**%**
1	Nik Hamdan bin Daud	64,872,837	6.468	10,891,800	1.086
2	Sulaiman bin Ibrahim	5	0	0	0
3	Nurhilwani binti Mohamad Asnawi	5	0	0	0
4	Azman Shah bin Mohd Zakaria	20,611,624	2.055	0	0
5	Rasdee bin Abdullah	0	0	0	0
6	Datuk Mohd Zaid bin Ibrahim	1,200,000	0.120	0	0
7	Dr. Rosli bin Azad Khan	851,200	0.085	0	0

LIST OF TOP 30 SHAREHOLDERS

No.	Name	Holdings	%
1	BAXTECH RESOURCES SDN BHD	66,862,800	6.667
2	DAKOTA INTEGRATED SERVICES SDN BHD	63,678,857	6.349
3	EUREKA EFEKTIF SDN BHD	38,431,400	3.832
4	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NIK HAMDAN BIN DAUD	33,472,837	3.337
5	MAGNADRIVE SDN BHD	32,461,200	3.237
6	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR NIK HAMDAN BIN DAUD (PB)	31,400,000	3.131
7	MUHAMMAD YUSRI BIN ABDUL RASHID	27,265,000	2.718
8	MAYBANK NOMINEES (TEMPATAN) SDN BHD LING SOON HING	21,750,000	2.169
9	AZMAN SHAH BIN MOHD ZAKARIA	20,611,624	2.055
10	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PHUA SIN MO	15,000,000	1.496
11	UOBM NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR ARECA CAPITAL SDN BHD (CLIENT A/C 1)	13,635,000	1.359
12	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR SIEW JUN KIT	11,111,100	1.108
13	NIK AZRI SYAZWI BIN NIK HAMDAN	10,891,800	1.086
14	TEY JIIN CHYUAN	10,400,000	1.037
15	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PHUA SIN MO	10,306,200	1.028
16	TEO HIN WEE	10,300,000	1.027
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR ARECA CAPITAL SDN BHD	10,129,000	1.010
18	FARIZ BIN JAAFAR	8,500,000	0.848
19	NIK EZAMI BIN NIK ISMAIL	8,168,000	0.814
20	FARHANAH BINTI JAAFAR	7,500,000	0.748

LIST OF TOP 30 SHAREHOLDERS

No.	Name	Holdings	%
21	NG MOOI YONG	7,300,000	0.728
22	TIN TIONG YUAN	6,500,000	0.648
23	WOON YEN SIANG	6,320,000	0.630
24	PAMELA PHUA JO LYN	5,500,000	0.548
25	SIM SOO KIANG	5,400,000	0.538
26	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	5,120,000	0.510
27	FIRDAUZ EDMIN BIN MOKHTAR	5,000,000	0.499
28	KOPERASI SENTOSA JAYA KUALA LUMPUR BERHAD	5,000,000	0.499
29	PHUA SIN MO	5,000,000	0.499
30	MOHD NAJIB BIN ABDUL RAHMAN	4,590,000	0.458

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Ninth (9th) Annual General Meeting of Barakah Offshore Petroleum Berhad ("Barakah" or "the Company") will be conducted on a virtual basis through live streaming from the Broadcast Venue at the Boardroom, Ground Floor, No. 3, Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan ("Broadcast Venue") using the Remote Participation and Voting Facilities ("RPV") provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online at https://web.vote2u.my on Wednesday, 22 December 2021 at 2.30 p.m. to transact the following businesses:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 June 2021 together with the Directors' and Auditors' Reports thereon. **(Please refer to Explanatory Note 1)**

2. To re-elect the following Directors who retire by rotation pursuant to Rule 131 of the Company's Constitution:

   (i) En. Azman Shah Bin Mohd Zakaria **Ordinary Resolution 1**

   (ii) En. Rasdee Bin Abdullah **Ordinary Resolution 2**

3. To approve the payment of Directors' fees of RM58,600.00 per month for the Non-Executive Directors, from 23 December 2021 until the next Annual General Meeting of the Company. **Ordinary Resolution 3**

4. To approve the payment of Directors' benefits of up to RM240,000.00 for the Directors, from 23 December 2021 until the next Annual General Meeting of the Company. **Ordinary Resolution 4**

5. To re-appoint Messrs. HLB AAC PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

As Special Business

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:-

6. **CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS**

   (a) "THAT approval be and is hereby given to En. Sulaiman Bin Ibrahim, who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company." **Ordinary Resolution 6**

   (b) "THAT approval be and is hereby given to Pn. Nurhilwani Binti Mohamad Asnawi, who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company." **Ordinary Resolution 7**

7. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

Ordinary Resolution 8

"THAT, subject always to the Sections 75 and 76 of the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this Resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being; AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.

