

## **PETRA ENERGY BERHAD**

[Registration No: 200501036241 (718388-H)]

(Incorporated in Malaysia)

("the Company" or "PEB")

MINUTES OF THE SEVENTEENTH ANNUAL GENERAL MEETING ("17<sup>TH</sup> AGM") OF THE COMPANY HELD ON A VIRTUAL BASIS AT THE BROADCAST VENUE AT JASMINE ROOM, LEVEL CONCOURSE, ONE WORLD HOTEL, FIRST AVENUE, LEBUH BANDAR UTAMA, BANDAR UTAMA, 47800 PETALING JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 25 MAY 2023 AT 11:00 A.M. ("**Meeting**")

---

**DIRECTORS PRESENT AT BROADCAST VENUE** : Tan Sri Datuk Seri Panglima Sulong bin Matjeraie  
(*Chairman of the 17<sup>th</sup> AGM, Independent Non-Executive Director*)  
Dato' Anthony @ Firdauz bin Bujang  
(*Group Chief Executive Officer/Executive Director*)  
Mr. Simon Ong  
(*Executive Director*)  
Dato Ahmadi bin Yusoff  
(*Executive Director*)  
Encik Abdul Rahim bin Abdul Hamid  
(*Senior Independent Non-Executive Director*)  
Mr. Gian Carlo Maccagno  
(*Non-Independent Non-Executive Director*)  
Ms. Ng Ing Peng  
(*Independent Non-Executive Director*)

**MEMBERS** : As per Attendance List

**PROXY HOLDERS** : As per Attendance List

**CORPORATE REPRESENTATIVES** : As per Attendance List

**INVITEES/OTHERS** : As per Attendance List

**IN ATTENDANCE** : Mr. Lim Lih Chau (*Company Secretary*)  
Ms. Siti Nurizzaty binti Mohd. Yatim  
(*Assisting the Company Secretary*)

### **CHAIRMAN**

Tan Sri Datuk Seri Panglima Sulong bin Matjeraie ("**Tan Sri Chairman**") was in the chair. Tan Sri Chairman welcomed all present to the 17<sup>th</sup> AGM of the Company and called the Meeting to order at 11:00 a.m.

Tan Sri Chairman informed all that the Board of Directors of the Company ("**Board**") had decided that the 17<sup>th</sup> AGM be held via live streaming webcast and online remote voting using the remote participation and voting facilities without physical attendance by shareholders, proxies and corporate representatives at the broadcast venue.

Tan Sri Chairman also informed the Meeting that each verified shareholder or proxy holder who had casted their votes during this Meeting, would be given a token of appreciation of RM50/- Grab voucher, an email on the details in relation to the voucher and instruction on redemption will be sent after the Meeting.

Tan Sri Chairman then proceeded to introduce the Directors, Chief Financial Officer, Company Secretary and External Auditors of the Company.

**PETRA ENERGY BERHAD**  
[Registration No: 200501036241 (718388-H)]  
(Incorporated in Malaysia)

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

**QUORUM**

The requisite quorum being present pursuant to Clause 84 of the Company's Constitution, Tan Sri Chairman declared the Meeting duly convened.

**NOTICE OF MEETING**

The Notice convening the Meeting, having been circulated within the prescribed period was, with the permission of the Meeting be taken as read.

**PROCEEDINGS**

Tan Sri Chairman informed the Meeting that only members whose names appeared in the Record of Depositors on 18 May 2023 were eligible to the Meeting.

Mr. Lim Lih Chau ("**Mr. Lim**"), Company Secretary of the Company informed that the Securities Commission Malaysia has indicated that shareholders and proxies may rely on real time submission of typed texts to exercise their rights to speak or communicate in a virtual meeting. Therefore, shareholders or proxies who attended the 17<sup>th</sup> AGM remotely were reminded to use the text box facility under the live stream player within the same e-portal page to transmit their questions or remarks. The Meeting would proceed with the question and answer ("**Q&A**") session upon completion of the deliberations of all items to be transacted at the 17<sup>th</sup> AGM.

The Meeting was informed that the Directors would endeavour to respond to all questions relevant to the Agenda items during the Meeting and in the event of any unattended questions or remarks submitted by shareholders or proxies would be responded via email after the conclusion of the Meeting.

Mr. Lim informed that the voting session had commenced from the start of the Meeting and shall continue to be accessible even after all Agenda items have been discussed and thereafter an additional 10 minutes will be allocated for all to cast and submit their votes.

Mr. Lim further informed that there were shareholders who were unable to participate in the 17<sup>th</sup> AGM remotely and had appointed the Chairman of the Meeting to vote on their behalf. Accordingly, Tan Sri Chairman would be voting in his capacity as proxy in accordance with the shareholders' instructions, where indicated.

The Meeting was informed that SS E Solutions Sdn. Bhd. was the poll administrator and Commercial Quest Sdn. Bhd. was the independent scrutineer to verify the results of the poll voting. The poll voting process for all resolutions set out in the Notice of the Meeting would be carried out after the discussions of all Agenda items of the Meeting.

