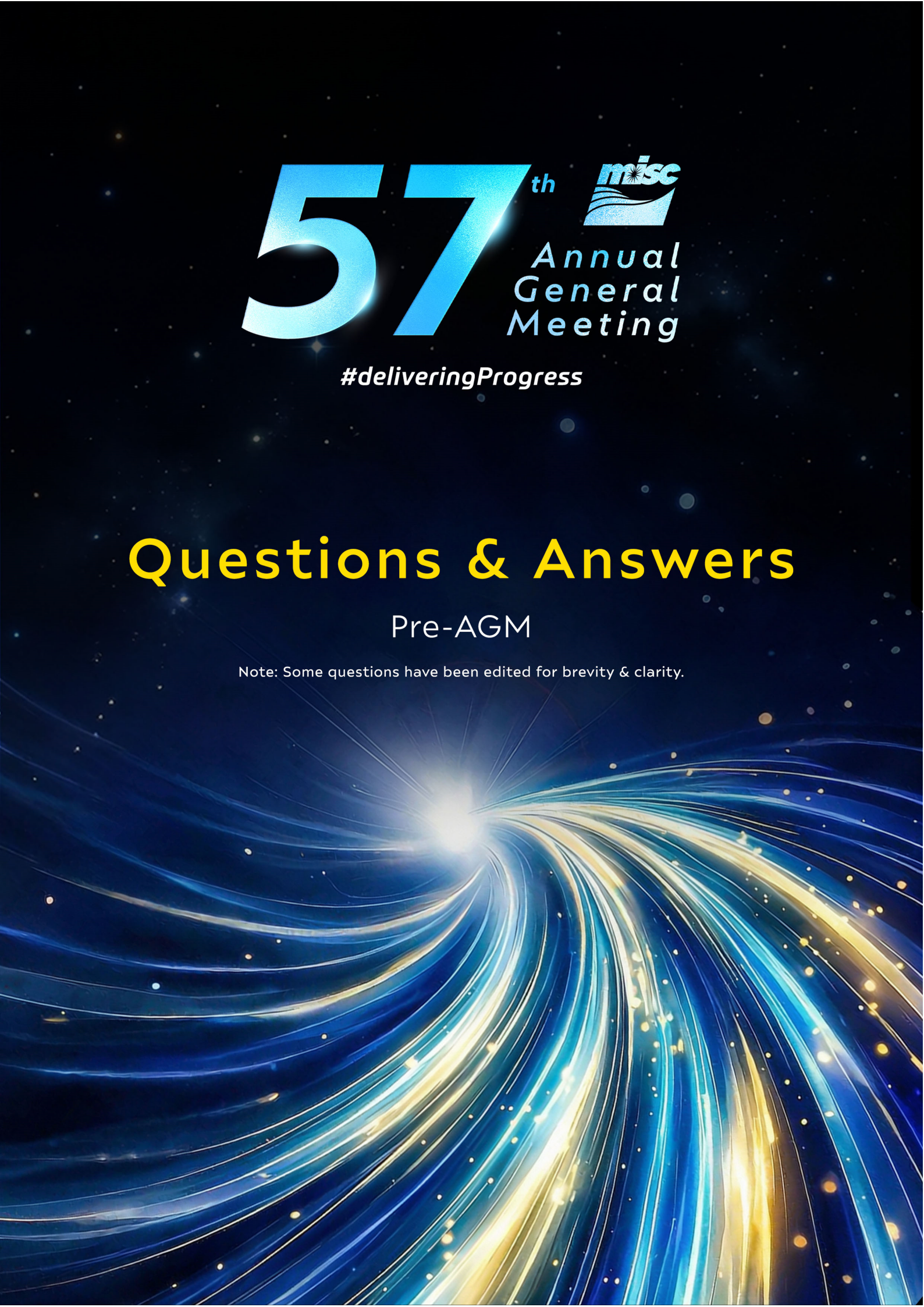




57th Annual General Meeting

#deliveringProgress

Questions & Answers

Pre-AGM

Note: Some questions have been edited for brevity & clarity.

