

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2017**

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statement of Profit Or Loss
For The Quarter And Year-To-Date Ended 30 September 2017

	Note	Quarter Ended			Year-To-Date Ended		
		30.9.2017	30.9.2016	Changes	30.9.2017	30.9.2016	Changes
		RM'000	RM'000 Restated	%	RM'000	RM'000 Restated	%
Revenue	B1	86,714	211,231	(59)	296,633	452,155	(34)
Cost of sales		(124,056)	(177,341)	30	(426,068)	(399,447)	(7)
Gross (loss)/profit		(37,342)	33,890	(210)	(129,435)	52,708	(346)
Other operating income/ (expenses)							
Net gain/(loss) on foreign exchange		4,272	(12,490)	134	17,295	(3,501)	594
Other income	B3	9,464	217	4,261	16,406	704	2,230
Administrative expenses		(5,826)	(2,797)	(108)	(21,280)	(9,619)	(121)
Result from							
Operating activities		(29,432)	18,820	(256)	(117,014)	40,292	(390)
Finance income		69	1,000	(93)	344	1,483	(77)
Finance cost		(5,199)	(7,032)	26	(16,261)	(19,329)	16
(Loss)/ Profit before tax		(34,562)	12,788	(370)	(132,931)	22,446	(692)
Taxation	B6	4,341	(147)	3,053	4,121	(5,176)	180
(Loss)/ Profit for the period		(30,221)	12,641	(339)	(128,810)	17,270	(846)
(Loss)/Profit attributable to:							
Owner of the Company		(30,221)	12,641	(339)	(128,810)	17,270	(846)

	Note	Quarter Ended		Year-To-Date Ended	
		30.9.2017	30.9.2016	30.9.2017	30.9.2016
		Sen per share	Sen per share	Sen per share	Sen per share
(Loss)/ Earnings Per Share attributable to owners of the Company					
Basic EPS	B13	(6.00)	2.51	(25.56)	3.43

The above Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statement of Financial Position
As at 30 September 2017

	Note	As At 30.9.2017 RM'000	As At 31.12.2016 RM'000 (Audited)
Assets			
Property, plant and equipment	A9	810,909	707,244
Intangible asset		676	4,776
Trade and other receivables		2,365	3,027
Non-current assets		813,950	715,047
Trade and other receivables		43,293	226,123
Short term deposits		-	189,474
Cash, bank balances and deposits		21,742	25,334
Current assets		65,035	440,931
Total assets		878,985	1,155,978
Equity and liabilities			
Share capital	A6	169,100	126,000
Share premium		-	43,100
(Accumulated loss)/Retained earnings		(24,109)	104,701
Total equity		144,991	273,801
Loans and borrowings	B8	366,757	301,487
Deferred tax liabilities		9,537	9,422
Non-current liabilities		376,294	310,909
Trade and other payables		290,268	175,715
Loans and borrowings	B8	67,150	384,663
Tax payable		282	10,890
Current liabilities		357,700	571,268
Total liabilities		733,994	882,177
Total equity and liabilities		878,985	1,155,978
		RM	RM
Net assets per share attributable to owners of the Company		0.29	0.54

The above Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)
Unaudited Condensed Consolidated Statement of Changes in Equity
For The Year-To-Date Ended 30 September 2017

	<-----Attributable to owners of the Company----->			<-----Non-distributable----->	
	Number of shares '000	Share capital RM'000	Share premium RM'000	Distributable Retained earnings/ (Accumulated losses) RM'000	Total RM'000
At 1 January 2017	504,000	126,000	43,100	104,701	273,801
Adjustments for effects of Companies Act 2016 (Note a)	-	43,100	(43,100)	-	-
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(128,810)	(128,810)
At 30 September 2017	504,000	169,100	-	(24,109)	144,991
At 1 January 2016 (Note A14)	504,000	126,000	43,100	100,962	270,062
Profit for the financial period, representing total comprehensive income for the financial period					
As reported	-	-	-	30,492	30,492
Prior year adjustment (Note A14)	-	-	-	(13,222)	(13,222)
As restated	-	-	-	17,270	17,270
Dividend	-	-	-	(5,040)	(5,040)
At 30 September 2016	-	126,000	43,100	113,192	282,292

