E.A. TECHNIQUE (M) BERHAD (256516-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2017

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

Audited Condensed Consolidated Statement of Profit or Loss
For The Quarter And Year-To-Date Ended 31 December 2017

		Quarter Ended			Year-To-Date Ended		
	Note	31.12.2017	31.12.2016	Changes	31.12.2017	31.12.2016	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	B1	70,337	139,508	(50)	366,970	591,663	(38)
Cost of sales		(66,233)	(92,659)	29	(492,301)	(492,106)	(0)
Gross profit/(loss)		4,104	46,849	(91)	(125,331)	99,557	(226)
Other operating income/ (expenses) :							
- Net gain/(loss) on foreign exchange		12,214	(32,952)	137	29,509	(36,453)	181
- Other income	B3	137	1,148	(88)	16,544	1,852	793
- Administrative expenses		(10,651)	(19,255)	44	(31,931)	(28,874)	(11)
Result from Operating activities		5,804	(4,210)	238	(111,209)	36,082	(408)
Finance income		164	1,372	(88)	508	2,855	(82)
Finance cost		(4,940)	1,933	356	(21,201)	(17,396)	(22)
Profit/(Loss) before tax		1,028	(905)	214	(131,902)	21,541	(712)
Taxation	B6	6,633	(7,586)	187	10,754	(12,762)	184
Profit/(Loss) for the period		7,661	(8,491)	190	(121,148)	8,779	(1,480)
Profit/(Loss) attributable to:							
Owner of the Company		7,661	(8,491)	190	(121,148)	8,779	(1,480)

		Quarter Ended		Year-To-Date Ended	
		31.12.2017	31.12.2016	31.12.017	31.12.2016
	Note	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	1.52	(1.68)	(24.04)	1.74

The above Audited Condensed Consolidated Statement of Profit or Loss 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)

Audited Condensed Consolidated Statement of Financial Position
As at 31 December 2017

	Note	As At 31.12.2017 RM'000	As At 31.12.2016 RM'000 (Audited)
Assets			
Property, plant and equipment	A9	807,582	707,244
Intangible asset		-	4,776
Trade and other receivables		2,106	3,027
Non-current assets		809,688	715,047
Trade and other receivables		64,392	226,123
Tax recoverable		5,837	-
Short term deposits		-	189,474
Cash, bank balances and deposits		20,675	25,334
Current assets		90,904	440,931
Total assets		900,592	1,155,978
Equity and liabilities			
Share capital	A6	169,100	126,000
Share premium		-	43,100
(Accumulated loss)/Retained earnings		(16,447)	104,701
Total equity		152,653	273,801
Loans and borrowings	B8	293,922	301,487
Deferred tax liabilities		2,168	9,422
Non-current liabilities		296,090	310,909
Trade and other payables		328,617	175,715
Loans and borrowings	B8	121,290	384,663
Tax payable		1,942	10,890
Current liabilities		451,849	571,268
Total liabilities		747,939	882,177
Total equity and liabilities		900,592	1,155,978
		RM	**RM**
Net assets per share attributable to owners of the Company		0.30	0.54

The above Audited 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)
Audited Condensed Consolidated Statement of Changes in Equity
For The Year-To-Date Ended 31 December 2017

	Attributable to owners of the Company				
	Non-distributable			Distributable	
	Number of shares '000	Share capital RM'000	Share premium RM'000	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	-	-	-	(121,148)	(121,148)
At 31 December 2017	504,000	169,100	-	(16,447)	152,653
At 1 January 2016	504,000	126,000	43,100	100,962	270,062
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	8,779	8,779
Dividend	-	-	-	(5,040)	(5,040)
At 31 December 2016	504,000	126,000	43,100	104,701	273,801

Note a

With the Companies Act 2016 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 Companies Act 2016, the Group may exercise its right to use the credit amounts being transferred from share premium within 24 months after the commencement of the Companies Act 2016. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as result thereof.