QUESTIONS RECEIVED FROM EMPLOYEES PROVIDENT FUND (EPF), PERMODALAN NASIONAL BERHAD (PNB) AND OTHER SHAREHOLDERS PRIOR TO THE 57TH ANNUAL GENERAL MEETING (AGM)

No.	Shareholder's Name	Question																		
1.	EPF	Could MISC confirm whether there have been any changes to the directors' fee structure?																		
Answer:																				
The Directors' Fees proposed for shareholders' approval at the forthcoming 57th Annual General Meeting (AGM) is based on the fee structure, as set out below, which has remained unchanged since 2025:																				
	Monthly retainer fee	<table><tr><th colspan="4">Attendance allowance per meeting</th></tr><tr><th>Board</th><th>Board Audit Committee</th><th>Board Nomination & Remuneration Committee</th><th>Board Sustainability & Risk Committee</th></tr><tr><td>Chairman</td><td>RM24,000</td><td>RM3,500</td><td>RM3,500</td><td>RM3,500</td></tr><tr><td>Member</td><td>RM12,000</td><td>RM3,500</td><td>RM3,500</td><td>RM3,500</td></tr></table>	Attendance allowance per meeting				Board	Board Audit Committee	Board Nomination & Remuneration Committee	Board Sustainability & Risk Committee	Chairman	RM24,000	RM3,500	RM3,500	RM3,500	Member	RM12,000	RM3,500	RM3,500	RM3,500
Attendance allowance per meeting																				
Board	Board Audit Committee	Board Nomination & Remuneration Committee	Board Sustainability & Risk Committee																	
Chairman	RM24,000	RM3,500	RM3,500	RM3,500																
Member	RM12,000	RM3,500	RM3,500	RM3,500																

No.	Shareholder's Name	Question
2.	EPF	Kindly provide clarification on the rationale for the proposed 5% increase in directors' fees, from RM2,850,000 approved at AGM 2025 to RM3,000,000 proposed for AGM 2026.
Answer:		
The projection is calculated based on the existing Directors' fee structure, the composition of NEDs, including a provisional sum as a contingency for future appointment of NED on the Board and Board Committee, as well as estimated number of regular and/or special Board and Board Committees' meetings from 14 May 2026 until the conclusion of the next AGM.		

No.	Shareholder's Name	Question
3.	EPF	Kindly confirm whether the Company conducts any benchmarking exercise. If so, we would appreciate it if you could share the outcomes of the benchmarking analysis.
Answer:		
MISC has adopted the revised Directors' Remuneration Framework which is based on the PETRONAS' Guidelines on Remuneration for PETRONAS Public Listed Companies Non-Executive Directors (NEDs). Comparison of MISC's fee structure was made against the other public listed companies within the PETRONAS Group. In benchmarking against comparable public listed companies and prevailing best practices, the BNRC and the Board noted the current fee structure for NEDs of MISC remains reasonably competitive. Accordingly, and following the BNRC's recommendation, the Board has resolved to maintain the existing fee structure. The Directors' fees proposed for shareholders' approval at the forthcoming 57th AGM are, therefore, based on the current fee structure as set out above.		

No.	Shareholder's Name	Question
4.	EPF	Kindly confirm the total tenure (in years) that EY has served as the external auditor of MISC.
Answer:		
EY was appointed as MISC's auditors since 2003 (23 years).		

No.	Shareholder's Name	Question
5.	EPF	We would also appreciate confirmation of the name of the current audit engagement partner for EY, as well as the status of audit partner rotation and compliance with the MIA By-Laws, including the year of the last rotation.
Answer:		
The current Audit Engagement Partner, Pn. Nurida Salwa, has been in the role for three (3) years for the audit of the financial years 2023, 2024 and 2025. EY maintain their independence by rotating the audit partners every seven (7) years with a cooling period of five (5) years. EY also conducts an Independent Partner Review in order to preserve their independence. In addition, EY had also provided written assurance to the BAC that in accordance with the terms of all relevant professional and regulatory requirements, they had been independent throughout the audit engagement.		