Note a

With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM43,100,000 has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statement of Cash Flows
For The Year-To-Date Ended 30 September 2017

	Year-To-Date Ended	
	30.9.2017	30.9.2016
	RM'000	RM'000
		Restated
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(132,931)	22,446
Adjustments for:		
Finance income	(344)	(1,483)
Finance costs	16,261	19,329
Depreciation of property, plant and equipment	46,447	43,445
Amortisation of intangible asset	4,100	-
Unrealised foreign exchange (gain)/loss	(17,295)	3,501
Operating (loss)/profit before changes in working capital	(83,762)	87,238
Changes in working capital:		
Receivables	183,493	(44,427)
Payables	131,969	85,397
Cash flows generated from operations	231,700	128,208
Interest received	344	1,483
Interest paid	(16,261)	(19,329)
Income tax paid	(5,145)	(3,154)
Net cash generated from operating activities	210,638	107,208
Cash Flows From Investing Activities		
Additions to property, plant and equipment	(150,113)	(107,516)
Decrease/(increase) in fixed and security deposits	189,474	(73,320)
Net cash generated from/(used in) investing activities	39,361	(180,836)
Cash Flows From Financing Activities		
Dividend paid to shareholders	-	(5,040)
Bank borrowings		
- Proceeds (Loan/Financing/Lease)	102,864	115,499
- Repayment (Loan/Financing/Lease)	(355,107)	(49,045)
Net cash (used in)/generated from financing activities	(252,243)	61,414
Net decrease in cash and cash equivalents	(2,244)	(12,214)
Cash And Cash Equivalents At Beginning Of Period	10,148	20,127
Cash And Cash Equivalents At End Of Period (Note (I))	7,904	7,913

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statement of Cash Flows
For the Period Ended 30 September 2017 (Continued)

(i) Cash and cash equivalents

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

	Year-To-Date Ended	
	30.9.2017	30.9.2016
	RM'000	RM'000
		Restated
Cash and bank balances	13,008	7,913
Short term deposits	-	135,254
Fixed and security deposits with licensed banks	8,734	3,950
	21,742	147,117
Less: Bank overdrafts (Note B8)	(5,104)	-
	16,638	147,117
Less : Short term deposits	-	(135,254)
Less: Fixed and security deposits pledged	(8,734)	(3,950)
	7,904	7,913

The above unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

PART A : NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

A1 BASIS OF PREPARATION

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

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2016.

Standards, amendments to published standards and interpretations that are effective

The Group has applied the following amendments for the financial year beginning on 1 January 2017:

- Amendments to MFRS 12 'Disclosure of Interest in Other Entities'.
- Amendments to MFRS 107 'Statement of Cash Flows – Disclosure Initiative'.
- Amendments to MFRS 112 'Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses'.

The adoption of these amendments has required additional disclosures. Other than that, the adoption of these amendments did not have any material impact on the financial statements for the current financial period.

Standards that have been issued but not yet effective

The Group has yet to adopt these new standards.

- MFRS 1 'Amendments to MFRS 1' (Annual improvements to MFRS standards 2014-2016 cycle) (effective from 1 January 2018).
- MFRS 2 'Classification and Measurement of Share-based Payment Transactions' (Amendments to MFRS 2) (effective from 1 January 2018).
- MFRS 9 'Financial Instruments' (effective from 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement".
- MFRS 15 'Revenue from contracts with customers' and 'Clarifications to MFRS 15' (effective from 1 January 2018).
- Amendments to MFRS 128 'Investment in Associates and Joint Ventures' (effective from 1 January 2018).
- MFRS 16 'Leases' (effective from 1 January 2019).

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

PART A : NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017 (CONTINUED)

A1 BASIS OF PREPARATION (CONTINUED)

Standards that have been issued but not yet effective (continued)

The effects of the above new standards and amendments to standards are currently being assessed by the Directors.