Tan Sri Chairman informed that in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and pursuant to Section 330 of the Companies Act 2016, Tan Sri Chairman exercised his right as the Chairman of the Meeting and demanded that a poll be conducted for all the resolutions which were put forth for voting at the Meeting. A step-by-step guide together with a short audio clip on the online voting module within the e-Portal was presented at this juncture.

**PRESENTATION BY CHIEF EXECUTIVE OFFICER OF THE COMPANY**

Tan Sri Chairman invited Dato' Anthony @ Firdauz bin Bujang ("**Dato' Anthony**"), Group Chief Executive Officer of the Company, to give his presentation on the Company's business

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

updates and financial performance for the financial year ended 31 December 2022 (“**FYE 2022**”). The presentation covered the following areas: -

- i) Background;
- ii) Financial & Operational highlights;
- iii) Commitment to Environmental, Social and Governance (“**ESG**”); and
- iv) Moving forward.

The Meeting noted the following salient points: -

- **Background**

- The year 2022 began on a refreshing note with the abatement of the Covid-19 pandemic.
- The lingering effects of the pandemic persisted with new variants being discovered and global supply chain disruptions, there was a revitalised sense of optimism.
- The corresponding effects were witnessed by the energy industry in Malaysia.
- There was an uptick in upstream activities, with PETRONAS’s work plans picking up momentum towards the second half of 2022 in tandem with the growth in domestic CAPEX, further supported by buoyant oil prices. This translated to an increase in manhours.
- The initial planned projects for 2022, 2023 and 2024 were deferred and rationalised due to the pandemic and the projects that got the go-ahead were expected to resume and peak only in 2024.
- 2022 was a test of PETRA’s tenacity and agility: -
  - As there were no long-term Hook-Up Commissioning (HuC) contract. The Company continued to step in and complete jobs that were left unfinished by others (rescue jobs) and undertook independent contracts in its core area of Hook-up and Commissioning.
  - The Company continued to undertake work for the Maintenance Construction and Modification (MCM) contract in Sabah waters which was bidded and awarded in 2017 during a period of low oil prices.
  - The contract rates were lower than usual due to the economic conditions at the time, but the Company pushed for the rates to be revised and in Q4, 2022, the Company received an extension of MCM Contact with improved rates.
- The Company maintained a strong financial position: -
  - The Company’s financial health remained strong despite the circumstances. The Company focused on exceeding all its Key Performance Indicators (“**KPI(s)**”) targets.
  - The Company continued to deliver on the commitments safely for all business segments and made significant progress towards sustainability journey.
  - Throughout a multitude of challenges, the Company remained steadfast in its commitment to client and all stakeholders and held true to the strategic plan.
  - The initiatives implemented over the years allowed the Company to maintain its profitability and protect shareholder value via consistent dividend payments.

- **2022 Key Operational Highlights**

- A total of 3 million manhours of work was undertaken Group-wide for the period.
- The Company achieved all KPI’s set by PETRONAS for the Banang TSA operations.
- Extension of the Maintenance, Construction and Modification (“**MCM**”) contract by PCSB in Sabah waters.
- Successfully delivered Hook up and Commissioning rescue jobs.

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

- Maintained vessel utilisation rate at 62% for the period.
- Strong HSE performance sustained.
- Balance sheet remains healthy with zero gearing and strong cash balances.
- **Operational Performance - Services Segment (Banang TSA 1.0 and TSA 2.0)**
  - The Company has performed very well since the start of the Banang TSA in June 2020 where the Company achieved all KPIs with zero fatality case, i.e.: no tier 1 loss of primary containment and facilities availability of over 99%.
  - The TSA was extended for two (2) years (until 2024) with increased scope and responsibilities including drilling of the B5 infill well in Q2, 2023 which was successfully completed.
  - The Company had strong safety performance, evidenced by the following: -
    - 1000 days without Lost Time Incident (“LTI”) as of 25 March 2023.
    - Successfully completed six (6) crude liftings with zero HSE incident.
  - The Company received four (4) focused recognitions from PETRONAS.
  - The Company was agile and lean with only fifteen (15) O&M crew members with multi-skilled personnel (vs twenty-two (22) pax O&M crew during KBM SFRSC).
  - The TSA to operate and maintain the Banang oilfield, offshore Terengganu, on behalf of PETRONAS and it is the first and only one of its kind in Malaysia.
  - As of 31 March 2023, the total Banang field production under the TSA was at 1,620,210 barrels.
- **Operational Performance – Development & Production Segment**
  - This segment involves the inaugural petroleum contract for onshore block SK433 for Petroleum Sarawak (PETROS). The duration of the contract is twenty-nine (29) years comprising 4 + 1 years (optional). Prospecting, four (4) years development and twenty (20) years production. The nature of the contract is one of Production Sharing.
  - Block SK433 is in the Miri Marudi area and includes the Adong Kecil West (AKW) discovery which is being progressed for appraisal and early commercialisation pending outcomes of the viability studies.
- **Operational Performance – Services Segment (MCM)**
  - The MCM Contract was extended for two (2) years up to December 2023 and subsequently, the Company had received a letter of intent for extension up to December 2024.
  - In 2022, the Company undertook three (3) turnarounds with no rework, zero non-conformance and no punch list for the MCM contract.
    - The Company had completed twenty-three (23) turnarounds (TA’s) safely and ahead of schedule for MCM Operations since the start of the project in September 2017.
    - Ten (10) turnarounds were completed with no rework, zero NCR and no punch list which is testament to quality-of-service delivery by the Company.
  - The Company is progressing towards technology advancement by implementing 3D laser scanning as part of the pre-planning for MCM in order to minimise rework.
  - The MCM project was extended with better rates in 2022 to December 2023 with a letter of intent to extend up to December 2024.
  - At peak operations, HuC has over 1400 daily crew and 5 offshore marine assets.

