

**THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) did not peruse this Circular/Statement prior to its issuance as they are exempt documents pursuant to Practice Note 18 of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Bursa Securities takes no responsibility for the contents of this Circular/Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular/Statement.

Shareholders should rely on their own evaluation to access the merits and risks of the proposals as set out herein.



**PETRA ENERGY BHD.**

[Registration No. 200501036241 (718388-H)]  
(Incorporated in Malaysia)

**CIRCULAR/STATEMENT TO SHAREHOLDERS**

in relation to the

**PART A**

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE FOR RECURRENT  
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**  
(Resolution 9)

**PART B**

**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS  
OWN SHARES**  
(Resolution 10)

**(COLLECTIVELY KNOWN AS “THE PROPOSALS”)**

The above Proposals will be tabled as Special Business at the Eighteenth Annual General Meeting of the Company (“**18<sup>th</sup> AGM**”) to be held on a **virtual basis** at the Broadcast Venue at Lavender Room, Level C, One World Hotel, First Avenue, Lebuhraya Damansara, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 23 May 2024 at 11:00 a.m. The Notice of the 18<sup>th</sup> AGM together with the Form of Proxy and Administrative Guide are set out in the Annual Report 2023 of the Company available on the Company’s website at [www.petraenergy.com.my](http://www.petraenergy.com.my).

A member entitled to attend and vote at the 18<sup>th</sup> AGM is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. If you intend to appoint a proxy to attend and vote at the 18<sup>th</sup> AGM on your behalf, the Form of Proxy must be completed and deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not later than forty-eight (48) hours before the time fixed for holding the 18<sup>th</sup> AGM or any adjournment thereof. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so. The Form of Proxy can also be submitted electronically via Securities Services e-Portal at <https://sshsb.net.my/login.aspx> before the Form of Proxy submission cut-off time as mentioned above. For further information on the electronic submission of Form of Proxy, kindly refer to the Administrative Guide.

Last day, date and time for lodging the Form of Proxy : Tuesday, 21 May 2024 at 11:00 a.m.  
Day, date and time of the 18<sup>th</sup> AGM : Thursday, 23 May 2024 at 11:00 a.m.

## DEFINITIONS

Except where the context otherwise requires, the following terms and abbreviations (*in alphabetical order*) shall apply throughout this Circular/Statement (*definition denoting singular also include the plural and vice versa, where applicable*)

“Act”	:	Companies Act 2016 as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	Board of Directors of PEB
“Bursa Securities”	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
“Circular/Statement”	:	Circular/Statement to Shareholders dated 24 April 2024
“Director(s)”	:	Director(s) of PEB or its subsidiaries (as the case may be) shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and for the purpose of the Proposed Renewal of Existing Shareholders Mandate includes any person who is or was within the preceding six (6) months from the date on which the terms of the transactions were agreed upon, a Director of PEB, its subsidiary or holding company or a chief executive of PEB, its subsidiaries or holding company
“EPS”	:	Earnings per share
“FYE”	:	Financial year ended
“Listing Requirements”	:	Bursa Securities Main Market Listing Requirements, including any amendments thereto that may be made from time to time
“LPD”	:	4 April 2024, being the latest practicable date prior to the printing of the Circular/Statement
“Major Shareholder(s)”	:	Shall be as defined in the Listing Requirements, and means a person who has an interest or interests in one (1) or more voting shares in the Company and the number or aggregate number of those shares, is 10% or more of the total number of voting shares in the Company; or 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company (“ <b>interest in shares</b> ” shall have the meaning given in Section 8 of the Act) and for the purpose of the Proposed Renewal of Existing Shareholders Mandate includes any person who is or was within the preceding (6) months from the date on which the terms of the transactions were agreed upon, a major shareholder of PEB, its subsidiary or holding company
“Person(s) connected”	:	In relation to a Director or Major Shareholder, means such person who falls under any one (1) of the following categories:- <ol style="list-style-type: none"><li>a family member of the Director or Major Shareholder (for the purpose of this definition, “<b>family</b>” means and includes spouse, parent, child including an adopted child and step-child, brother or sister, spouse of child including an adopted child and step-child, and spouse of brother or sister);</li><li>a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, Major Shareholder or their family member, is the sole beneficiary;</li><li>a partner of the Director or Major Shareholder, or a partner of a person connected with that Director or Major Shareholder;</li><li>a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;</li><li>a person, or where the person is a body corporate, the body corporate or its directors whose directions, in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed</li></ol>

or is under an obligation, whether formal or informal, to act;

- vi. a body corporate in which the Director, Major Shareholder or persons connected with them are entitled to exercise or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- vii. a body corporate which is a related corporation (for the purpose of this definition, “**related corporation**” means a corporation which is the holding company of another corporation; a subsidiary of another corporation; or a subsidiary of the holding company of another corporation) of the Director or Major Shareholder.

"Market Day(s)"	:	Means a day on which the stock market of Bursa Securities is open for trading in securities
"MCCG"	:	Malaysian Code on Corporate Governance issued on 28 April 2021
"NA"	:	Net assets
"PEB" or "the Company"	:	Petra Energy Bhd. [Registration No. 200501036241 (718388-H)]
"PEB Group" or "the Group"	:	PEB and its subsidiaries, collectively
"PEB Share(s)" or "Share(s)"	:	Ordinary share(s) in PEB
"Prevailing Laws"	:	Any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities including but not limited to the Listing Requirements
"RRPT"	:	Related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are entered into by the Group in the ordinary course of business, which involves the interest, direct or indirect, of a Related Party
"Proposed Renewal of Existing Shareholders Mandate"	:	Proposed renewal of existing shareholders mandate for the RRPT to be entered into by the PEB Group from the date of the forthcoming AGM up to the following AGM of PEB
"Proposed Renewal of Share Buy-Back Authority"	:	Proposed renewal of authority for the Company to purchase its own shares of up to 10% of the total issued shares of the Company
"Related Parties"	:	Director(s), Major Shareholder(s) or person(s) connected with such Director(s) or Major Shareholder(s)
"RM" and "sen"	:	Ringgit Malaysia and Sen, respectively
"Purchased Share(s)"	:	Share(s) of the Company purchased under the Proposed Renewal of Share Buy-Back Authority
"Rules"	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia
"Treasury Shares"	:	Purchased Shares which are retained by the Company shall have the meaning under Section 127 of the Act

In this Circular/Statement, unless there is something in the subject or context inconsistent herewith, words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular/Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular/Statement shall be a reference to Malaysian time, unless otherwise stated.