A2 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the annual financial statements for the financial year ended 31 December 2016 was unqualified.

A3 SEASONALITY OR CYCLICALITY OF OPERATIONS

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

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

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

A5 CHANGE IN ACCOUNTING ESTIMATES

The effect of change in the estimates of amounts reported in prior financial years that has a material effect in the current quarter under review is disclosed in Note A14.

A6 DEBT AND EQUITY SECURITIES

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

A7 DIVIDENDS

There was no dividend paid during the quarter.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

PART A : NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017 (CONTINUED)

A8 SEGMENT REPORTING

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

(i) Marine transport and FSO

Our product tankers are used to transport refined petroleum products, known as Clean Petroleum Products, from oil refineries to end-users or to another refinery for further processing.

FSU/FSOs are typically used to support production platforms as an offshore Oil & Gas storage facility at brown fields; and Liquid Petroleum Gas ("LPG") tankers are used to transport liquefied gases including propane, butane and other gases.

Offshore Supply Vessels, namely fast crew boats, are primarily used to transport personnel/light cargoes between shore and platform, platform and platform or other offshore facilities.

(ii) Port Marine Services

The port marine services that we provide at the ports include towage services comprising towing, pushing or manoeuvring vessels.

(iii) Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC")

Marine Engineering services are divided into 2 segments i.e. provision of marine engineering solutions and shipbuilding & ship repair activities. Marine engineering solutions encompass provision of marine engineering solution and EPCIC activities.

(iv) Others

Other operating segments involve activities of mooring services activities to secure vessels to floating structures and fixtures at the wharf.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

PART A : NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017 (CONTINUED)

A8 SEGMENT REPORTING (CONTINUED)

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

Revenue

	Quarter Ended		Year-To-Date	
	30.9.2017 RM'000	30.9.2016 RM'000 Restated	30.9.2017 RM'000	30.9.2016 RM'000 Restated
Marine transport and FSO	43,893	36,554	104,239	107,272
Port marine services	11,980	19,954	50,577	50,288
EPCIC	30,411	154,343	140,626	293,433
Others	430	380	1,191	1,162
	86,714	211,231	296,633	452,155

EBITDA

	Quarter Ended		Year-To-Date	
	30.9.2017 RM'000	30.9.2016 RM'000 Restated	30.9.2017 RM'000	30.9.2016 RM'000 Restated
Marine transport and FSO	32,264	17,380	58,219	58,054
Port marine services	1,899	9,563	32,067	29,919
EPCIC	(46,656)	(4,101)	(157,101)	3,602
Others	218	(7)	348	162
	(12,275)	22,835	(66,467)	83,737

A9 VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter.

A10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of current financial quarter and financial period-to-date that have not been reflected in this interim financial report.

A11 CHANGES IN THE COMPOSITION OF THE GROUP

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

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

PART A : NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017 (CONTINUED)

A12 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

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

A13 CAPITAL COMMITMENTS

Capital expenditures not provided for in the interim financial report as at 30 September 2017 are as follows:

	RM'000
Approved but not contracted	7,539
	<u>7,539</u>
Analysed as follows:	
Shipyard under construction	7,539
	<u>7,539</u>

A14 PRIOR YEAR ADJUSTMENTS

During the financial period, the Group has made prior year adjustments in relation to the following:

- a) The effects of prior year adjustments made in relation to the financial year ended 31 December 2015;
- b) Over-recognition of revenue from construction contract due to understatement of estimated total budgeted costs used to calculate percentage of completion; and
- c) The effect of unrealised foreign exchange losses on Amount Due from Customer Contract recognised at reporting date using closing rate.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

PART A : NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017 (CONTINUED)

A14 PRIOR YEAR ADJUSTMENTS (CONTINUED)