The above Audited 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)

Audited Condensed Consolidated Statement of Cash Flows
For The Year-To-Date Ended 31 December 2017

	Year-To-Date Ended	
	31.12.2017	**31.12.2016**
	RM'000	**RM'000**
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(131,902)	21,541
Adjustments for:		
Finance income	(508)	(2,855)
Finance costs	21,201	17,396
Depreciation and impairment of property, plant and equipment	59,617	55,563
Impairment	3,145	-
Loss on disposal of property, plant and equipment	-	3,078
Allowance for impairment losses on trade receivables	2,764	5,133
Reversal of impairment loss/(gain) on trade receivables	(24)	(4)
Amortisation of intangible asset	4,775	555
Unrealised foreign exchange (gain)/loss	(27,972)	38,155
Operating (loss)/profit before changes in working capital	(68,904)	138,562
Changes in working capital:		
Receivables	155,220	(35,291)
Payables	168,504	79,673
Cash flows generated from operations	254,820	182,944
Interest received	965	1,769
Interest paid	(20,615)	(17,396)
Income tax paid	(11,719)	(10,407)
Net cash generated from operating activities	**223,451**	**156,910**
Cash Flows From Investing Activities		
Additions to property, plant and equipment	(163,005)	(123,564)
Decrease/(increase) in fixed and security deposits	192,090	(125,861)
Acquisition of a subsidiary	-	(900)
Proceeds from disposal of property, plant and equipment	-	4,485
Net cash generated from/(used in) investing activities	**29,085**	**(245,840)**
Cash Flows From Financing Activities		
Dividend paid to shareholders	-	(5,040)
Bank borrowings		
- Proceeds (Loan/Financing/Lease)	98,417	148,811
- Repayment (Loan/Financing/Lease)	(353,353)	(64,819)
Net cash (used in)/generated from financing activities	**(254,936)**	**78,952**
Net decrease in cash and cash equivalents	**(2,400)**	**(9,978)**
Cash And Cash Equivalents At Beginning Of Period	**10,149**	**20,127**
Cash And Cash Equivalents At End Of Period (Note (I))	**7,749**	**10,149**

E.A. TECHNIQUE (M) BERHAD

(Incorporated in Malaysia)

Audited Condensed Consolidated Statement of Cash Flows
For the Period Ended 31 December 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	
	31.12.2017	**31.12.2016**
	RM'000	**RM'000**
Cash and bank balances	13,450	15,493
Short term deposits	-	189,474
Fixed and security deposits with licensed banks	7,225	9,841
	20,675	**214,808**
Less: Bank overdrafts (Note B8)	(5,701)	(5,344)
	14,974	209,464
Less : Short term deposits	-	(189,474)
Less: Fixed and security deposits pledged	(7,225)	(9,841)
	7,749	**10,149**

The above Audited 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 FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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 FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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 except for the Group has provided for a foreseeable loss of RM129.73 million due to increased EPCIC project cost against its contract sum recognised to date.

A5 CHANGE IN ACCOUNTING ESTIMATES

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

A6 DEBT AND EQUITY SECURITIES

There were no cancellation, resale and prepayment of debt and equity securities during the current quarter other than 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 FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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 FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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	
	31.12.2017 RM'000	**31.12.2016 RM'000**	**31.12.2017 RM'000**	**31.12.2016 RM'000**
Marine transport and FSO	30,158	29,970	134,397	137,242
Port marine services	37,121	21,414	87,698	71,702
EPCIC	2,669	87,740	143,295	381,173
Others	389	384	1,580	1,546
	70,337	139,508	366,970	591,663

EBITDA

	Quarter Ended		Year-To-Date	
	31.12.2017 RM'000	**31.12.2016 RM'000**	**31.12.2017 RM'000**	**31.12.2016 RM'000**
Marine transport and FSO	38,626	8,253	96,845	62,307
Port marine services	1,436	5,080	33,503	30,999
EPCIC	(17,347)	(4,924)	(174,448)	(1,322)
Others	80	54	428	216
	22,795	8,463	(43,672)	92,200