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## CONTENTS

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### CIRCULAR/STATEMENT IN RELATION TO:-

#### PART A: PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE

SECTION	PAGE
1. INTRODUCTION	2
2. DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE	3
3. RATIONALE FOR THE RRPT AND BENEFITS TO THE PEB GROUP	8
4. METHODS OR PROCEDURES FOR DETERMINATION OF TRANSACTION PRICE AND TERMS OF THE RRPT CONTEMPLATED UNDER THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE	8
5. THRESHOLDS FOR THE APPROVAL OF RRPT WITHIN THE PEB GROUP AND THE DISCLOSURE, REVIEW, INTERNAL CONTROL AND APPROVAL PROCEDURES FOR THE RRPT	8
6. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM	9
7. EFFECT OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE	10
8. APPROVAL REQUIRED	10
9. AUDIT COMMITTEE'S STATEMENT	10
10. BOARD OF DIRECTORS' RECOMMENDATION	10
11. EIGHTEENTH AGM ("18 <sup>TH</sup> AGM")	11
12. FURTHER INFORMATION	11

#### PART B: PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

1. INTRODUCTION	13
2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	14
3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	14
4. RETAINED PROFITS	15
5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	15
6. SOURCE OF FUNDS	15
7. DIRECTORS' AND SUBSTANTIAL/MAJOR SHAREHOLDERS' SHAREHOLDINGS	16
8. PUBLIC SHAREHOLDINGS SPREAD	17
9. IMPLICATION OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY RELATING TO THE CODE	17
10. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	17
11. PURCHASE, RESALE AND CANCELLATION OF SHARES MADE PURSUANT TO THE EXISTING AUTHORITY	18
12. TREASURY SHARES, RESALE, TRANSFER AND CANCELLATION OF TREASURY SHARES	18

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**CONTENTS (Cont'd)**

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**CIRCULAR/STATEMENT IN RELATION TO:-****PART B: PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (Cont'd)**

<b>SECTION</b>	<b>PAGE</b>
13. HISTORICAL SHARE PRICES	18
14. BOARD OF DIRECTORS' RECOMMENDATION	19
15. 18 <sup>th</sup> AGM	19
16. FURTHER INFORMATION	19
<b>APPENDICES</b>	
APPENDIX I EXTRACT OF NOTICE OF THE 18 <sup>TH</sup> AGM	20
APPENDIX II FURTHER INFORMATION	22

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**PART A**

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE**



**PETRA ENERGY BHD.**

[Registration No. 200501036241 (718388-H)]  
(Incorporated in Malaysia)

**Registered Office:**  
Suite 13.02, Level 13,  
Menara OBYU,  
4, Jalan PJU 8/8A,  
Bandar Damansara Perdana,  
47820 Petaling Jaya,  
Selangor Darul Ehsan

24 April 2024

**Board of Directors**

Tan Sri Datuk Seri Panglima Sulong bin Matjeraie (*Chairman/Independent Non-Executive Director*)  
Ng Ing Peng (*Independent Non-Executive Director*)  
Gian Carlo Maccagno (*Non-Independent Non-Executive Director*)  
Zuhaida binti Zulkifli (*Independent Non-Executive Director*)  
Dato' Anthony @ Firdaus bin Bujang (*Executive Director/Group Chief Executive Officer*)  
Dato Ahmadi bin Yusoff (*Executive Director*)  
Simon Ong (*Executive Director*)

**To: The Shareholders of PEB**

Dear Sir/Madam,

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE**

**1. INTRODUCTION**

At the Seventeenth AGM of the Company (“**17<sup>th</sup> AGM**”) held on 25 May 2023, PEB obtained a mandate from its shareholders for PEB to enter into RRPT with Related Parties in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public and which are necessary for the PEB Group’s day-to-day operations.

The authority conferred by the said mandate for RRPT shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is obtained from the shareholders of PEB at the forthcoming AGM.

On 8 April 2024, the Company announced to Bursa Securities that the Company intends to propose to seek for approval of its shareholders to undertake the Proposed Renewal of Existing Shareholders Mandate at the forthcoming 18<sup>th</sup> AGM, which will be held on a virtual basis at the Broadcast Venue at Lavender Room, Level C, One World Hotel, First Avenue, Lebuhr Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 23 May 2024 at 11:00 a.m.

**THE PURPOSE OF THIS CIRCULAR/STATEMENT IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION AND TO EXPLAIN THE DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE TOGETHER WITH THE RECOMMENDATION OF YOUR BOARD TO SEEK YOUR APPROVAL FOR THE RESOLUTION IN RELATION TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE TO BE TABLED AT THE FORTHCOMING 18<sup>TH</sup> AGM. THE NOTICE OF THE 18<sup>TH</sup> AGM TOGETHER WITH THE FORM OF PROXY AND ADMINISTRATIVE GUIDE ARE SET OUT IN THE COMPANY’S ANNUAL REPORT 2023 AVAILABLE ON THE COMPANY’S WEBSITE AT WWW.PETRAENERGY.COM.MY.**

**SHAREHOLDERS OF PEB ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR/STATEMENT TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE AT THE FORTHCOMING 18<sup>TH</sup> AGM.**

## **2. DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE**

### **2.1 Provisions under the Listing Requirements**

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders for RRPT entered into by the listed issuer or its subsidiaries, which involves the interest, direct, or indirect, of a related party, and which are necessary for the day-to-day operations of a listed issuer or its subsidiaries, subject to, inter-alia, the following:-

- a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- b) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the following threshold prescribed:-
  - i. the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
  - ii. the percentage ratio of such RRPT is 1% or more,  
  
whichever is the higher;
- c) the issuance of a circular to shareholders, which shall include information as may be prescribed by Bursa Securities and which shall be submitted to Bursa Securities together with a checklist showing compliance with such information;
- d) in a meeting to obtain shareholder mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder, and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the shareholder mandate. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution to seek the shareholder mandate; and
- e) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and the announcement must include the information as may be prescribed by Bursa Securities.

### **2.2 Background**

The RRPT are detailed in item 2.5 below. It is likely that such transaction will occur with some degree of frequency and could arise at any time.

In view of the frequent nature of such RRPT, the Board is seeking a proposed renewal of the existing shareholders mandate for the PEB Group to enter into such transactions in the normal course of business with the classes of Related Parties set out in item 2.4 below. Such transaction is entered into on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders. The RRPT are also subject to the review procedures set out in item 5 below.

The Proposed Renewal of Existing Shareholders Mandate is subject to annual renewal. The authority, if approved by the shareholders at the forthcoming 18<sup>th</sup> AGM, shall continue to be in force until:-

- a) the conclusion of the next AGM following the 18<sup>th</sup> AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the next AGM following the 18<sup>th</sup> AGM, the authority is renewed;
- b) the expiration of the period within which the next AGM following the 18<sup>th</sup> AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by resolution passed by the shareholders in general meeting before the next AGM,

whichever is the earlier.