8. To transact any other business for which due notice shall have been given.

BY ORDER OF THE BOARD
NG HENG HOOI (MAICSA 7048492) (PC No. 202008002923)
WONG MEE KIAT (MAICSA 7058813) (PC No. 202008001958)
Company Secretaries

Date: 29 October 2021

Notes:

1. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Members **WILL NOT BE ALLOWED** to attend the AGM in person at the Broadcast Venue on the day of the meeting.

   Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the AGM via the Remote Participation and Voting facilities ("RPV") provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online. Please follow the Procedures for RPV in the Administrative Guide for the AGM.

2. A member entitled to attend and vote at a meeting of the Company may appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. Where a member appoints two (2) proxies to attend at the same meeting, the member shall specify the proportion of the member's shareholdings to be represented by each proxy.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints two (2) or more proxies, the said nominee shall specify the proportion of its shareholdings to be represented by each proxy.

4. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of the appointor's attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

5. The appointment of a proxy may be made by electronic or in a hard copy form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:-

   a) In hard copy

   In the case of an appointment made in hard copy form, the form of proxy must be deposited with the Share Registrar of the Company at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan; or

   b) By electronic form

   The Form of Proxy can be electronically lodged with the Poll Administrator via Vote2U Online at https://web.vote2u.my. Kindly refer to the Administrative Guide for the AGM on the procedures for electronic lodgement of Form of Proxy.

6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 14 December 2021 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.

7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

8. Personal data privacy:

   By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Explanatory Notes:

1. **Audited Financial Statements**

   Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2. **Ordinary Resolution 3 and Ordinary Resolution 4**
   Payment of Directors' fees and benefits

   Pursuant to Section 230(1) of the Companies Act 2016, fees and benefits ("Remuneration") payable to the Directors of the Company will have to be approved by the shareholders at a general meeting. The Company is requesting shareholders' approval for the payment of Remuneration to the Directors for the period commencing from 23 December 2021 up till the next Annual General Meeting of the Company in 2022. The Remuneration comprises fees, meeting allowances and benefits-in-kind payable to the Directors of the Company.

4. Ordinary Resolution 6 and Ordinary Resolution 7
Continuing In Office as Independent Non-Executive Directors

The Nomination and Remuneration Committee has assessed the independence of the Directors namely En. Sulaiman Bin Ibrahim and Pn. Nurhilwani Binti Mohamad Asnawi, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and recommended them to continue act as Independent Non-Executive Directors of the Company based on the following justifications:

- They fulfil the criteria under definition on independent director as stated in the Listing Requirements; and hence, they would be able to provide an element of objectivity, independent judgment and balance to the Board;
- Their experiences in the financial and other relevant sections enable them to provide the Board and Board Committees with pertinent expertise, skills and competence; and
- They have been with the Company for more than nine (9) years and therefore understand the Company's business operations which enable them to contribute actively and effectively during deliberations or discussions at Board and Board Committee meetings.

The Proposed Resolutions 6 and 7, if passed, will enable En. Sulaiman Bin Ibrahim and Pn. Nurhilwani Binti Mohamad Asnawi to continue in office as Independent Non-Executive Directors of the Company. Pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance, the Company would be seeking the shareholders' approval through a two-tier voting process.

5. Ordinary Resolution 8
Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

The Company wishes to renew the mandate on the authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 at the Ninth Annual General Meeting ("AGM") of the Company.

The Company had been granted a general mandate by its shareholders at the 8th AGM of the Company on 22 December 2020 ("Previous Mandate"). As at the date of this Notice, the Company had utilised the Previous Mandate by issuing 167,157,000 new ordinary shares of RM0.0593 each pursuant to a Private Placement Exercise.

The proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to allot and issue not more than 10% of the issued share capital of the Company subject to the approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the best interest of the Company.