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

- **Operational performance – Service Segment (HUC)**
  - Petra undertook seven (7) HUC projects including three (3) rescue jobs.
  - The Company secured and completed several 'rescue job' projects from other contractors as the Company was not awarded with the long-term IHUC Contract.
  - The Company will bid for the new IHUC contract which will be tendered out in late 2023 or early 2024.
  - The Company remained focused on growing the order book and will explore for pockets of opportunities within the HUCC and EPCC work segments.
  - The Company has successfully delivered on all HUC projects safely and maintained core Project Management Team (PMT) talent.
  - Significant HUC projects that were undertaken during the period include: -
    - Anjung Project (rescue project)
    - E11RA
    - Tanjung Baram (rescue project)
    - KNNAG Project – Train B RFSU and Start up (rescue project)
  
- **Operational performance (Marine Assets Segment)**
  - The vessel utilisation is at 62% for the period and maintained within the 60% range. Utilisation was reduced by 7% as compared to 69% in the previous financial period due to lower utilisation in the first quarter of 2022 as plans were deferred due to clients' schedule of activities.
  - The group marine unit clocked 604,000 manhours without LTI during the period.
  - For comparison, in Q1, 2023 vessel utilisation was at 41.7% as compared to 22.4% in Q1, 2022.
  
- **Operational Performance (Trading and Services)**
  - For the period under review, the trading and services unit in Piasau, Miri undertook the following: -
    - Provision of Offshore Crane Operations & Maintenance Services for Sarawak/ Sabah Shell (5 years contract).
    - Provision of Mechanical Rotating Equipment Maintenance services for Sarawak/ Sabah SHELL (2 years contract).
    - Master Service Agreement for lifting equipment operations & maintenance services for PETRONAS Carigali (3 years contract).
    - Provision of Aquachem Watermaker Maintenance Services and Spare Parts for PETRONAS Carigali Sabah and Sarawak (2 + 1 years contract).
  
- **Financial Highlights**
  - The Group maintained a solid balance sheet and robust financial position.
  - Cost savings and cost management are a continued priority for the Company.
  - The Company was financially ready to support client's planned activities.
  - The total asset and total equity for FYE 2022 were RM630 million and RM 387.33 million respectively.
  - The Company's total liabilities were at RM242.68 million.
  - The cash and short-term deposits remained high at RM184.82 million.
  - The total borrowings of RM36.86 million as supporting working capital arrangement.
  - The current ratio is at 1.69 times and the net negative gearing ratio of 0.38.
  - The Company paid a dividend of 5.0 Sen for FYE 2022.

**PETRA ENERGY BERHAD**  
[Registration No: 200501036241 (718388-H)]  
(Incorporated in Malaysia)

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

- The Services Segment and Marine Assets Segment contributed RM243.9 million and RM126.8 million respectively to the Company's revenue.
- Revenue and Gross Profit: -

Product mix

- Although revenue increased, the combined margins were reduced due to: -
  - ✓ The makeup of the revenue in product mix. HuC normally generates higher margins but in 2022 HUC revenue shrunk whilst MCM work generated lower margins grew.
  - ✓ MCM was awarded in 2017 during the oil price crisis where the rates were much lower as it was based on tough economic conditions at that point of time.
  - ✓ The MCM contract has since been extended with better rates in Q4, 2022 until the end of the extension period.
- **Quarter 1, FYE 2023 overview**
  - Quarter 1 traditionally has been a low activity period for the services segment due to monsoon and the clients' schedule of activities. It is worth to note that the oil and gas industry in Malaysia typically has a period of low activities in the Q1 period as it is usually the monsoon season, budgets and clients work planning.
  - In the last three (3) years, Q1 has recorded a net loss.
  - Petra's Q1, 2023 registered a loss of RM5.9 million, an improvement as compared to RM20.5 million loss recorded in Q1, 2022.
  - The substantially lower loss can be attributed to: -
    - improved vessel utilisation of 41.7% against 20% in 2022.
    - Higher activities in the Banang TSA 2.0 contract.
  - However, similar to FYE 2022, a lower amount of revenue was recorded for HuC work and the Company currently has no long-term HuC umbrella contract in hand as this will be re-tendered later this year or in 2024.
  - Balance sheet remains intact, with negative net gearing ratio, strong cash balance and financial ratios.
  - As at Quarter 1, order book and tender book are estimated at RM1 billion respectively this will augur well for the Group in 2023 and spillover to 2024 depending on the contract.