### 2.3 Principal business activities of PEB Group

PEB Group is an integrated brown field services provider in the upstream oil and gas industry whereby PEB is principally engaged in investment. The principal business activities of its subsidiaries as at the LPD are as follows:-

Name of Company	Effective Equity Interest (%)	Principal Activities
Petra Energy Services Sdn. Bhd. [Registration No. 201301020528 (105358-H)] ("PESSB")	100	Investment Holding
Petra Energy Capital Sdn. Bhd. [Registration No. 201301036743 (1066572-A)] ("PECSB")	100	Investment Holding
Petra Energy Development Sdn. Bhd. [Registration No. 200801005231 (806515-A)] ("PEDSB")	100	Provision of complete field development and refurbishment solutions, by integrating all necessary project management, engineering services to deliver such solutions to oil and gas operators
Petra Energy Solution Sdn. Bhd. [Registration No. 201801011855 (1273871-M)]	100	Provision of renewable energy
<b><u>Interest held through PESSB</u></b>		
Petra Resources Sdn. Bhd. [Registration No. 198801005605 (172962-D)] ("PRSB")	100	Provision of services in operations and maintenance, oil field optimisation, retrofits, domestic vessels re-charter, geophysical, design and fabrication of process equipment and packaging and supply of engineered equipment for the oil and gas industry
Petra Marine Sdn. Bhd. ("PMSB") [Registration No. 200801010962 (812250-D)]	100	Ownership and supply of vessels
Petra Services Sdn. Bhd. [Registration No. 200801012309 (813597-T)]	100	Equipment rental and related services in the oil and gas industry
Petra Fabricators Sdn. Bhd. [Registration No. 199701010321 (425817-H)] ("PFSB")	100	Design, fabrication, supply and installation of pressure vessels, heat exchangers, skid packages and other process equipment primarily for the oil and gas and petrochemical industries
<b><u>Interest held through PRSB</u></b>		
PE Resources Ltd. (Registration No. LL10146)	100	To facilitate the leasing of an accommodation work barge vessel
Petra Serikandi Engineering Design Services Sdn. Bhd. [Registration No. 202101017017 (1417317-D)]	51	Provision of Engineering and Design Services of Oil, Gas, Petrochemical & Equivalent Facilities
<b><u>Interest held through PFSB</u></b>		
PE Industrial Resources Sdn. Bhd. [Registration No. 199701037160 (452660-P)]	100	Trading, design, fabrication, supply and installation of industrial boilers and ancillary equipment
<b><u>Interest held through PMSB</u></b>		
PE Ship Management Sdn. Bhd. [Registration No. 200801040461 (841812-U)]	100	Provision of marine support services for oil and gas industry

Name of Company	Effective Equity Interest (%)	Principal Activities
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**Interest held through PECSB**

PE Marine Ltd. (Registration No. LL09503)	100	To facilitate the leasing of an accommodation work barge vessels
PE Challenger Ltd. (Registration No. LL10047)	100	To facilitate the leasing of transaction of a work barge vessels
PE Marine One Ltd. (Registration No. LL06749)	100	Trading-carry on offshore leasing business

**Interest held through PEDSB**

PE Development Ltd. (Registration No. LL09925)	100	To facilitate financing for PEDSB
Coastal Energy KBM Sdn. Bhd. [Registration No. 201201027365 (1011855-W)]	30	Contractor for the Small Field Risk Service Contract in KBM Cluster fields
Khausar Energy Sdn. Bhd. [Registration No. 201801004571 (1266585-W)]	50	Building portfolio for business development and production in relation to the oil and gas activities
Petra Energy MOPU Sdn. Bhd. [Registration No. 202001013055 (1369375-W)]	100	Mobile Offshore Facilities Ownership and Supply of Marine Services
Petra Upstream Malaysia Sdn. Bhd. [Registration No. 202001014796 (1371116-D)]	100	Development and Production of Marginal or Small O&G Fields and Provision of Operation, Maintenance and Production Enhancement Services.

**2.4 Classes of Related Parties**

The Proposed Renewal of Existing Shareholders Mandate would apply to RRPT entered into by PEB Group which involves the interest, direct or indirect, of the following Related Parties described below. Details of such Related Parties including their relationship with PEB and their names are as follows:-

No.	Names	Principal activities	Relationship
1.	Dato Ahmadi bin Yusoff (“ <b>Dato Ahmadi</b> ”)	Not applicable	<ul style="list-style-type: none"> <li>Executive Director of PEB</li> <li>Director of Shorefield Resources Sdn. Bhd. (“<b>Shorefield Resources</b>”), a Major Shareholder of PEB</li> <li>Director and shareholder of Shorefield Sdn. Bhd. (“<b>Shorefield</b>”), the holding company of Shorefield Resources</li> <li>Chairman and Director of OBYU Holding Sdn. Bhd. (“<b>OBYU</b>”), a controlling shareholder of Shorefield</li> <li>Brother of Tan Sri Bustari, who is the controlling shareholder of OBYU</li> </ul>
2.	Shorefield Resources	Investment holding	Person connected to Dato Ahmadi- a company in which he has interest by virtue of him being a director of Shorefield Resources and by virtue of him being a director and shareholder of Shorefield, the holding company of Shorefield Resources. Also, by virtue of him being the brother of Tan Sri Bustari, who is the controlling shareholder of OBYU, a controlling shareholder of Shorefield
3.	Shorefield	Rural electrification construction and trading of electrical supplies, components and parts	Person connected to Dato Ahmadi- a company in which he has interest by virtue of him being a director and shareholder of Shorefield and by virtue of him being a director of OBYU, a controlling shareholder of Shorefield. Also, by virtue of him being the brother of Tan Sri Bustari, the controlling shareholder of OBYU

No.	Names	Principal activities	Relationship
4.	OBYU	(i) Investment holding and treasury services  (ii) Provision of business support services	Person connected to Dato Ahmadi- a company in which he has interest by virtue of him being a director of OBYU. Also by virtue of him being the brother of Tan Sri Bustari, the controlling shareholder of OBYU.
5.	Tan Sri Bustari bin Yusuf (" <b>Tan Sri Bustari</b> ")	Not applicable	Person connected to Dato Ahmadi by virtue of him being the brother of Tan Sri Bustari, the ultimate controlling shareholder of OBYU, Shorefield and Shorefield Resources.

## 2.5 Details of nature of the RRPT and nature and extent of interest of the Related Parties in the RRPT

The RRPT to be covered under the Proposed Renewal of Existing Shareholders Mandate relate to transactions for the provision of renting services to PEB Group, which are necessary for the day-to-day operations and are in the normal course of business of the PEB Group, as follows:-

No.	Related transacting party (Seller/Provider)	Related transacting party (Buyer/Recipient)	Name of interested Related Parties *	Nature of transactions	Estimated aggregate value of transactions from the date of 17 <sup>th</sup> AGM up to the date of the 18 <sup>th</sup> AGM as disclosed in the circular/statement dated 26 April 2023 ^ (RM)	Actual value transacted from the date of the 17 <sup>th</sup> AGM up to 4 April 2024 @ (RM)	Estimated aggregate value of transactions from the date of the 18 <sup>th</sup> AGM up to the date of the next subsequent AGM # (RM)
1.	OBYU	PEB	<ul style="list-style-type: none"> <li>• Dato Ahmadi</li> <li>• Shorefield Resources</li> <li>• Shorefield</li> <li>• Tan Sri Bustari</li> </ul>	Renting of office space at Levels 4 and 6 of Menara OBYU	828,000	690,002	900,000
				Renting of office space at Level 13 of Menara OBYU	372,000	303,046	372,000
				Renting of signage space at rooftop	72,000	60,000	72,000

\* Please refer to item 2.4 above for details of the principal activities and relationship.