	As previously stated 30.9.2016 RM'000	Note (a) RM'000	Note (b) RM'000	Note (c) RM'000	As restated 30.9.2016 RM'000
At 30 September 2016					
Unaudited Condensed Consolidated Statement of Profit Or Loss					
Revenue	456,058	-	(3,903)	-	452,155
Net gain/ (loss) on foreign Exchange	5,818	-	-	(9,319)	(3,501)
Unaudited Consolidated Statement of Cash Flows					
Profit before tax	35,668	-	(3,903)	(9,319)	22,446
Unrealised foreign exchange (gain)/ loss	(5,818)	-	-	9,319	3,501
Changes in receivables	(48,330)	-	3,903	-	(44,427)
Unaudited Consolidated Statement of Changes in Equity					
Retained earnings as at 1 January 2016	127,167	(26,205)	-	-	100,962
Retained earnings as at 30 September 2016	152,619	(26,205)	(3,903)	(9,319)	113,192

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING
REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

B1 OPERATING REVENUE

REVIEW OF THE PERFORMANCE OF THE GROUP

Review of performance for the cumulative quarter 9 months ended 30 September 2017

	Year-To-Date Ended		Changes %
	30.9.2017 RM'000	30.9.2016 RM'000 Restated	
Revenue	296,633	452,155	(34)
Gross (loss)/ profit	(129,435)	52,708	(346)
(Loss)/ Profit before tax	(132,931)	22,446	(692)
(Loss)/ Profit for the financial period	(128,810)	17,270	(846)

The Group recorded a revenue of RM296.63 million for the nine months period ended 30 September 2017 as compared to RM452.16 million in previous year's corresponding period, a decrease of 34.4%. The reduction was mainly due to lower contribution from EPCIC as the project is nearing completion.

The Group posted a loss before tax of RM132.93 million for the cumulative quarter, as compared to profit before tax of RM22.45 million in the previous year's corresponding period. The loss was mainly due to higher EPCIC costs and administrative expenses in the cumulative quarter.

The higher cost of EPCIC was mainly due to additional request for work from the client, of which we will pursue for its recovery in future quarters. The increase in administrative expenses was due to discount on receivables and amortization of intangible asset for the acquisition of Libra Perfex Precision Sdn Bhd.

Included in the loss before tax, the Group has provided for a foreseeable loss of RM121.95 million due to increased EPCIC project costs against its contract sum recognized to date.

The Group had also recorded net gain on foreign exchange of RM17.30 million for the current cumulative quarter ended 30 September 2017.

E.A. TECHNIQUE (M) BERHAD

(Incorporated in Malaysia)

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017 (CONTINUED)

B1 OPERATING REVENUE (CONTINUED)

Review of performance for the current quarter 3 months ended 30 September 2017

	Quarter Ended		Changes
	30.9.2017	30.9.2016	
	RM'000	RM'000	%
		Restated	
Revenue	86,714	211,231	(59)
Gross (loss)/ profit	(37,342)	33,890	(210)
(Loss)/ Profit before tax	(34,562)	12,788	(370)
(Loss)/ Profit for the financial period	(30,221)	12,641	(339)

The Group recorded a revenue of RM86.71 million for the current quarter ended 30 September 2017, a decrease of 58.9% as compared to the previous year's corresponding quarter of RM211.23 million. The reduction was mainly due to lower revenue from EPCIC of RM30.41 million current quarter compared to previous year's corresponding year of RM138.33 million.

The Group posted a loss before tax of RM34.56 million for the current quarter as compared to profit before tax of RM12.79 million for the previous year's corresponding quarter. The loss was due to the provision of foreseeable loss of RM43.46 million under the EPCIC project.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS

	Quarter Ended		Changes
	30.9.2017	30.6.2017	
	RM'000	RM'000	%
		Restated	
Revenue	86,714	113,400	(24)
Gross loss	(37,342)	(37,009)	(1)
Loss before tax	(34,562)	(36,609)	6
Loss for the financial period	(30,221)	(36,715)	18

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING
REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
(CONTINUED)**

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS (CONTINUED)

Revenue in the current quarter recorded at RM86.71 million, 23.5% lower compared to immediate preceding quarter of RM113.40 million, resulted from lower revenue derived from EPCIC project.