- **Commitment to Environmental, Social and Governance (ESG)**

Petra Sustainability Framework

- The Company launched Sustainability Framework Blueprint which covers thirteen (13) materiality topics as follows: -
  1. Economic Performance;
  2. Procurement Practice;
  3. Anti-Corruption;
  4. Regulatory Compliance and Risk Management;
  5. Corporate Social Responsibility;
  6. Occupational Health & Safety;
  7. Training & Education;
  8. Diversity & Equal Opportunity;
  9. GHG Emission;

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

10. Energy Management
  11. Water Consumption;
  12. Waste Management; and
  13. Ecological Impact/Biodiversity.
- These high-level initiatives are being streamlined into actionable items over the next five (5) years.
  - In 2023, the Company will be focusing on target setting for Petra's materiality areas.
  - In 2022, Petra reported its sustainability statement for the first time in reference to Global Reporting Initiatives Standards.
- **Moving Forward**
    - The Company will continue to look for opportunities in renewable energy.
    - The Company commits to focus on operationalising its sustainability goals and targets in line with clients and the Nation's net-zero targets.

#### **LETTER FROM MINORITY SHAREHOLDERS WATCH GROUP ("MSWG")**

Tan Sri Chairman informed that the Company had received a letter from MSWG dated 15 May 2023 and was requested to respond to the questions raised by the MSWG at the Meeting. At this juncture, the Tan Sri Chairman invited Encik Khairul Anwar bin Mohamad ("**Encik Khairul**"), the Group Chief Financial Officer of the Company, to share with the Meeting the questions raised by MSWG and the Company's corresponding responses.

Encik Khairul read the letter from MSWG and corresponding Company's responses, the details of which are annexed hereto as "**Annexure A**".

#### **1.0 AUDITED FINANCIAL STATEMENTS FOR THE FYE 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Tan Sri Chairman informed that the first item on the Agenda was to receive the Audited Financial Statements ("**AFS**") of the Company for the FYE 2022 together with the Reports of the Directors and Auditors thereon.

In view that the first item on the Agenda was only meant for discussion and shall not be put forward for voting, Tan Sri Chairman declared that the AFS of the Company for the FYE 2022 together with the Reports of the Directors and Auditors thereon, be received.

#### **2.0 APPROVAL OF PAYMENT OF DIRECTORS' FEES PAYABLE TO THE NON-EXECUTIVE DIRECTORS AMOUNTING TO RM522,000.00 FROM 26 MAY 2023 UNTIL THE NEXT AGM OF THE COMPANY**

Tan Sri Chairman informed that the next item on the Agenda was to approve the payment of Directors' fees payable to the Non-Executive Directors amounting to RM522,000.00 from 26 May 2023 until the next AGM of the Company.

The Meeting then proceeded with the next item on the Agenda.

#### **3.0 APPROVAL OF PAYMENT OF DIRECTORS' BENEFITS UP TO AN AMOUNT OF RM63,800.00 FROM 26 MAY 2023 UNTIL THE NEXT AGM OF THE COMPANY**

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

Tan Sri Chairman informed that the next item on the Agenda was to approve the payment of directors' benefits up to an amount of RM63,800.00 from 26 May 2023 until the next AGM of the Company.

The Meeting then proceeded with the next item on the Agenda.

**4.0 RE-ELECTION OF THE FOLLOWING DIRECTORS, WHO ARE DUE TO RETIRE PURSUANT TO CLAUSE 117 OF THE COMPANY'S CONSTITUTION:**

- (A) TAN SRI DATUK SERI PANGLIMA SULONG BIN MATJERAIE;**
  - (B) DATO' ANTHONY @ FIRDAUZ BIN BUJANG; AND**
  - (C) DATO AHMADI BIN YUSOFF.**
- 

Tan Sri Chairman informed the Meeting that the next item on the Agenda was to re-elect himself, Dato' Anthony @ Firdauz bin Bujang and Dato Ahmad bin Yusoff who were due to retire by rotation pursuant to Clause 117 of the Company's Constitution, being eligible, had offered themselves for re-election.

Tan Sri Chairman further informed the Meeting that in view that the item relates to his re-election as a Director of the Company, he passed the chairmanship of the Meeting to Encik Abdul Rahim bin Abdul Hamid ("**Encik Rahim**") to chair the proceedings for this segment of the Agenda.

Encik Rahim took over the Chairmanship from Tan Sri Chairman and informed the Meeting that the next item on the Agenda was to re-elect Tan Sri Chairman, Dato' Anthony @ Firdauz bin Bujang and Dato Ahmad bin Yusoff who were due to retire by rotation pursuant to Clause 117 of the Company's Constitution. Thereafter, Encik Rahim handed over the Chair to Tan Sri Chairman.

The Meeting then proceeded with the next item on the Agenda.

**5.0 RE-APPOINTMENT OF MESSRS. PRICEWATERHOUSECOOPERS PLT AS THE AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT AGM AND AUTHORISATION TO THE DIRECTORS TO FIX THEIR REMUNERATION**

---

Tan Sri Chairman informed that the next item on the Agenda was to re-appoint Messrs. PricewaterhouseCoopers PLT as the Company's Auditors until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

Messrs. PricewaterhouseCoopers PLT had expressed their willingness to continue in office as Auditors of the Company.

The Meeting then proceeded with the next item on the Agenda.