^ The estimated aggregate value of transactions from the date of the 17<sup>th</sup> AGM to the date of the 18<sup>th</sup> AGM was based on estimation prepared by the Management for the period under consideration.

@ The actual value transacted of each of the above transactions from the date on which the existing mandate was obtained on 25 May 2023 up to the LPD did not exceed the estimated value of 10% or more.

# The estimated aggregate value of transaction is based on the prevailing rates within the vicinity/prices obtained from the Related Parties and past transactions and/or Management estimates on the assumption that current level of transactions will continue and all external conditions remain unchanged or may vary and are subject to changes. The prices or rates and its terms and conditions however, may vary and subject to changes depending on market forces.

## 2.6 Outstanding RRPT Receivables

There is no amount due and owing to the PEB Group by its Related Parties pursuant to the RRPT, and hence, the disclosures as required under Paragraphs 16A and 16B in Annexure PN 12-A of the Listing Requirements, are not applicable.

### 3. RATIONALE FOR THE RRPT AND BENEFITS TO THE PEB GROUP

PEB is renting the office space at Menara OBYU, Jalan PJU 8/8A, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan (“**Demised Premise**”) as its head office in West Malaysia. The Demised Premise is strategically located in town area with ample car parks and facilities within the vicinity.

The RRPT with the Related Parties are all conducted in the ordinary course of business and are recurring transactions of a revenue and trading in nature which are necessary for day-to-day operations. The RRPT may be constrained by time-sensitive, frequent nature and confidentiality of such transactions, and it may be impractical to seek shareholders’ approval on a case-by-case basis before entering into the RRPT. As such, the Board of Directors is seeking a shareholders’ mandate pursuant to Paragraph 10.09 of the Listing Requirements for the RRPT described in Section 2.4 above to allow the PEB Group to enter into such RRPT which will be made or made at an arm’s length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company and which are not prejudicial to the interest of the shareholders.

Transacting with the Related Parties is expected to be beneficial to the PEB Group as it would facilitate the business needs on the best possible terms and conditions. The rental rate for the Demised Premise is in tandem with rates within the vicinity. With this, the RRPT would allow the PEB Group to better manage its operations efficiently.

Obtaining a renewal of existing shareholders mandate for the RRPT on an annual basis would facilitate the PEB Group to continue transacting with the Related Parties without having to make multiple announcements and/or convene a separate general meeting to seek shareholders’ approval or mandate. This will avoid the need to convene a separate general meetings on an *ad hoc* basis, which would incur additional costs, and consequently, improve corporate administration efficiency and allow resources and time to be channelled towards attaining other corporate objectives.

### 4. METHODS OR PROCEDURES FOR DETERMINATION OF TRANSACTION PRICE AND TERMS OF THE RRPT CONTEMPLATED UNDER THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE

The RRPT will only be entered into after taking into account the pricing and other related factors. The prices will be determined by market forces similar to those prices for transactions with unrelated third parties, and references will be made to surveys and/or valuations to be undertaken to gather information on market prices where applicable.

The terms and conditions of the RRPT will be determined by the Related Parties’ usual commercial terms or in accordance with applicable market norm.

The Audit Committee periodically reviews the procedures set to monitor related party transactions to ensure that these transactions are carried out on normal commercial terms not more favourable to the Related Party than those generally available to the public and are not detrimental to the minority shareholders of the Company.

All reviews by the Audit Committee are reported to the Board for further action. In its review and approval of such transactions, the Audit Committee may, as it deems fit, request for additional information pertaining to the transactions from independent sources or professionals.

### 5. THRESHOLDS FOR THE APPROVAL OF RRPT WITHIN THE PEB GROUP AND THE DISCLOSURE, REVIEW, INTERNAL CONTROL AND APPROVAL PROCEDURES FOR THE RRPT

The PEB Group has established guidelines and procedures to ensure that the RRPT are undertaken on an arms’ length basis and on normal commercial terms consistent with the usual business practices and policies and on transaction prices and terms, which are not more favourable to the Related Parties than those available to third parties/public and are not to the detriment of the minority shareholders.

The PEB Group has structured and put in place the following disclosure, review, internal control and approval procedures for the RRPT:-

- (i) A list of Related Parties is circulated within the PEB Group and all Directors and management are notified that all RRPT are required to be undertaken on an arms’ length basis and on normal commercial terms and not more favourable than those generally available to third parties or the public and are not to the detriment of the minority shareholders.

- (ii) Mandated RRPT would be tabled to the Audit Committee for review on a quarterly basis. In its review of such transactions, the Audit Committee may, as it deems fit, request for additional information pertaining to transactions from independent sources. Any mandated RRPT exceeding the respective mandated aggregate transaction value as given in item 2.5 above will require approval of the Audit Committee and the Board. Any deviation of 10% or more exceeding the mandated value will be announced to Bursa Securities in addition to the review and approval by the Audit Committee and the Board.
- (iii) All mandated RRPT below the respective mandated aggregate transaction value will be reviewed by personnel of at least managerial level, provided always that such personnel has no interest in the transaction. Approval of the RRPT needs to adhere to the authorisation limit of the Group at all instances.
- (iv) RRPT within the PEB Group which are not under the shareholder mandate shall be reviewed by the Chief Financial Officer and approved by the Audit Committee and the Board before the transactions are entered into.
- (v) Records shall be maintained to capture all RRPT which are entered into pursuant to the Proposed Renewal of Existing Shareholders Mandate to ensure that relevant approvals have been obtained and review procedures are adhered to. Details of all RRPT made during the financial year shall be disclosed in the annual report in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, which includes information on the breakdown of the aggregate value of the RRPT made during the financial year, type of RRPT made and the names of the Related Parties involved in each type of the RRPT made and their relationship with PEB.
- (vi) The Audit Committee shall continuously review the adequacy and appropriateness of the procedures, as and when required, with authority to sub-delegate to individuals or committee(s) within the Company as they deem appropriate.
- (vii) The annual internal audit plan shall incorporate a review of all RRPT to ensure that relevant approvals have been obtained and review procedures are adhered. The Audit Committee shall review the internal audit reports to ascertain that the procedures established to monitor RRPT have been complied with.
- (viii) A yearly review on the RRPT would be carried out prior to seeking a renewal of the shareholders mandate for the RRPT, if required, to ensure that the RRPT will be undertaken on an arms' length basis and on normal commercial terms and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.
- (ix) The Board and Audit Committee shall have overall responsibility for the determination of the review procedures. If a member of the Board or Audit Committee has an interest in the transaction concerned, he/she will abstain from any deliberation and decision making by the Board or Audit Committee in respect of the said transaction.

All the department concerned in the PEB Group would be notified and advised of the RRPT and the relevant compliances with the Listing Requirements. They are also advised that all transactions undertaken by the PEB Group regardless whether with Related Parties or unrelated third parties should be undertaken on an arms' length basis and on normal commercial terms and on terms not more favourable to any parties than those generally available to the public and are not detrimental to the minority shareholders of PEB.