No.	Shareholder's Name	Question
6.	EPF	Kindly confirm when MISC last undertook a share buyback exercise.
Answer:		
MISC last undertook a share buy-back exercise pursuant to a mandate approved at the AGM held on 27 April 2018. The Company commenced the share repurchase on 23 October 2018, during which a total of 47,400 shares were repurchased and retained as treasury shares. No further share repurchases have been undertaken since.		

QUESTIONS RECEIVED FROM PERMODALAN NASIONAL BERHAD (PNB)

No.	Shareholder's Name	Question		
7.	PNB	To disclose the Total Shareholders' Returns ("TSR") of MISC for the past 1, 3, and 5 years up to the end of the financial year ended 2025. What would the Board attribute the performance to?		
Answer:				
MISC's Total Shareholders' Return (TSR)				
Period		1-Year	3-Year	5-Year
TSR (%)		7.4%	18.4%	39.3%

MISC delivered Total Shareholders' Return (TSR) of 7.4%, 18.4%, and 39.3% for the 1-, 3- and 5-year periods respectively.

TSR reflects a combination of share price performance and dividends paid, influenced by both company fundamentals such as earnings and cash flow, and market conditions.

MISC's TSR has been primarily supported by our consistent dividend payments, with dividends maintained at 33 sen per share from 2020 to 2021, increased to 36 sen from 2022 to 2024, and most recently raised to 38 sen per share.

Over the past five years, the average dividend yield was a healthy 4.7%, reflecting our commitment to long-term shareholder value.

No.	Shareholder's Name	Question
8.	PNB	In the previous year, the Board highlighted CFROA as a key critical driver of TSR. Could the Board disclose MISC's CFROA for the past 1, 3, and 5 years up to the end of the financial year ended 2025, and elaborate on the performance and trends observed over the past year, including how this metric has influenced shareholders' returns?
Answer:		
A key driver of TSR is the stability of dividends, supported by strong earnings yield and cash flow generation. We prioritise Cash Flow Return on Assets (CFROA), as it better reflects the Group's underlying cash-generating performance. Over the past 5 years, CFROA averaged 9.3%, ranging between 8.5% and 11.4%.		

	FY2021	FY2022	FY2023	FY2024	FY2025
CFROA	8.5%	9.0%	10.1%	9.3%	11.4%

Note: CFFO has been adjusted to exclude effects of the GKL arbitration, finance lease accounting and one-off FSU prepayment.

In FY2025, CFROA improved to 11.4%, supported by stronger operating cash flows and disciplined execution across the Group. This also supported the Group's higher dividend declared of 38 sen per share for FY2025.

Sustaining a healthy and stable CFROA remains important in supporting consistent dividend distributions and long-term shareholder returns.

No.	Shareholder's Name	Question
9.	PNB	In addition, the Board had also identified strengthening core businesses and pivoting into profitable new energy businesses as its strategy to enhance Total Shareholder Return (TSR). Could the Board similarly elaborate on its observations on the progress of these initiatives over the past year?
Answer:		
The Group has made steady progress across both pillars over the past year. For our core businesses, we continued strengthening earnings visibility through contract-backed asset deliveries and new contract wins across all segments in 2025 and into early 2026. For New Energy, our focus has been on building capabilities and strategic partnerships in emerging low-carbon value chains and have made significant progress through projects such as Kasawari CCS, offshore substation platforms under Tennet's 2GW Programme, as well as the award of our first LCO₂ carrier contract in 2026. Overall, we continue to deliver progress across our strategic pillars to support sustainable value creation and long-term TSR.		