**SPECIAL BUSINESS**

**6.0 ORDINARY RESOLUTION NO. 1**  
**- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

---



(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

Tan Sri Chairman informed that the next item on the Agenda was to seek shareholders' approval of '*Ordinary Resolution No. 1: Authority to issue shares pursuant to the Companies Act 2016*'.

The proposed adoption of the Ordinary Resolution No. 1 was primarily to give flexibility to the Directors to undertake fundraising activities, including but not limited to placement of shares for the funding of the Company's future investment projects, working capital and/or acquisitions, by the issuance of shares not exceeding 10% of the total number of issued shares in the Company to such persons at any time as the Directors may deem fit, without incurring any further cost to convene a separate general meeting to approve such authority.

The Meeting then proceeded with the next item on the Agenda.

**7.0**            **ORDINARY RESOLUTION NO. 2**  
**- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT")**

---

Tan Sri Chairman informed that the next item on the Agenda was to seek shareholders' approval of the '*Ordinary Resolution No. 2: Proposed renewal of existing shareholder mandate for RRPT*'.

The proposed adoption of the Ordinary Resolution No. 2 was to renew the existing shareholder mandate granted by the shareholders of the Company at the Sixteenth AGM of the Company held on 25 May 2022.

The proposed adoption of the Ordinary Resolution No. 2 would allow the Petra Group to enter into any of the RRPT with the related parties from time to time, which are necessary for the Group's day-to-day operations, provided that such transactions are in the ordinary course of business and on normal commercial terms and are not prejudicial to the shareholders 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 of the Company.

The Meeting then proceeded with the next item on the Agenda.

**8.0**            **ORDINARY RESOLUTION NO. 3**  
**- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

---

Tan Sri Chairman informed that the next item was to seek shareholders' approval of '*Ordinary Resolution No. 3: Proposed renewal of authority for the Company to purchase its own shares*'.

The proposed adoption of the Ordinary Resolution No. 3 was to seek approval from the shareholders for renewal of authorisation to allow the Board to exercise the power of the Company to purchase not more than 10% of the total number of issued share capital of the Company at any time within the time period stipulated provided that 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.

The Meeting then proceeded with the next item on the Agenda.

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

**9.0 ORDINARY RESOLUTION NO. 4**  
**- PROPOSED RETIREMENT GRATUITY PAYMENT TO ENCIK ABDUL RAHIM BIN ABDUL HAMID**

---

Tan Sri Chairman informed the Meeting that the next item on the Agenda was to seek shareholders' approval of the "*Ordinary Resolution No. 4: Proposed Retirement Gratuity Payment to Encik Abdul Rahim bin Abdul Hamid*".

The proposed adoption of Ordinary Resolution 4 was to seek approval from the shareholders for gratuity payment as a token of appreciation to Encik Abdul Rahim bin Abdul Hamid for his past service, dedication and contribution to the Company during his tenure in office as the Senior Independent Non-Executive Director of the Company.

The Meeting then proceeded with the last item on the Agenda.

**10.0 ANY OTHER ORDINARY BUSINESS**

The Meeting was advised that there was no other ordinary business to be transacted at the Meeting of which due notice had been given.

**12.0 Q&A SESSION**

Tan Sri Chairman informed the Meeting that the following questions were received from shareholders during the Meeting and the response were as follows:-

Questions	Management Responses
1. Is there any door gift for shareholders?	Yes, shareholders who attended the virtual AGM will be receiving RM50/- Grab voucher. The Company will contact the shareholders after the Meeting.
2. What measure has been taken to eliminate all forms of forced or compulsory labour? What policy does the Company have in place?	The Company complies with all Labour laws (i.e.: Malaysia Employment Act 1955 and Sabah & Sarawak Labour Ordinance). Our Human Resources Policies and Employee Handbook outlines our commitment towards eliminating forced labour. We also complied with Petronas Freedom of Labour principles. We are an organisation that cares and operates with the culture of PetraCares which is the core value of the Company. Occupational, Safety, Health, Diversity and Inclusiveness are material areas identified in PETRA's sustainability framework.

**PETRA ENERGY BERHAD**

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

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

<b>Questions</b>	<b>Management Responses</b>
<p>3. For FY 2023, the Q1 revenue dropped significantly quarter on quarter and is in red. Other Oil and Gas (O&amp;G) companies also seem to be experiencing similar situations: -</p> <p>a) Is this solely due to the monsoon season or is it a prelude to O&amp;G industry activities slowing down due to dropping crude oil prices?</p> <p>b) Has the monsoon season ended? Do management see a recovery of activities?</p>	<p>Quarter 1 is typically a period of low activities for the O&amp;G industry as it is monsoon season and it is also a planning period. Therefore, we expect work to pick up in the coming quarters.</p>
<p>4. In the Chairman Statement, Management Discussion and Analysis stated that HuC (Hook-up and Commissioning) normally has higher margin than MCM (Maintenance, Construction, and Modification) contract but for FY2022, we see HuC revenue shrunk. FY2022 also tested the Company resilient with no long-term contract and mostly performing rescue jobs for others.</p> <p>a) Why our Company cannot get long term HuC contract? Is this only limited to our company?</p> <p>b) Why are MCM jobs have lower margin than HuC?</p>	<p>MCM was awarded in 2017 during the oil price crisis where the rates were much lower as it was based on tough economic conditions at that point of time. The MCM contract has since been extended with better rates in Q4, 2022. We will re-tender for the HUC long term contract later in late 2023 or early 2024.</p>
<p>5. Our Company has won a quite number of contracts recently such as a subcontract from MMHE for Kasawari CCS project, two (2) accommodation boats contracts from Petronas Carigali, 22 months extension for Banang oil field technical services job from PETRONAS.</p> <p>a) Can Management share the size and value of these contracts?</p>	<p>Yes, the Company won a number of contracts recently which are expected to contribute positively to 2023 results. Our Group order book currently stands at approximately RM1 billion.</p>