## 6. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

The direct and indirect shareholdings of the Directors, Major Shareholders and/or persons connected to them who have interests, direct and indirect, in the Proposed Renewal of Existing Shareholders Mandate, as at the LPD are as follows:-

Interested Parties	No. of Shares held			
	Direct	%	Indirect	%
<i>Director</i>				
• Dato Ahmadi	-	-	-	-
<i>Major Shareholder of PEB</i>				
• Shorefield Resources	96,718,500	30.14	-	-

Interested Parties	No. of Shares held			
	Direct	%	Indirect	%
<i>Persons connected to the Director or Major Shareholder</i>				
• Shorefield	-	-	96,718,500 *	30.14
• OBYU	-	-	96,718,500 *	30.14
• Tan Sri Bustari	-	-	96,718,500 *	30.14

\* Held under Shorefield Resources [Deemed interested pursuant to Section 8 of the Act].

The interested Director, namely Dato Ahmadi, who is interested in the Proposed Renewal of Existing Shareholders Mandate, has abstained and will continue to abstain from all deliberations and voting in respect of the Proposed Renewal of Existing Shareholders Mandate involving him at Board Meetings and shall also abstain from voting in respect of his direct and/or indirect shareholdings in the Company on the ordinary resolution to be tabled in respect of the Proposed Renewal of Existing Shareholders Mandate in which he is interested in at the forthcoming 18<sup>th</sup> AGM of the Company.

The interested Major Shareholder, namely Shorefield Resources shall abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the ordinary resolution to be tabled in respect of the Proposed Renewal of Existing Shareholders Mandate in which they are interested in at the forthcoming 18<sup>th</sup> AGM of the Company.

The persons connected, as listed above, will also abstain from deliberations and voting into the ordinary resolution to be tabled in respect of the Proposed Shareholders Mandate in which they are interested in at the forthcoming 18<sup>th</sup> AGM of the Company.

Save for the above interested parties, none of the other Directors or Major Shareholders and/or persons connected to them have any interest direct and indirect in the Proposed Renewal of Existing Shareholders Mandate.

## 7. EFFECT OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE

The Proposed Renewal of Existing Shareholders Mandate will not have any effect on the issued share capital, the shareholdings of the Major Shareholder and the consolidated NA of the PEB Group. The Proposed Renewal of Existing Shareholders Mandate is also not expected to have any material effect on the EPS of the PEB Group for the FYE 31 December 2023.

## 8. APPROVAL REQUIRED

The Proposed Renewal of Existing Shareholders Mandate is subject to the approval of the shareholders of PEB at the forthcoming 18<sup>th</sup> AGM.

## 9. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of the Company has seen and reviewed the methods or procedures mentioned in item 4 above and is of the view that the said methods or procedures are sufficient to ensure that the RRPT are undertaken on an arms' length basis and on transaction price and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of PEB.

The Audit Committee is of the view that the PEB Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner. The Audit Committee reviews these procedures and processes annually or from time to time where relevant and feasible.

## 10. BOARD OF DIRECTORS' RECOMMENDATION

The Board (save and except for the interested Director, Dato Ahmadi), after having considered the Proposed Renewal of Existing Shareholders Mandate as set out above, is of the opinion that the Proposed Renewal of Existing Shareholders Mandate is in the best interest of the Company. The Board (save for the interested Director, Dato Ahmadi) therefore recommends that you vote in favour of the ordinary resolution approving the Proposed Renewal of Existing Shareholders Mandate to be tabled at the forthcoming 18<sup>th</sup> AGM.

**11. 18<sup>th</sup> AGM**

The ordinary resolution pertaining to the Proposed Renewal of Existing Shareholders Mandate is set out in the Notice of the 18<sup>th</sup> AGM in the Annual Report 2023. An Extract of the same is in the attached Appendix I of this Circular/Statement.

The 18<sup>th</sup> AGM will be held on a virtual basis at the Broadcast Venue at Lavender Room, Level C, One World Hotel, First Avenue, Lebuh Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 23 May 2024 at 11:00 a.m. The Notice of the 18<sup>th</sup> AGM together with the Form of Proxy and Administrative Guide are set out in the Annual Report 2023 of the Company available on the Company's website at [www.petraenergy.com.my](http://www.petraenergy.com.my).

A member entitled to attend and vote at the 18<sup>th</sup> AGM is entitled to appoint up not more than two (2) proxies to attend and vote on his behalf. If you intend to appoint a proxy to attend and vote at the 18<sup>th</sup> AGM on your behalf, the Form of Proxy must be completed and deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not later than forty-eight (48) hours before the time fixed for holding the 18<sup>th</sup> AGM or any adjournment thereof. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so. Alternatively, the Form of Proxy can also be submitted electronically via Securities Services e-Portal at <https://sshsb.net.my/login.aspx> before the Form of Proxy submission cut-off time as mentioned above. For further information on the electronic submission of Form of Proxy, kindly refer to the Administrative Guide.

**12. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendix II of this Circular/Statement for further information.

Yours faithfully  
for and on behalf of the Board  
**PETRA ENERGY BHD.**

.....  
**DATO' ANTHONY @ FIRDAUZ BIN BUJANG**  
Executive Director/Group Chief Executive Officer

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**PART B**

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**



**PETRA ENERGY BHD.**

[Registration No. 200501036241 (718388-H)]  
(Incorporated in Malaysia)

**Registered Office:**  
Suite 13.02, Level 13,  
Menara OBYU,  
4, Jalan PJU 8/8A,  
Bandar Damansara Perdana,  
47820 Petaling Jaya,  
Selangor Darul Ehsan

24 April 2024

**Board of Directors**

Tan Sri Datuk Seri Panglima Sulong bin Matjeraie (*Chairman/Independent Non-Executive Director*)  
Ng Ing Peng (*Independent Non-Executive Director*)  
Gian Carlo Maccagno (*Non-Independent Non-Executive Director*)  
Zuhaida binti Zulkifli (*Independent Non-Executive Director*)  
Dato' Anthony @ Firdauz bin Bujang (*Executive Director/Group Chief Executive Officer*)  
Dato Ahmadi bin Yusoff (*Executive Director*)  
Simon Ong (*Executive Director*)

**To: The Shareholders of PEB**

Dear Sir/Madam,

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

**1. INTRODUCTION**

The Company had at the 17<sup>th</sup> AGM held on 25 May 2023, obtained its shareholders' approval on the proposed renewal of share buy-back exercise to purchase up to 10% of the total number of issued shares in the ordinary share capital of the Company at any point of time through Bursa Securities.

In accordance with the Listing Requirements governing the purchase of a listed issuer's own shares by the listed issuer itself, the aforesaid approval will continue to be in force until the conclusion of the forthcoming 18<sup>th</sup> AGM of the Company, which will be held on a virtual basis at the Broadcast Venue at Lavender Room, Level C, One World Hotel, First Avenue, Lebuhraya Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 23 May 2024 at 11:00 a.m.

The Company had also on 8 April 2024, announced that the Board proposes to seek the shareholders' approval for the Proposed Renewal of Share Buy-Back Authority.