No.	Shareholder's Name	Question
10.	PNB	With the ongoing Middle East turmoil impacting a broad spectrum of players, could the Board address any impact observed to MISC's operations, demand dynamics, and cost structure as well as on the overall execution of the aforementioned initiatives? On the operations front, we would especially appreciate observations and views on the (potential) impact to charter rates and contracts, and any cascading effect to MISC's strategy.
Answer:		
The immediate impact of the ongoing Middle East conflict on MISC remains limited, with no material disruption to our overall operations. All affected vessels continue to operate under existing contractual arrangements, and all crew and vessels remain safe. Our earnings are relatively resilient, supported by long-term charter contracts with strong counterparties, while additional costs are generally recoverable under contractual terms. Operationally, vessel deployment and routing continue to be actively monitored and adjusted based on prevailing risk conditions. While prolonged escalation could introduce greater uncertainty around project costs and schedules, there is currently no change to the Group's strategy or execution nor any material impact to our project delivery.		

No.	Shareholder's Name	Question
11.	Azhar Khamaruzaman	The Company declared a total dividend of 38.0 sen per share against an EPS of 38.1 sen, representing a near 100% payout ratio (Financial Report, pages 5 & 11). Concurrently, the Group has approved and contracted committed CAPEX of RM7.86 billion (Financial Review, pg. 141). Given the highly capital-intensive nature of the fleet rejuvenation and New Energy transition, how does the Board plan to fund this RM7.86 billion CAPEX without significantly increasing the current net debt-to-equity ratio or cutting future dividends?
Answer:		
The Group remains focused on balancing growth investments, financial discipline and shareholder returns. The committed CAPEX will be funded through internally generated cash flows and external financing. MISC continues to maintain strong operating cash flows, a healthy cash balance and relatively low gearing, providing the financial capacity to support our growth ambitions.		

The Group remains committed to maintaining a healthy net debt-to-equity position and sufficient financial flexibility, while continuing to support sustainable shareholder returns over the longer term.

No.	Shareholder's Name	Question
12.	Azhar Khamaruzaman	The Group's impairment loss on trade and other receivables surged by 148% to RM198.5 million in FY2025, up from RM80.0 million in FY2024 (Financial Report, Statements of Cash Flows, page 19). Which specific business segment or counterparty contributed to this significant spike in credit impairment, and what is the expected recovery rate for these provisions?
Answer:		
The increase in impairment loss on trade and other receivables in FY2025 was mainly driven from Offshore segment, in relation to the Malaysia Offshore Mobile Production (Labuan) Ltd (MOMPL) vs PCPP Operating Company Sdn. Bhd. (PCPP) case, in which a full impairment was recognised on the remaining net book balance of RM182.9 million (USD43 million). With regards to the recovery, MOMPL's solicitors will continue to engage with the liquidator and explore all available avenues to maximise the prospect of recovery. The Group will continue to monitor developments closely and reassess should there be any material change in circumstances.		

No.	Shareholder's Name	Question
13.	Azhar Khamaruzaman	The Group's MISC 2030 Ambition targets 25% of Cash Flows from Operations (CFO) to be generated from New Energy Solutions. Currently, the New Energy business generates RM720.7 million, representing only 6.5% of total revenue (Sustainability Report, pg. 256). What is the projected capital expenditure required over the next 3 years to bridge the massive gap from the current 6.5% revenue contribution to the 25% CFO target, and what is the target ROIC for these new energy investments?
Answer:		
The 25% New Energy CFO target is being pursued progressively through a disciplined approach, starting with building the right capabilities, partnerships and commercially viable projects before scaling further. To date, we have committed approximately USD370 million into selected New Energy investments supported by strong counterparties, long-term contracts and returns aligned with our core business. While the 25% target by 2030 remains our ambition, investments will continue to be paced prudently in line with market developments, regulations and customer demand.		

No.	Shareholder's Name	Question
14.	Azhar Khamaruzaman	The Gas Assets & Solutions (GAS) segment saw a severe 29.9% drop in revenue to RM2.09 billion, attributed to lower earning days, contract expiries, and vessel lay-ups (Financial Review, pg. 141). What is the projected utilisation rate for the GAS fleet in FY2026, and exactly how many vessels are currently laid up or facing contract expiries without secured charters in the next 12 months?
Answer:		
Today, the GAS fleet comprises 30 LNGCs, 3 FSUs and 6 VLECs. 5 older steam LNGCs are currently laid up with 1 additional LNGC contract expiring in 2026. The remaining fleet continues to be fully utilised under long-term charters until the end of the year. We are rejuvenating our fleet, and our orderbook includes 18 vessels on order, all backed by long-term contracts. 7 of these vessels are expected to be delivered in 2026.		