**PETRA ENERGY BERHAD**

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

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

b) What is the latest outstanding order book of each segment?	
6. Please send me a hard copy of annual report as even this is virtual meeting, as shareholder, I have other meetings at the same time. I have missed some parts.	Sure, we will send you a copy of the annual report after this meeting.
7. Our company first quarter result show a loss of 1.84 sen per share. How much better can our Company do to ensure a better profit going forward? Also, our company is wholly dependent directly and indirectly on PETRONAS for our survival. How does our Company continue to maintain that preferred relationship and continue to receive good orders and contracts over a number of similar local competitors like our Company? So, does Our Company know PETRONAS Capex and the next areas of requirements to secure?	We are committed to expanding our client base and shall continue with business development, an ongoing initiative for Petra. In 2023 we received three (3) letters of award from MMHE which we anticipate to contribute positively to the Group's financial results in 2023. We also undertake work with PETROS. We are driven by PETRONAS work plans as highlighted in the PETRONAS Activity Outlook 2023.

**13.0 POLLING PROCESS**

After addressing all the relevant questions from the shareholders / proxies, the step-by-step guide together with a short audio clip on the online voting module within the e-Portal was again played.

The Meeting then proceeded with the completion of the casting and submission of votes for another 10 minutes. The video of the Company was played for the benefit of the shareholders and proxies who had submitted their votes. Upon completion of the poll voting, the Scrutineers then proceeded to verify the poll results.

**14.0 ANNOUNCEMENT OF POLL RESULTS**

Upon the verification of the poll results by the Scrutineers, the Chairman invited Mr. Lim, the Company Secretary to announce the poll results received from the Independent Scrutineer, Commercial Quest Sdn. Bhd.

Based on the report from the Independent Scrutineer, Mr. Lim announced the poll results as follows:-

**PETRA ENERGY BERHAD**  
[Registration No: 200501036241 (718388-H)]  
(Incorporated in Malaysia)

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

Resolution	Voted for		Voted against		Result
	No. of shares	%	No. of shares	%	
<p><b><u>Resolution 1</u></b></p> <p>To approve the payment of Directors' fees payable to the Non-Executive Directors amounting to RM522,000.00 from 26 May 2023 until the next AGM of the Company.</p>	128,674,052	99.9740	33,462	0.0260	Carried
<p><b><u>Resolution 2</u></b></p> <p>To approve the payment of Directors' benefits up to an amount of RM63,800.00 from 26 May 2023 until the next AGM of the Company.</p>	128,514,151	99.9740	33,363	0.0260	Carried
<p><b><u>Resolution 3</u></b></p> <p>To re-elect Tan Sri Datuk Seri Panglima Sulong bin Matjeraie, who is due to retire in accordance with Clause 117 of the Company's Constitution and being eligible, had offered himself for re-election.</p>	128,539,797	99.9940	7,720	0.0060	Carried
<p><b><u>Resolution 4</u></b></p> <p>To re-elect Dato' Anthony @ Firdauz bin Bujang, who is due to retire in accordance with Clause 117 of the Company's Constitution and being eligible, had offered himself for re-election.</p>	128,539,369	99.9937	8,148	0.0063	Carried
<p><b><u>Resolution 5</u></b></p> <p>To re-elect Dato Ahmadi bin Yusoff, who is due to retire</p>	128,539,907	99.9941	7,610	0.0059	Carried

**PETRA ENERGY BERHAD**

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

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

Resolution	Voted for		Voted against		Result
	No. of shares	%	No. of shares	%	
in accordance with Clause 117 of the Company's Constitution and being eligible, had offered himself for re-election.					
<b><u>Resolution 6</u></b> To re-appoint Messrs. PricewaterhouseCoopers PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.	128,544,799	99.9979	2,714	0.0021	Carried
<b><u>Resolution 7</u></b> Authority to Issue Shares pursuant to the Companies Act 2016.	128,541,707	99.9957	5,530	0.0043	Carried
<b><u>Resolution 8</u></b> Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	32,975,867	99.9865	4,448	0.0135	Carried
<b><u>Resolution 9</u></b> Proposed renewal of authority for the Company to purchase its own shares.	128,545,971	99.9988	1,548	0.0012	Carried

**PETRA ENERGY BERHAD**  
 [Registration No: 200501036241 (718388-H)]  
 (Incorporated in Malaysia)

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

Resolution	Voted for		Voted against		Result
	No. of shares	%	No. of shares	%	
<b><u>Resolution 10</u></b>  Proposed Retirement Gratuity Payment to Encik Abdul Rahim Bin Abdul Hamid.	100,567,550	99.9770	23,155	0.0230	Carried

Based on the results of the poll voting, Tan Sri Chairman declared that the following resolutions be and is hereby **CARRIED**:

**RESOLUTION 1**

**THAT** the payment of Directors' fees payable to the Non-Executive Directors amounting to RM522,000.00 from 26 May 2023 until the next Annual General Meeting of the Company be and is hereby approved.