The Group recorded a loss before tax of RM34.56 million for the current quarter as compared to loss before tax of RM36.61 million in the immediate preceding Quarter 2 2017 resulted from higher profit contributed by Marine Transport and Port Marine segment.

B3. OTHER INCOME

	Quarter Ended			Year-To-Date Ended		
	30.9.2017 RM'000	30.9.2016 RM'000 Restated	Changes %	30.9.2017 RM'000	30.9.2016 RM'000 Restated	Changes %
Insurance claim	6,714	-	100	12,760	-	100
Other Income	2,750	217	1,167	3,646	704	418
Total other income	9,464	217	4,261	16,406	704	2,230

B4. CURRENT YEAR PROSPECTS

The Group has successfully delivered one (1) unit of chemical tanker and one (1) unit of oil tanker to clients in Q4 2017. Further to this, the Group will also be earning the charter income for FSU Nautica Muar under its agreement with Vestigo Petroleum Sdn Bhd (VPSB) by Q4 2017.

As at 30 September 2017, the Group's orderbook was approximately RM609.13 million with additional RM329.28 million for extension period.

The Group has long term contracts for its marine vessels to provide a stable and recurring revenue stream. The Group remains focused to ensure a consistent high utilization rate to maximize earning.

The overall performance of the Group is negatively impacted by the performance of the EPCIC project which recorded loss of RM157 million before interest, taxation, depreciation and amortisation. The Group has submitted a proposal on contractual costs settlement for the EPCIC project of USD65.07 million in November 2017 and expecting favorable result from the proposal.

The Group remains optimistic on its operating performance from the respective business segment Marine Transport, FSO and Port Marine Services in view of the deployment of FSU Nautica Muar, the chemical tanker and oil tanker in Q4 2017.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING
REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
(CONTINUED)**

B5. PROFIT FORECAST / GUARANTEE

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

B6. TAXATION

	Quarter Ended			Year-To-Date Ended		
	30.9.2017 RM'000	30.9.2016 RM'000 Restated	Changes %	30.9.2017 RM'000	30.9.2016 RM'000 Restated	Changes %
Income Tax						
Current taxation	(106)	(110)	4	(326)	(3,882)	92
Over provision of tax in prior year	4,447	-	100	4,447	-	100
Deferred tax :						
Temporary differences	-	(37)	(100)	-	(1,294)	(100)
Total taxation	4,341	(147)	3,053	4,121	(5,176)	180

There were tax credit recorded during the period resulted from tax over provision from year of assessment 2003 until 2010. The Group's effective tax rates for the 9 months ended 30 September 2017 was lower than the Malaysian Statutory tax rate. This was due to the utilisation of tax losses against the taxable income and also exempt income for certain segments which are not taxable.

B7. STATUS OF CORPORATE PROPOSALS

On 22 November 2016, the Group entered into a conditional Sale and Purchase Agreement ("SPA") with MTC Engineering Sdn. Bhd. ("MTCE") in relation to the proposed acquisition of topside equipment currently attached to EAT's vessel known as FSU Nautica Muar, comprising amongst others, extended well test system, flare tower system, metering skid, cargo pump, quick release hook and helideck (collectively known as the "Topside Equipment") for a total purchase consideration of USD24.0 million.

The Circular prepared by the due diligence working group ("DDWG") for the Proposed Acquisition had been duly approved on 25 January 2017 by Bursa Malaysia. Our independent advisor, Mercury Securities Sdn Bhd had submitted the Independent Advice Letter (IAL) to Bursa Malaysia for approval for the IAL to be issued to the non-interested shareholders of E.A.Technique (M) Berhad ("EAT") in respect of the Proposed Acquisition. The IAL was duly approved by Bursa Malaysia on 14 February 2017.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING
REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
(CONTINUED)**

B7. STATUS OF CORPORATE PROPOSALS (CONTINUED)

The Group has received approval from the Shareholders on the Acquisition of the Topside Equipment from MTCE in its Extraordinary General Meeting which was held on 20 March 2017 at Puteri Pacific Hotel, Johor Bahru.