No.	Shareholder's Name	Question
15.	Azhar Khamaruzaman	The Group's Whistleblowing channel received 73 complaints in 2025, with 22 cases closed with action items following "substantiated allegations and identified anomalies" (Sustainability Report, pg. 215). What were the primary categories of these 22 substantiated cases (e.g., fraud, bribery, HR misconduct), and did any of these substantiated cases involve Senior Management personnel?
Answer:		
The 22 cases classified as "closed with action items" in 2025, relate substantially to workplace grievances, human resource and conduct-related matters, and some relate to non-compliance to internal process and procedures. There are no substantiated bribery and corruption cases. Of these, one substantiated complaint involved a member of Senior Management, relating to non-compliance with internal disclosure procedures with no financial impact. The Group has taken the necessary corrective actions, implemented safeguards to prevent recurrence, and remain committed to the highest standards of integrity.		

No.	Shareholder's Name	Question
16.	Azhar Khamaruzaman	The Group recorded 1 fatality in FY2025 and a severe deterioration in the Lost Time Injury Frequency (LTIF) rate, which quadrupled from 0.05 in 2024 to 0.20 in 2025 (Sustainability Report, Performance Data, pg. 286). What were the root causes identified by the Board for the fatality and the 4x increase in LTIF, and what specific, immediate operational interventions have been implemented to arrest this alarming decline in safety performance?
Answer:		
First and foremost, we deeply regret the fatality that occurred during the year. Safety remains our highest priority, and any loss of life is unacceptable. The incident was thoroughly investigated, with [current] findings pointing mainly to gaps in adherence to established safety procedures and operational controls. [The investigations and findings are currently ongoing.] While our LTIF remains better than industry benchmarks, any deterioration in safety performance is taken seriously by Management and the Board. This is also reflected in the Group's performance management framework, where the safety performance outcome impacted the KPI assessment of the Senior Leadership team. Immediate actions have been taken to strengthen controls, tighten operational oversight, enhance frontline supervision and reinforce our Care & Comply safety culture across the organisation, [if necessary]. We remain fully committed to improving and restoring a strong safety performance.		

No.	Shareholder's Name	Question
17.	Azhar Khamaruzaman	The Group reported a 15.8% decline in revenue to RM11.15 billion, yet Operating Profit increased by 7.0% to RM2.78 billion. The Financial Review (pg. 140) attributes this profit increase partially to a "recovery from a Floating Storage & Offloading (FSO) insurance settlement. Can the Board quantify the exact quantum of this one-off FSO insurance settlement, and what would the Group's core operating profit margin be excluding this exceptional item?
Answer:		
The Group recorded a recovery of approximately RM320.3 million from an FSO insurance settlement during FY2025. Excluding this recovery, adjusted operating profit would have been approximately RM2.46 billion. That said, the settlement does not constitute an exceptional item, as it relates to an indemnification arising from an insured operational event within the normal course of our offshore business.		

No.	Shareholder's Name	Question
18.	Budy Norcahyangsetiawan Bin Burhan	What is MISC's medium- to long-term strategies to ensure sustainable growth and strengthen members' competitiveness in the current economic environment?
Answer:		
Our strategy under the MISC 2030 Ambition is anchored on three pillars: Resilient Core, Profitable New Energy Business and Decarbonisation. For our Resilient Core, we continue strengthening earnings visibility through active fleet rejuvenation, supported by strong project execution and operational excellence. In New Energy, we remain focused on commercially viable opportunities across future fuels, offshore wind, and carbon value chains. At the same time, we continue progressing our decarbonisation efforts through modern, more efficient vessels and operational improvements, achieving a 36% reduction in GHG emissions intensity versus our 2008 baseline.		