**RESOLUTION 2**

**THAT** the payment of Directors' benefits up to an amount of RM63,800.00 from 26 May 2023 until the next Annual General Meeting of the Company be and is hereby approved.

**RESOLUTION 3**

**THAT** Tan Sri Datuk Seri Panglima Sulong Bin Matjeraie, being eligible for re-election, be re-elected as a Director of the Company.

**RESOLUTION 4**

**THAT** Dato' Anthony @ Fidauz bin Bujang, being eligible for re-election, be re-elected as a Director of the Company.

**RESOLUTION 5**

**THAT** Dato Ahmadi bin Yusoff, being eligible for re-election, be re-elected as a Director of the Company.

**RESOLUTION 6**

**THAT** the retiring Auditors, Messrs. PricewaterhouseCoopers PLT be re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and that authority be and is hereby given to the Directors to fix their remuneration.

**SPECIAL BUSINESS**

**RESOLUTION 7**

**- ORDINARY RESOLUTION NO. 1: AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

**THAT** subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

**THAT** pursuant to Section 85 of the Act to be read together with Clause 14 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

**AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

**AND FURTHER THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.

#### **RESOLUTION 8**

##### **- ORDINARY RESOLUTION NO. 2: 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 Shareholder Mandate for the Company and its subsidiaries (“**the Group**”) to enter into and to give effect to the category of the recurrent 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 26 April 2023, provided that such transactions are:-

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the Group’s day-to-day operations;
- (iii) 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
- (iv) 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;



**PETRA ENERGY BERHAD**  
[Registration No: 200501036241 (718388-H)]  
(Incorporated in Malaysia)

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

- 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 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.

**RESOLUTION 9**

**- ORDINARY RESOLUTION NO. 3: PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

**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; or
- (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

**PETRA ENERGY BERHAD**  
[Registration No: 200501036241 (718388-H)]  
(Incorporated in Malaysia)

(Minutes of the Seventeenth AGM of the Company held on 25 May 2023 - cont'd)

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.

**RESOLUTION 10**

**- ORDINARY RESOLUTION NO. 4: PROPOSED RETIREMENT GRATUITY PAYMENT TO ENCIK ABDUL RAHIM BIN ABDUL HAMID**

**THAT** approval be and is hereby given for the Company to make a retirement gratuity payment of RM171,000.00 to Encik Abdul Rahim bin Abdul Hamid, a Senior Independent Non-Executive Director of the Company in recognition and appreciation of his long service and contribution to the Company;

**AND THAT** authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary and/or desirable to give full effect to this resolution.

**TERMINATION**

Tan Sri Chairman informed the shareholders that Encik Rahim, the Senior Independent Non-Executive Director will retire upon conclusion of the Meeting. The Board recorded a note of appreciation to Encik Rahim for his services and valued contributions during his twelve (12)-year tenure as the Senior Independent Director and Chairman of the Audit Committee, Remuneration Committee and Board Risk Management Committee of the Company.

Thereafter, Tan Sri Chairman concluded the Meeting and thanked all present for their attendances.

The Meeting ended at 12:30 p.m. with a vote of thanks to Tan Sri Chairman.

SIGNED AS A CORRECT RECORD

- duly signed -

\_\_\_\_\_  
TAN SRI DATUK SERI PANGLIMA SULONG  
BIN MATJERAIE

Dated: 25 May 2023

## **Annexure A**

The details of the queries raised by the MSWG and the corresponding reply by the Company were as follows: -

### **Operational and Financial Matters**

#### **Question No. 1**

The Group recorded maintained vessel utilisation rate at 62% for FY 2022, much lower than 69.6% in FY 2021. (Pages 37 & 44 of AR)

- a) What are the reasons for the much lower maintained vessel utilisation rate in FY 2022 as the crude oil price has enjoyed a substantial increase in price in that year and oil majors are keen to spend more capex to extract more crude oil?
- b) What is the revenue and profit contribution of the maintained vessel utilisation for FY 2022 and FY 2021 respectively?
- c) What measures have been taken to further improve its maintained vessel utilisation rate in FY 2023? How successful are these measures? What is the maintained vessel utilisation rate as of March 2023?

#### **Management's Replies: -**

- a) The lower vessel utilisation by seven percentage points in FY2022 is attributed to lesser activities in clients scheduled work as hiring plans were deferred. We felt maintaining vessel utilisation within the 60% range was an achievement for PETRA considering the challenges. Whilst crude oil prices indicate a pick-up in activities, this did not directly translate to an increase in activity for PETRA as vessel charter is determinant on our clients hiring plan. Nevertheless, it is worthy to note that although utilisation was lower, the rates for FY2022, in certain contracts, were better as compared to FY2021.
- b) The marine asset segment recorded a revenue of RM126.8 million and segment profit of RM22.7 million for FY2022 as compared to a revenue of RM114.5 million and segment profit of RM3.5 million in 2021. The figure is reflected in Note 37 of the financial statements.
- c) The Group has intensified its business development and marketing activities for its marine assets, this is an ongoing initiative for PETRA. As at Q1, 2023, we recorded 41% utilisation vs Q1, 2022 21%.