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 FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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 31 December 2017 are as follows:

	RM'000
Approved but not contracted	7,539

Analysed as follows:

Shipyard under construction	7,539

E.A. TECHNIQUE (M) BERHAD

(Incorporated in Malaysia)

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2017

B1 OPERATING REVENUE

REVIEW OF THE PERFORMANCE OF THE GROUP

Review of performance for the cumulative quarter 12 months ended 31 December 2017

	Year-To-Date Ended		
	31.12.2017	**31.12.2016**	**Changes**
	RM'000	**RM'000**	**%**
Revenue	366,970	591,663	(38)
Gross (loss)/ profit	(125,331)	99,557	(226)
(Loss)/ Profit before tax	(131,902)	21,541	(712)
(Loss)/ Profit for the financial year	(121,148)	8,779	(1,480)

The Group recorded a revenue of RM366.97 million for the twelve months period ended 31 December 2017 as compared to RM591.66 million in previous year, a decrease of 37.9%. The reduction was mainly due to lower contribution from EPCIC as the project is nearing completion.

The Group posted a loss before tax of RM131.90 million for the twelve months period, as compared to profit before tax of RM21.54 million in the previous year. 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 next year. Higher administrative expenses were due to inclusion of discount on receivables, impairment of assets 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 RM129.73 million due to increased EPCIC project costs against its contract sum recognized to date.

The Marine transport services contributed higher revenue due to new charter hire fee derived from FSU Nautica Muar effective from 14 October 2017.

The Group had also recorded net gain on foreign exchange of RM29.51 million for the cumulative quarter ended 31 December 2017.

E.A. TECHNIQUE (M) BERHAD

(Incorporated in Malaysia)

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)

B1 OPERATING REVENUE (CONTINUED)

Review of performance for the current quarter 3 months ended 31 December 2017

	Quarter Ended		
	31.12.2017	**31.12.2016**	**Changes**
	RM'000	**RM'000**	**%**
Revenue	70,337	139,508	(50)
Gross profit	4,104	46,849	(91)
Profit/(Loss) before tax	1,028	(905)	214
Profit/(Loss) for the financial period	7,661	(8,491)	190

The Group recorded a revenue of RM70.34 million for the current quarter ended 31 December 2017, a decrease of 49.6% as compared to the previous year corresponding quarter of RM139.51 million. The reduction was mainly due to lower revenue from EPCIC of RM2.41 million current quarter compared to previous year corresponding quarter of RM83.89 million.

The Group posted a profit before tax of RM1.03 million for the current quarter as compared to loss before tax of RM0.91 million for the previous year corresponding quarter. The profit was due to the net gain on foreign exchange of RM12.21 million resulted from weakening of US dollar.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS

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

	Quarter Ended		
	31.12.2017	**30.09.2017**	**Changes**
	RM'000	**RM'000**	**%**
Revenue	70,337	86,714	(19)
Gross profit/(loss)	4,104	(37,342)	111
Profit/(Loss) before tax	1,028	(34,562)	103
Profit/(Loss) for the financial period	7,661	(30,221)	125

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

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS (CONTINUED)

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

Revenue in the current quarter recorded at RM70.33 million, 18.9% lower compared to immediate preceding quarter of RM86.71 million, resulted from lower revenue derived from EPCIC project.

The Group recorded a profit before tax of RM1.03 million for the current quarter as compared to loss before tax of RM34.56 million in the immediate preceding quarter 2017 resulted from higher profit contributed by Marine Transport and Port Marine segment.

B3. OTHER INCOME

	Quarter Ended			Year-To-Date Ended		
	31.12.2017 RM'000	31.12.2016 RM'000	Changes %	31.12.2017 RM'000	31.12.2016 RM'000	Changes %
Insurance claim	-	1,140	(100)	12,760	1,140	1,019
Other Income	137	8	1,612	3,784	712	431
Total other income	137	1,148	(88)	16,544	1,852	793

B4. COMMENTARY OF PROSPECTS

The Group has successfully delivered one (1) unit of chemical tanker, one (1) unit of oil tanker and one (1) FSU Nautica Muar in fourth quarter 2017. FSU Nautica Muar has secured long term contract under its agreement with Vestigo Petroleum Sdn Bhd (VPSB) effective from 14 October 2017.