No.	Shareholder's Name	Question
19.	Lim Shah Dow	Can the company send SHIPS or TANKER to Middle East to buy PETROL OR DIESEL and sell to Southeast Asia to make PROFIT since we are friendly country to them?
Answer:		
The Group operates as a maritime logistics provider focused on energy-related maritime transportation, rather than commodity trading. MISC does not engage in speculative trading of oil or refined products.		

No.	Shareholder's Name	Question
20.	Siti Sarah Binti Yusoff	As the Group enters the specialized LCO2 (Liquid Carbon Dioxide) carrier market and continues its fleet rejuvenation with M-class eco-efficient vessels, how is the Board balancing the 'first-mover' technical risks and the significant CAPEX requirements against our commitment to maintaining a stable dividend floor (currently at 38 sen)? Specifically, what is the strategy to ensure these high-specification 'New Energy' assets—which involve more complex cargo handling and control systems—deliver the same level of long-term contract security and internal rate of return (IRR) that our traditional LNG fleet has provided?
Answer:		
Our approach is to pursue these investments under long-term contracted structures with strong counterparties, ensuring clear earnings and cash flow visibility consistent with our existing shipping portfolio. We also mitigate first-mover and technical risks through strategic partnerships with established technology providers, shipyards and operators, while continuing to strengthen our operational readiness and crew capabilities for next-generation vessels. All investments remain subject to strict return thresholds, rigorous risk assessments and strong capital discipline, in line with our commitment to sustainable shareholder returns.		

No.	Shareholder's Name	Question
21.	Teo Cher Ming	On impairment (a) On ships amounting to RM656 million due to expiring contracts and expired contracts. Can the company provide a breakdown how much of the impairment is attributed to ships with expiring contracts and expired contracts? Will these ships be scrapped once the contracts end or will they be repurposed? Are the impairment on the ships similar to last year where the older generation ships are impaired? (b) On trade and other receivables: what are these pertaining to as it has significantly increased compared to FY2024.
Answer:		
The impairment losses recognised were mainly associated with older LNG vessels within the GAS segment, driven by contracts approaching expiry, vessels placed on lay-up and weaker charter market conditions, consistent with the prior year. The Group continues to assess these vessels on a case-by-case basis. Where commercially viable opportunities exist, the vessels may be redeployed, extended or repurposed.		

Otherwise, disposal or eventual scrapping may be considered if that represents the best value recovery option.

The increase in impairment loss on trade and other receivables in FY2025 was mainly driven from Offshore segment, in relation to the MOMPL vs PCPP case, in which a full impairment was recognised on the remaining net book balance of RM182.9 million (USD43 million).

No.	Shareholder's Name	Question
22.	Teo Cher Ming	On the Straits of Hormuz (a) What is the impact on MISC? (b) Does MISC benefit from the escalating LNGC charter rates considering that most of MISC contracts are long term charter contracts?
Answer:		
For (a): This question has already been addressed in an earlier question raised by PNB. In summary, the immediate impact on MISC remains limited, with no material disruption to our overall operations. All vessels and crew remain safe, and the affected vessels continue to operate under existing contractual arrangements. While charter rates may experience short-term volatility, our portfolio remains stable, largely insulated by long-term contracts. A prolonged escalation may introduce greater uncertainty and challenges, particularly in terms of project cost and schedules, which we are actively managing. For (b): The majority of MISC's LNGCs operate under long-term charter contracts, where charter rates are contractually agreed with customers and therefore not impacted by short-term charter rate volatility. For our vessels that are not on long-term contracts, these mainly comprise older steam turbine LNGCs, where charter rates continue to remain subdued. As such, the immediate financial benefit from escalating spot LNGC charter rates remains relatively limited for MISC.		

No.	Shareholder's Name	Question
23.	Phang Eng Boon	What is the business outlook with the world moving to renewables?
Answer:		
Global investment in the energy transition is expected to remain robust, with average annual spending projected to reach USD2.9 trillion over the next five years. However, progress remains fragmented and uneven globally, and oil and gas will continue to play an important role in the global energy mix for many years. MISC is well positioned to support both conventional and emerging energy value chains. Our investment approach remains measured, disciplined and commercially driven, focusing on opportunities with strong counterparties and clear commercial visibility.		