**THE PURPOSE OF THIS CIRCULAR/STATEMENT IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION AND TO EXPLAIN THE DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY TOGETHER WITH THE RECOMMENDATION OF YOUR BOARD TO SEEK YOUR APPROVAL FOR THE RESOLUTION IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY TO BE TABLED AT THE FORTHCOMING 18<sup>TH</sup> AGM. THE NOTICE OF THE 18<sup>TH</sup> AGM TOGETHER WITH THE FORM OF PROXY AND ADMINISTRATIVE GUIDE ARE SET OUT IN THE COMPANY'S ANNUAL REPORT 2023 AVAILABLE ON THE COMPANY'S WEBSITE AT [WWW.PETRAENERGY.COM.MY](http://WWW.PETRAENERGY.COM.MY).**

**SHAREHOLDERS OF PEB ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR/STATEMENT TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY AT THE FORTHCOMING 18<sup>TH</sup> AGM.**

## **2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Board proposes to seek approval from the shareholders for a renewal of authorisation to enable the Company to continue to purchase up to 10% of the total number of issued shares in the ordinary share capital of the Company as quoted on Bursa Securities at any point of time.

As at LPD, the total number of issued shares in the ordinary share capital of the Company stood at 321,750,000 ordinary shares (inclusive of 807,800 ordinary shares already purchased and retained as Treasury Shares).

Under the existing share buy-back authority, the maximum number of Shares that may be bought back by the Company is up to 10% of the total number of issued shares in the ordinary share capital which is 32,175,000 shares (inclusive of 807,800 ordinary shares already purchased and retained as Treasury Shares).

The Proposed Renewal of Share Buy-Back Authority will be effective upon the passing of the ordinary resolution at the forthcoming 18<sup>th</sup> AGM of the Company and will continue to be in force until:-

- a) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed, at which time it will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- c) revoked or varied by an ordinary resolution passed by the shareholders at a general meeting,

whichever occurs first.

Pursuant to Paragraph 12.17 of the Listing Requirements, the Company may only purchase its own shares at a price which is not more than 15% above the weighted average market price of the PEB Shares for the past five (5) market days immediately preceding the date of purchase.

In the case of a resale or transfer of treasury shares, the Company may only resell or transfer the PEB Shares pursuant to Section 127(7) of the Act at:

- a) a price which is not less than the weighted average market price of the PEB Shares for the past five (5) market days immediately prior to the date of resale or transfer; or
- b) a discounted price of not more than 5% to the weighted average market price of the PEB Shares for the past five (5) market days immediately prior to the date of resale or transfer provided that:-
  - i) the resale or transfer takes place not earlier than thirty (30) days from the date of purchase; and
  - ii) the resale or transfer price is not less than the cost of purchase of the PEB Shares being resold or transferred.

## **3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Proposed Renewal of Share Buy-Back Authority will enable the PEB Group to utilise any of its surplus financial resources, which is not immediately required for other uses, to purchase the PEB Shares. The Company may be able to stabilise the supply and demand of the PEB Shares in the open market and thereby support its fundamental values.

Further, the increase in EPS, if any, arising from the Proposed Renewal of Share Buy-Back Authority is expected to benefit the shareholders of the Company and carry positive impact on the market price of the Company.

The Purchased Shares can be held as treasury shares and resold or transferred on Bursa Securities with the intention of realising a potential gain without affecting the total number of issued shares in the ordinary share capital of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

#### **4. RETAINED PROFITS**

In accordance with the Listing Requirements, the total maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back Authority must be made wholly out of the Company's retained profits only based on the latest audited and unaudited financial statements. Therefore, the Board proposes that the maximum amount of funds to be utilised for any purchase of the PEB Shares shall not exceed the aggregate of the Company's said retained profits of RM17,227,000/- based on the Audited Financial Statements for the FYE 31 December 2023, which is the latest published financial statements of the Company.

#### **5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

##### **Potential advantages**

- where the Directors resolve to cancel the Shares so purchased, the Company expects to enhance the earnings of the Group as a result of the reduction in the issued share capital of the Company thereby enabling long term and genuine investors to enjoy any potential corresponding increase in the value of their investments in the Company;
- As permitted under Section 127 of the Act, where the Shares bought back are retained as Treasury Shares, the Director would have an option to distribute these Shares as dividends to reward shareholders; and
- the Company may be able to reduce any unwarranted volatility of its Shares and assist to stabilize the supply, demand and price of its Shares in the open market, thereby supporting the fundamental value of its Shares.

##### **Potential disadvantages**

- the Proposed Renewal of Share Buy-Back Authority, if implemented will reduce the financial resources of the Group. This may result in the Group having to forego future investment opportunities and/or any income that may derived from the deposit of such funds in interest bearing instruments. The Proposed Renewal of Share Buy Back Authority may result in a reduction of financial resources available for distribution in the form of cash dividends to the shareholders; and
- in the event that the Proposed Renewal of Share Buy-Back Authority is funded by bank borrowings, the Company's net cash flow may decline to the extent of the interest costs associated with such borrowings.

However, this disadvantage is mitigated by the prospect that the financial resources of the Group may increase, pursuant to the resale of the Purchased Shares held as Treasury Shares at prices higher than the purchase price.

The Proposed Renewal of Share Buy-Back Authority is not expected to cause any potential material disadvantage to the Company or its shareholders as any share buy-back exercise will be undertaken only after in-depth consideration of the financial resources of the Company and of the resultant impact of its shareholders.

The Directors, in exercising any decision on the Proposed Renewal of Share Buy-Back Authority and in subsequent resale of Treasury Shares on Bursa Securities, if any, will be mindful of the interests of the Company and its shareholders. It will be implemented only after due consideration of the financial resources of the Group and the resultant impact on the shareholders of the Company.

#### **6. SOURCE OF FUNDS**

The amount allocated for the share buy-back would be financed by internally generated funds and/or bank borrowings.

In the event that the Company decides to utilise external borrowings to finance the share buy-back, the Board will ensure that the Company has sufficient funds to repay the external borrowings and such repayment will not have a material effect on the Company's cash flow, operations and financial positions.

## 7. DIRECTORS' AND SUBSTANTIAL/MAJOR SHAREHOLDERS' SHAREHOLDINGS

The following tables show the effects of the Proposed Renewal of Share Buy-back Authority on the direct and indirect interests of the Directors and Substantial/Major Shareholders and any person connected with the Directors and Substantial/Major Shareholders in the proposed purchase as at LPD:-