All conditions precedents to the SPA have been met by all parties. The disbursements to the respective parties have been completed on 23 June 2017.

The acquisition has been duly completed and an announcement was made on 1 August 2017. The Novation of Revised Contract between MTCE, EAT and Vestigo Petroleum Sdn Bhd ("VPSB") was entered on 11 April 2017. Pursuant to the Novation of Revised Contract, the Company will lease the FSU with the Topside Equipment directly to VPSB.

B8. LOANS AND BORROWINGS

Details of the Group's borrowings are as follows:

Secured		As at 30.9.2017					
		Long Term		Short Term		Total Borrowings	
		Denomination (RM'000)					
		Foreign	RM	Foreign	RM	Foreign	RM
Islamic financing	Term						
	Loans	145,852	42,676	24,538	11,168	170,390	53,844
	Revolving Credits	8,455	-	-	-	8,455	-
	Bank Overdraft	-	-	-	5,104	-	5,104
Conventional financing	Term						
	Loans		161,138	-	26,121	-	187,259
	Revolving Credits		8,400	-	-	-	8,400
	Finance lease liabilities		236	-	219	-	455
		154,307	212,450	24,538	42,612	178,845	255,062

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING
REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
(CONTINUED)**

B8. LOANS AND BORROWINGS (CONTINUED)

Note :

Foreign domination refers to borrowing in USD currency with a foreign exchange of USD/RM:4.2275.

Secured	As at 31.12.2016					
	Long Term		Short Term		Total Borrowings	
	Denomination (RM'000)					
	Foreign	RM	Foreign	RM	Foreign	RM
Islamic financing						
Term						
Loans	101,626	23,861	145,678	185,261	247,304	209,122
Bank						
Overdraft	-	-	-	5,344	-	5,344
Conventional financing						
Term						
Loans	-	175,673	-	41,792	-	217,465
Revolving						
Credits	-	-	-	6,400	-	6,400
Finance lease liabilities						
	-	327	-	188	-	515
	101,626	199,861	145,678	238,985	247,304	438,846

Note :

Foreign domination refers to borrowing in USD currency with a foreign exchange of USD/RM4.1455.

B9. FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

The Group does not have any derivative financial instruments for the period ended 30 September 2017.

E.A. TECHNIQUE (M) BERHAD
(Incorporated in Malaysia)

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING
 REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
 (CONTINUED)**

B10. CONTINGENT LIABILITY

The Group has not provided for any 'liquidated ascertained damages' of a project in the current quarter as the likelihood is still uncertain as at to-date.

B11. MATERIAL LITIGATIONS

There was none.

B12. DIVIDEND PAYABLE

There was no dividend payment proposed during the quarter.

B13. (LOSS)/ EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic (loss)/ earnings per share

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

	Year-To-Date Ended	
	30.09.2017	30.09.2016 Restated
(Loss)/profit for the financial period attributable to equity holders of the Company (RM'000)	(128,810)	17,270
Weighted average number of ordinary shares in issue ('000)	504,000	504,000
Basic (loss)/ earnings per share (sen)	(25.56)	3.43

E.A. TECHNIQUE (M) BERHAD
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**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING
REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
(CONTINUED)**

**B13. SUPPLEMENTARY INFORMATION DISCLOSED PURSUANT TO BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS**

The following analysis of realised and unrealised retained profits/ (accumulated losses) is prepared pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Securities Berhad Listing Requirements and in accordance with the Guidance on Special Matter No.1 – Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad.

	As at 30.9.2017 RM'000	As at 31.12.2016 RM'000
Total retained profits of the Company and its subsidiaries		
Realised gains	130,295	175,052
Unrealised loss	(154,404)	(70,351)
	(24,109)	104,701
Total group retained earnings as per Consolidated Statement of Changes in Equity	(24,109)	104,701