No.	Shareholder's Name	Question
24.	Tan Poh Kim	I would like to raise a question regarding the continued distribution of physical mailed dividend vouchers to shareholders. As many other companies are already practicing electronic communication and providing softcopy vouchers for greater efficiency, cost savings, and environmental sustainability, may I ask why the company still continues to issue and mail physical dividend vouchers? Given the additional printing, postage, and administrative costs involved, has the Board considered fully transitioning to electronic dividend vouchers or making physical copies optional only upon shareholder request? This could potentially reduce operational expenses and align with ESG and sustainability initiatives while maintaining convenience for shareholders
Answer:		
We are informed by our Share Registrar that there is only one (1) financial institution which provides the Electronic Notice of Crediting (eNOC) facility that enables delivery of dividend vouchers via e-mail, replacing the physical dividend vouchers. We are also mindful that not all shareholders have a registered email address to facilitate a full transition to softcopy dividend vouchers. Nevertheless, we are exploring the cost-benefit aspects of issuing softcopy dividend vouchers, taking into account all relevant factors.		

No.	Shareholder's Name	Question
25.	Muhammad Aiman Bin Abdul Rashid	Given rising global interest rates, stubbornly high opex, and mounting ESG-driven divestment from fossil fuel shipping, why should shareholders believe MISC can maintain its current dividend and return on equity over the next 24 months without taking on excessive debt - especially when your LNG orderbook growth is increasingly priced for perfection while charter rates remain volatile?
Answer:		
A significant portion of the Group's capital expenditure is focused on rejuvenating and modernising our fleet to ensure earnings sustainability. These investments are supported by long-term secured recurring income with established counterparties, providing relatively stable earnings, insulating the Group from short-term volatility. The Group also continues to maintain a strong financial position, supported by healthy cash balances, low gearing and strong cash flows from operating activities. This provides MISC with the flexibility and capacity to fund growth through a balanced combination of internally generated cash flows and external financing, while maintaining financial discipline.		

No.	Shareholder's Name	Question
26.	Koo Tze Chee	How many of MISC carrier are currently idle, stranded or unable to operate due to the Strait of Hormuz closure? Please provide an exact vessel count and name of the affected vessels.
Answer:		
Three of our vessels (2 petroleum tankers and 1 LNG vessel) have been directly affected by the restrictions and partial closure of the Strait of Hormuz. • Eagle Verona • Eagle Veracruz • Mihzem One vessel has since safely transited the area. However, there has been no material disruption to our overall operations. All affected vessels remain on hire under existing contractual arrangements. Vessels and crew remain safe. The situation is closely monitored, with safety and operational continuity as priorities. As of 30 May 2026, all MISC vessels in the Persian Gulf have safely transited through the Strait of Hormuz.		

No.	Shareholder's Name	Question
27.	Lee Soon Jin	How does the dividend yield this year?
Answer:		
The dividend yield for the financial year ended 2025 is 4.6%.		

No.	Shareholder's Name	Question
28.	Khairil Hannas Bin Ibrahim, Tian Bee Yuen, Tee Beng Ngo, Tee Beng Choo, Lim Ba Tai @ Lim Eng Kim, Chee Teng Ho, Tee Beng Hee, Te Seng Whatt @ Tay Seng Whatt, Yong Yang Har, Warren Tay Kim Leng	Is there a door gift for shareholders who are attending this AGM, online or in person?
Answer:		
Shareholders and proxies who attended the AGM via physical attendance or online attendance will be informed of the AGM door gift during the Chairman's closing remark		

No.	Shareholder's Name	Question
29.	<i>Tee Beng Ngo, Tee Beng Choo, Lim Ba Tai @ Lim Eng Kim, Chee Teng Ho, Tee Beng Hee, Te Seng Whatt @ Tay Seng Whatt, Yong Yang Har, Warren Tay Kim Leng</i>	Thank you for holding a hybrid AGM.
Answer:		
Thank you for your comments. We appreciate your participation.		