#### **Question 2**

The Group's gross profit margin reduced further from 15.1% in FY 2021 to 9.4% in FY 2022. (Page 12 of AR)

- a) Please explain the reasons for the lower gross profit margin ratio for FY 2022.
- b) What measures have been taken to stamp the declining gross profit margin in FY 2023?
- c) What is the expected gross profit margin for FY 2023 after incorporating the measures taken on item (b) above?

#### **Management's Replies: -**

- a) The lower gross profit margin ratio for FY2022 can be attributed to product mix changes in FY2022 against FY2021, mainly due to a decrease in HuC (Hook up and Commissioning) revenue. Revenue contribution for HuC, which fetches higher margins, decreased whereas MCM revenue, with lower margins, increased. The MCM contract was awarded during the low oil price period. The MCM rates have only been revised

**PETRA ENERGY BERHAD**

[Registration No: 200501036241 (718388-H)]

(Incorporated in Malaysia)

under a contract extension from 2023 to 2024. Currently, the Group does not have a HuC long term contract since FY2020.

- b) The Group has intensified its business development initiatives for all business segments. We are focused on growing our order book and will explore for pockets of opportunities within the HuC and MCM segments. The Group currently does not have a long term HuC contract in hand however, individual projects and rescue jobs are ongoing. In Q1 2023, we received three (3) letter of awards to undertake HuC work for MMHE for the Kasawari CCS, Kasawari CPP and Jerun projects.
- c) We expect margins to be maintained with slight improvements in FY2023, this is also dependent on new contracts awarded during the year to replace the PETRONAS Carigali Sdn. Bhd. umbrella HuC contract and clients activity during the year.

**Question 3**

The Group had impaired RM3.53 million on trade and other receivables in FY2022 as compared to RM Nil in FY2021. (Page 118 of AR)

- a) Please explain the reasons for the high impairment loss in FY2022?
- b) Kindly provide a breakdown of the impairment loss by trade receivables and other receivables for FY 2022 respectively.
- c) Has the Group managed to recover any of the impairment loss in FY 2023? If yes, please provide the amount and whether the recovery is from trade or other receivables.

**Management's Reply: -**

Approximately RM2.3 million of the impairment relates to other receivables and RM 1.2 million relates to expected credit loss (ECL) as part of requirement set in MFRS 9 of the accounting standards. The impairment on other receivables is mainly due to unpaid management fee for a vessel leased by a third party. The lease agreement was subsequently terminated by us during the financial year as the particular lessee is unable to make payment on the ship management services fee. We are pursuing legal avenues to recover the said amount.

**Question 4**

The Group has approved but not contracted for Property, plant and equipment capital commitment for FY2023 amounting to RM107.2 million in FY2022 as compared to RM33.8 million in FY2021, three (3) times increase. (page 118 of AR)

- a) What were the reasons for the higher capital commitment in FY2022?
- b) Does the higher capital commitment signal that the Company will be securing more jobs in FY 2023? If yes, what is the expected amount?
- c) How does the Group plan to fund the acquisition of the Property, Plant, and Equipment?

**Management's Replies: -**

- a) This is purely related to the SK433 project that was committed in 2022 but was not contracted during the period.
- b) No, as it is part of the Phase 1 (appraisal scope) committed for SK433.
- c) If required, this will be through internally generated funds and through bank borrowings.

**Question 5**

It was reported on pages 37 and 38 of the annual report that the Group has zero gearing ratio. However, it was mentioned on page 28 of the same annual report that the Group's net gearing ratios are 0.38 times and 0.28 times in FY 2022 and FY 2021 respectively.

Kindly confirm which set of gearing figures are correct.

**Management's Reply: -**

It is negative 0.38 (FY2022) and negative 0.28 (FY2021).

**Corporate Governance Matters**

**Question 1**

Resolution 9 is a proposal to pay a gratuity amounting to RM171,000 to Encik Abdul Rahim Bin Abdul Hamid, a Senior Independent Non-Executive Director ("**SINED**") of the Company in recognition and appreciation of his long service and contribution to the Company.

- a) Has the company paid any gratuity payment to a SINED or any INED in the past? If yes, when and what was the amount.
- b) How was the quantum of RM171,000 arrived at?
- c) MSWG does not encourage the payment of gratuity to a SINED or INED as gratuity is normally paid to long serving staff. INEDs should be adequately remunerated by way of directors' fees, meeting allowances and other benefits.
- d) Will this gratuity payment set a precedent for the Company to pay any INED who retires in the future? Will there be a gratuity policy set for INEDs?

**Management's Replies: -**

- a) No, it has not paid any gratuity to a SINED or any INED in the past.
- b) It is based on the SINED's monthly fee multiplied by the number of years he has served.
- c) We note your position on this, thank you.
- d) No, it is treated on a case-to-case basis.