The new general mandate will enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

This authorisation will, unless revoked or varied by the Company in a general meeting, expire at the next AGM of the Company.

This page is intentionally left blank.

BARAKAH
OFFSHORE PETROLEUM
BARAKAH OFFSHORE PETROLEUM BERHAD 201201007022 (980542-H)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No. of Authorised Nominee	No. of Shares Held

I/We, ______________________________ IC No./ID No./Company No. ______________________

of ____

being a member of BARAKAH OFFSHORE PETROLEUM BERHAD hereby appoint ______________________

IC No./ID No. ______________________________ of ______________________________

with email address of ____

or failing him/her, ______________________________ IC No./ID No. ______________________

of ____

with email address of ____

or failing him/her, *the Chairman of the Meeting as my/our proxy to vote and act for me/us, and on my/our behalf at the Ninth (9th) Annual General Meeting of the Company conducted on a virtual basis through live streaming from the Broadcast Venue at the Boardroom, Ground Floor, No. 3, Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan ("Broadcast Venue") using the Remote Participation and Voting facilities ("RPV") provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online at https://web.vote2u.my on Wednesday, 22 December 2021 at 2.30 p.m. and at any adjournment thereof.

* *Please delete the words "the Chairman of the Meeting" if you wish to appoint some other person to be your proxy.*

My/our proxy is to vote as indicated below:

Resolutions			
	Ordinary Business	**For**	**Against**
Ordinary Resolution 1	Re-election of Encik Azman Shah Bin Mohd Zakaria as Director		
Ordinary Resolution 2	Re-election of Encik Rasdee Bin Abdullah as Director		
Ordinary Resolution 3	Approval of the payment of Directors' fees of RM58,600.00 per month for the Non- Executive Directors, from 23 December 2021 until the next Annual General Meeting of the Company		
Ordinary Resolution 4	Approval of the payment of Directors' benefits of up to RM240,000.00 for the Directors, from 23 December 2021 until the next Annual General Meeting of the Company		
Ordinary Resolution 5	Re-appointment of Messrs. HLB AAC PLT as Auditors of the Company and to authorise the Directors to fix their remuneration		
	Special Business		
Ordinary Resolution 6	Continuing in Office as Independent Non-Executive Director - En. Sulaiman Bin Ibrahim		
Ordinary Resolution 7	Continuing in Office as Independent Non-Executive Director - Pn. Nurhilwani Binti Mohamad Asnawi		
Ordinary Resolution 8	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		

Please indicate with an "X" in the spaces provided, how you wish your votes to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	Percentage
Proxy 1	%
Proxy 2	%
Total	**100%**

____
Signature/Common Seal

Date: ______________________________

NOTES:

1. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Members **WILL NOT BE ALLOWED** to attend the AGM in person at the Broadcast Venue on the day of the meeting.

   Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the AGM via the Remote Participation and Voting facilities ("RPV") provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online at https://web.vote2u.my. Please follow the Procedures for RPV in the Administrative Guide for the AGM.
2. A member entitled to attend and vote at a meeting of the Company may appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. Where a member appoints two (2) proxies to attend at the same meeting, the member shall specify the proportion of the member's shareholdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints two (2) or more proxies, the said nominee shall specify the proportion of its shareholdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of the appointor's attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
5. The appointment of a proxy may be made by electronic or in a hard copy form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:-

   a) In hard copy

      In the case of an appointment made in hard copy form, the form of proxy must be deposited with the Share Registrar of the Company at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan; or

   b) By electronic form

      The Form of Proxy can be electronically lodged with the Share Registrar of the Company via Poll Administrator via Vote2U Online at https://web.vote2u.my. Kindly refer to the Administrative Guide for the AGM on the procedures for electronic lodgement of Form of Proxy.
6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 14 December 2021 and only Members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.
8. Personal data privacy:

   By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

1st fold here

AFFIX
STAMP

The Share Registrar of

BARAKAH OFFSHORE PETROLEUM BERHAD 201201007022 (980542-H)
C/O Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

2nd fold here

3rd fold here

BARAKAH OFFSHORE PETROLEUM BERHAD
201201007022 (980542-H)

No. 3, Jalan Teknologi, Taman Sains Selangor 1
Kota Damansara PJU 5, 47810 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : 03-6143 0000
Fax : 03-6143 0003

www.barakahpetroleum.com