As at 31 December 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 a foreseeable loss of RM129.73 million. The Group has submitted two letters of proposal on contractual costs settlement for the EPCIC project in November 2017 and January 2018 and expecting favorable result from the proposals.

The Group remains optimistic on its operating performance from the full year 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 2018.

E.A. TECHNIQUE (M) BERHAD
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PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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		
	31.12.2017 RM'000	**31.12.2016 RM'000**	**Changes %**	**31.12.2017 RM'000**	**31.12.2016 RM'000**	**Changes %**
Income Tax						
Current taxation	(1,165)	(5,095)	77	(1,491)	(8,977)	83
Over provision of tax in prior year	544	1,405	(61)	4,991	1,405	255
Deferred tax :						
Temporary differences	7,254	(3,896)	286	7,254	(5,190)	240
Total taxation	6,633	(7,586)	187	10,754	(12,762)	184

There was 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 12 months ended 31 December 2017 was lower than the Malaysian Statutory tax rate.

The unused tax losses and unabsorbed capital allowances are available for offsetting against future taxable profits of the Group and the Company, subject to approval from the tax authority.

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

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)

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 Proposed Acquisition").

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. The Group's 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.

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.

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 Proposed 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 Nautica Muar with the Topside Equipment directly to VPSB.

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

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)

B8. LOANS AND BORROWINGS

Details of the Group's borrowings are as follows:

	As at 31.12.2017					
	Long Term		Short Term		Total Borrowings	
	Denomination (RM'000)					
Secured	Foreign	RM	Foreign	RM	Foreign	RM
Islamic financing						
Term Loans	115,560	35,079	48,580	14,714	164,140	49,793
Revolving Credits		-	7,960	-	7,960	-
Bank Overdraft	-	-	-	5,701	-	5,701
Conventional financing						
Term Loans	-	143,074	-	35,738	-	178,812
Revolving Credits	-	-	-	8,400	-	8,400
Finance lease liabilities	-	209	-	197	-	406
	115,560	178,362	56,540	64,750	172,100	243,112

Note :
Foreign domination refers to borrowing in USD currency with a foreign exchange of USD/RM:4.0573.

	As at 31.12.2016					
	Long Term		Short Term		Total Borrowings	
	Denomination (RM'000)					
Secured	Foreign	RM	Foreign	RM	Foreign	RM
Islamic financing						
Term Loans	76,546	48,941	316,436	14,503	392,982	63,444
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
	76,546	224,941	316,436	68,227	392,982	293,168

Note :
Foreign domination refers to borrowing in USD currency with a foreign exchange of USD/RM4.4860.

E.A. TECHNIQUE (M) BERHAD

(Incorporated in Malaysia)

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)

B9. FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

The Group does not have any derivative financial instruments for the period ended 31 December 2017.

B10. MATERIAL LITIGATIONS

There is no material litigation during the period under review.

B11. DIVIDEND PAYABLE

There was no dividend payment proposed during the quarter.

B12. (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	
	31.12.2017	**31.12.2016**
(Loss)/Profit for the financial period attributable to equity holders of the Company (RM'000)	(121,148)	8,779
Weighted average number of ordinary shares in issue ('000)	504,000	504,000
Basic (loss)/ earnings per share (sen)	(24.04)	1.74

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PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FOURTH QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 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 31.12.2017 RM'000	**As at 31.12.2016 RM'000**
Total retained profits of the Company and its subsidiaries		
Realised gain	21,248	175,052
Unrealised loss	(37,695)	(70,351)
	(16,447)	104,701
Total group retained earnings as per Consolidated Statement of Changes in Equity	(16,447)	104,701

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

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