Name	As at LPD				After full implementation of the Proposed Renewal of Share Buy-back Authority *			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Directors</b>								
Tan Sri Datuk Seri Panglima Sulong bin Matjeraie	-	-	-	-	-	-	-	-
Ng Ing Peng	-	-	-	-	-	-	-	-
Gian Carlo Maccagno	-	-	-	-	-	-	-	-
Zuhaida binti Zukifli	-	-	-	-	-	-	-	-
Dato' Anthony @ Firdauz bin Bujang	-	-	-	-	-	-	-	-
Dato Ahmadi bin Yusoff	-	-	-	-	-	-	-	-
Simon Ong	-	-	-	-	-	-	-	-
<b>Substantial/Major Shareholders</b>								
Shorefield Resources Sdn. Bhd.	96,718,500	30.14	-	-	96,718,500	33.40	-	-
Wasco Energy Ltd.	86,550,000	26.97	-	-	86,550,000	29.89	-	-
Urusharta Jamaah Sdn. Bhd.	24,107,612	7.51	-	-	24,107,612	8.33	-	-
Dato' Mohamed Nizam bin Abdul Razak	29,250,000	9.11	-	-	29,250,000	10.10	-	-
Shorefield Sdn. Bhd.	-	-	96,718,500 <sup>(a)</sup>	30.14	-	-	96,718,500 <sup>(a)</sup>	33.40
OBYU Holdings Sdn. Bhd.	-	-	96,718,500 <sup>(a)</sup>	30.14	-	-	96,718,500 <sup>(a)</sup>	33.40
Tan Sri Bustari bin Yusuf	-	-	96,718,500 <sup>(a)</sup>	30.14	-	-	96,718,500 <sup>(a)</sup>	33.40
Wah Seong Corporation Berhad	-	-	86,550,000 <sup>(b)</sup>	26.97	-	-	86,550,000 <sup>(b)</sup>	29.89
Wah Seong (Malaya) Trading Co. Sdn. Bhd.	-	-	86,550,000 <sup>(c)</sup>	26.97	-	-	86,550,000 <sup>(c)</sup>	29.89
Tan Kim Yeow Sendirian Berhad	-	-	86,550,000 <sup>(d)</sup>	26.97	-	-	86,550,000 <sup>(d)</sup>	29.89
Tony Tan @ Choon Keat	-	-	86,550,000 <sup>(d)</sup>	26.97	-	-	86,550,000 <sup>(d)</sup>	29.89
Tan Chin Nam Sdn. Bhd.	-	-	86,550,000 <sup>(d)</sup>	26.97	-	-	86,550,000 <sup>(d)</sup>	29.89
Midvest Asia Sdn. Bhd.	-	-	86,550,000 <sup>(d)</sup>	26.97	-	-	86,550,000 <sup>(d)</sup>	29.89
Robert Tan Chung Meng	-	-	86,550,000 <sup>(d)</sup>	26.97	-	-	86,550,000 <sup>(d)</sup>	29.89
Chan Cheu Leong	-	-	86,550,000 <sup>(d)</sup>	26.97	-	-	86,550,000 <sup>(d)</sup>	29.89
Pauline Tan Suat Ming	-	-	86,550,000 <sup>(d)</sup>	26.97	-	-	86,550,000 <sup>(d)</sup>	29.89

<sup>(a)</sup> Deemed interested by virtue of their interests in Shorefield Resources Sdn. Bhd. pursuant to Section 8 of the Act.

<sup>(b)</sup> Deemed interested by virtue of its direct interest in Wasco Energy Ltd pursuant to Section 8 of the Act.

<sup>(c)</sup> Deemed interested by virtue of its direct interest in Wah Seong Corporation Berhad pursuant to Section 8 of the Act.

<sup>(d)</sup> Deemed interested by virtue of their respective indirect interests in Wah Seong Corporation Berhad pursuant to Section 8 of the Act.

\* assuming that 32,175,000 Shares, being the maximum number of Shares representing up to 10% of the total number of issued shares that may be bought back by the Company, are bought back

Save for the resulting increase in percentage shareholdings as a consequence of the share buy-back, none of the Directors, Substantial/Major Shareholders or persons connected to them has any interest, direct or indirect, in the share buy-back or the resale of treasury shares, if any.

## 8. PUBLIC SHAREHOLDINGS SPREAD

Pursuant to Paragraph 8.02(1) of the Listing Requirements, a listed issuer must ensure that at least 25.00% of its total listed shares (excluding Treasury Shares) are in the hands of public shareholders ("Required Public Shareholdings Spread").

As at LPD, the public shareholders of the Company hold 84,316,088 PEB Shares, representing 26.27% of the share capital of the Company.

The Board will ensure that prior to and after any share buy-back exercise, the Required Public Shareholdings Spread of at least 25.00% is maintained at all times.

## 9. IMPLICATION OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY RELATING TO THE CODE

Based on the shareholdings of the Substantial/Major Shareholders of the Company as at LPD and assuming the purchase of the Company's own shares is carried out in full, the share buy-back exercise will trigger an obligation to undertake a mandatory general offer under the Code. The effects of the share buy-back on PEB's Directors' and Substantial/Major Shareholders' shareholdings in the Company are set out in Section 7.0 of this Statement.

In the event the number of PEB Shares bought back subsequent to the date of this Statement would result in any Substantial/Major Shareholder(s) and/or parties acting in concert with them triggering the Code, such Substantial/Major Shareholder(s) and/or parties acting in concert may consider seeking a waiver under the Code.

## 10. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

On the assumption that the share buy-back is carried out in full, the effects of the Proposed Renewal of Share Buy-Back Authority on the share capital, NA, working capital and EPS of the Company are set out below:-

### a) Share Capital

The effects of the Proposed Renewal of Share Buy-Back Authority on the share capital of the Company will depend on the intention of the Board as to the treatment of the Shares purchased.

If the Shares so purchased are retained as treasury shares, the issued ordinary share capital of the Company will not be reduced but the rights attaching to the treasury shares as to voting, dividends and participation in other distributions or otherwise will be suspended. While these Shares remain as treasury shares, the Act prohibits the taking into account of such Shares in calculating the number of percentage of Shares for a purpose whatsoever including substantial shareholdings, takeovers, notices, requisitioning of meetings, quorum for meetings and the result of votes on resolutions.

If all the Shares so purchased are cancelled, it will result in a reduction on the total number of issued shares in the ordinary capital of the Company as shown in the table below:-

	<b>No. of Shares</b>
Share capital as at LPD	321,750,000
Less: Treasury shares cancelled	(32,175,000)
Resultant share capital	<u>289,575,000</u>

### b) NA

The effect of the Proposed Renewal of Share Buy-Back Authority on the consolidated NA of the PEB Group is subject to the number of Shares purchased, purchase price of the Shares, the effective funding cost, if any, and the subsequent treatment of the Shares so purchased.

The NA of the PEB Group would decrease if the Shares bought back are cancelled. The Proposed Renewal of Share Buy-Back Authority will reduce the consolidated NA per Share if the purchase price exceeds the consolidated NA per Share at the time of purchase. However, the consolidated NA per Share will increase if the purchase price is less than the consolidated NA per Share at the time of purchase.

The consolidated NA of the PEB Group would decrease by the cost of the treasury shares due to the requirement for treasury shares to be carried at cost and be offset against equity if the Shares bought back are retained as treasury shares.

Should the Shares so purchased be held as treasury shares and later resold, the consolidated NA per Share of the PEB Group will increase if the Company realise a gain from the resale, and vice versa.

c) Working Capital

The Proposed Renewal of Share Buy-Back Authority will reduce the working capital of the PEB Group, the quantum of which depends on, amongst others, the number of Shares eventually purchased and the purchase price of the Shares. The impact on the cash flow of the Company and the Group will depend on the number of Shares eventually purchased and the purchase prices of the Shares.

However, the cash flow or working capital position of the Company will be restored if the purchased PEB Shares are resold at least at the purchase price.

d) EPS

Depending on the number of Shares purchased, purchase price of Shares and the effective cost as well as the opportunity cost of funding the Shares, the Proposed Renewal of Share Buy-Back Authority may increase the EPS of the PEB Group. Similarly, on the assumption that the Shares so purchased are treated as treasury shares and subsequently resold, the extent of the effect to the earnings of the PEB Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or interest savings arising.

Any cancellation of Shares so purchased is expected to increase the EPS of the Company and the PEB Group due to the reduced number of Shares in issue.

**11. PURCHASE, RE SALE AND CANCELLATION OF SHARES MADE PURSUANT TO THE EXISTING AUTHORITY**

The Company had not purchased, resold or cancelled any shares in the preceding twelve (12) months.

**12. TREASURY SHARES, RE SALE, TRANSFER AND CANCELLATION OF TREASURY SHARES**

As at the LPD, the Company holds 807,800 Shares as Treasury Shares. There was no resale, transfer and cancellation of treasury shares made in the preceding twelve (12) months.

**13. HISTORICAL SHARE PRICES**

The monthly highest and lowest prices of shares as traded on Bursa Securities for the preceding twelve (12) months from April 2023 to March 2024 are as follows:-

Month	Shares	
	High (RM)	Low (RM)
<b><u>2023</u></b>		
April	0.875	0.84
May	0.865	0.795
June	0.845	0.80
July	0.82	0.80
August	0.895	0.79
September	0.93	0.88
October	0.985	0.87
November	0.91	0.865
December	0.955	0.86
<b><u>2024</u></b>		
January	1.06	0.92
February	1.32	0.97
March	1.30	1.16

(Source: The Wall Street Journal)

The last transacted price of PEB Shares on 4 April 2024, being LPD before printing of this Statement is RM1.26.

**14. BOARD OF DIRECTORS' RECOMMENDATION**

The Directors, having considered the rationale for the Proposed Renewal of Share Buy-Back Authority, is of the opinion that it is in the best interest of the Company and its shareholders and accordingly, recommends that you vote in favour of the resolution for the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming 18<sup>th</sup> AGM.

**15. 18<sup>th</sup> AGM**

The ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority is set out in the Notice of the 18<sup>th</sup> AGM in the Annual Report 2023. An extract of the same is in the attached Appendix I of this Circular/Statement.

The 18<sup>th</sup> AGM will be held on a virtual basis at the Broadcast Venue at Lavender Room, Level C, One World Hotel, First Avenue, Lebuh Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Thursday, 23 May 2024 at 11:00 a.m. The Notice of the 18<sup>th</sup> AGM together with the Form of Proxy and Administrative Guide are set out in the Annual Report 2023 of the Company available on the Company's website at [www.petraenergy.com.my](http://www.petraenergy.com.my).

A member entitled to attend and vote at the 18<sup>th</sup> AGM is entitled to appoint up not more than two (2) proxies to attend and vote on his behalf. If you intend to appoint a proxy to attend and vote at the 18<sup>th</sup> AGM on your behalf, the Form of Proxy must be completed and deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not later than forty-eight (48) hours before the time fixed for holding the 18<sup>th</sup> AGM or any adjournment thereof. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so. Alternatively, the Form of Proxy can also be submitted electronically via Securities Services e-Portal at <https://sshbsb.net.my/login.aspx> before the Form of Proxy submission cut-off time as mentioned above. For further information on the electronic submission of Form of Proxy, kindly refer to the Administrative Guide.

**16. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendix II of this Circular/Statement for further information.

Yours faithfully  
for and on behalf of the Board  
**PETRA ENERGY BHD.**

.....  
**DATO' ANTHONY @ FIRDAUZ BIN BUJANG**  
Executive Director/Group Chief Executive Officer





**PETRA ENERGY BHD.**

*[Registration No. 200501036241 (718388-H)]  
(Incorporated in Malaysia)*

**EXTRACT OF NOTICE OF THE 18<sup>TH</sup> AGM OF THE COMPANY TO BE HELD ON A VIRTUAL BASIS AT THE BROADCAST VENUE AT LAVENDER ROOM, LEVEL C, ONE WORLD HOTEL, FIRST AVENUE, LEBUH BANDAR UTAMA, BANDAR UTAMA, 47800 PETALING JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 23 MAY 2024 AT 11:00 A.M.**

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**ORDINARY RESOLUTION NO. 3**

**- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“**THAT** subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given for the Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature for the Company and its subsidiaries (“**the Group**”) to enter into and to give effect to the category of the recurrent related party transactions of a revenue or trading nature from time to time with the Related Parties as specified in Section 2.5 of the Circular/Statement to Shareholders dated 24 April 2024, provided that such transactions are:-

- a) recurrent transactions of a revenue or trading nature;
- b) necessary for the Group’s day-to-day operations;
- c) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- d) not to the detriment of minority shareholders,

(the “**Mandate**”);

**AND THAT** such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- i) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following this AGM at which the Mandate was passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- ii) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- iii) revoked or varied by resolution passed by the shareholders in a general meeting before the next AGM;

whichever is the earlier;

**AND FURTHER THAT** the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Mandate.”

**ORDINARY RESOLUTION NO. 4**

**- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES  
("Proposed Renewal of Share Buy-Back Authority")**

**"THAT** subject to the Companies Act 2016 (**"the Act"**), Bursa Malaysia Securities Berhad (**"Bursa Securities"**) Main Market Listing Requirements, the Constitution of the Company, and all other applicable laws, rules and regulations, approval be and is hereby given to the Company to purchase such number of ordinary shares as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- a) the aggregate number of ordinary shares to be purchased and/or held by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company including the shares previously purchased and retained as Treasury Shares (if any); and
- b) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

**THAT** such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- i) the conclusion of the next Annual General Meeting (**"AGM"**) of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first.

**AND THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion to cancel all the shares so purchased; and/or retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or retain part thereof as treasury shares and cancel the remainder; or in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

**AND FURTHER THAT** the Directors of the Company be authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as they may deem fit and expedient in the best interest of the Company."

**FURTHER INFORMATION****1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular/Statement has been seen and approved by the Directors (except the interested Director) who collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular/Statement false or misleading.

**2. MATERIAL CONTRACTS**

Neither PEB nor its subsidiaries has entered into any material contracts (not being contracts entered into in the ordinary course of business), within the two (2) years immediately preceding the date of this Circular/Statement.

**3. MATERIAL LITIGATION**

Neither PEB nor its subsidiaries is engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Board has no knowledge of any proceedings pending or threatened against the Company or its subsidiaries or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of PEB or its subsidiaries.

**4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at Suite 13.02, Level 13, Menara OBYU, 4, Jalan PJU 8/8A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan during normal office hours from Monday to Friday (except public holidays) from the date of this Circular/Statement up to and including the date of the forthcoming 18<sup>th</sup> AGM:-

- (i) The Constitution of PEB; and
- (ii) The audited consolidated financial statements of the PEB for the past two (2) FYE 31 December 2022 and 31 December 2023.

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