

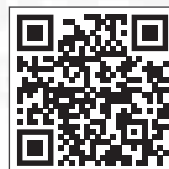


**Unlocking Possibilities Through
Synergised Strength**

PETRA ENERGY BHD.

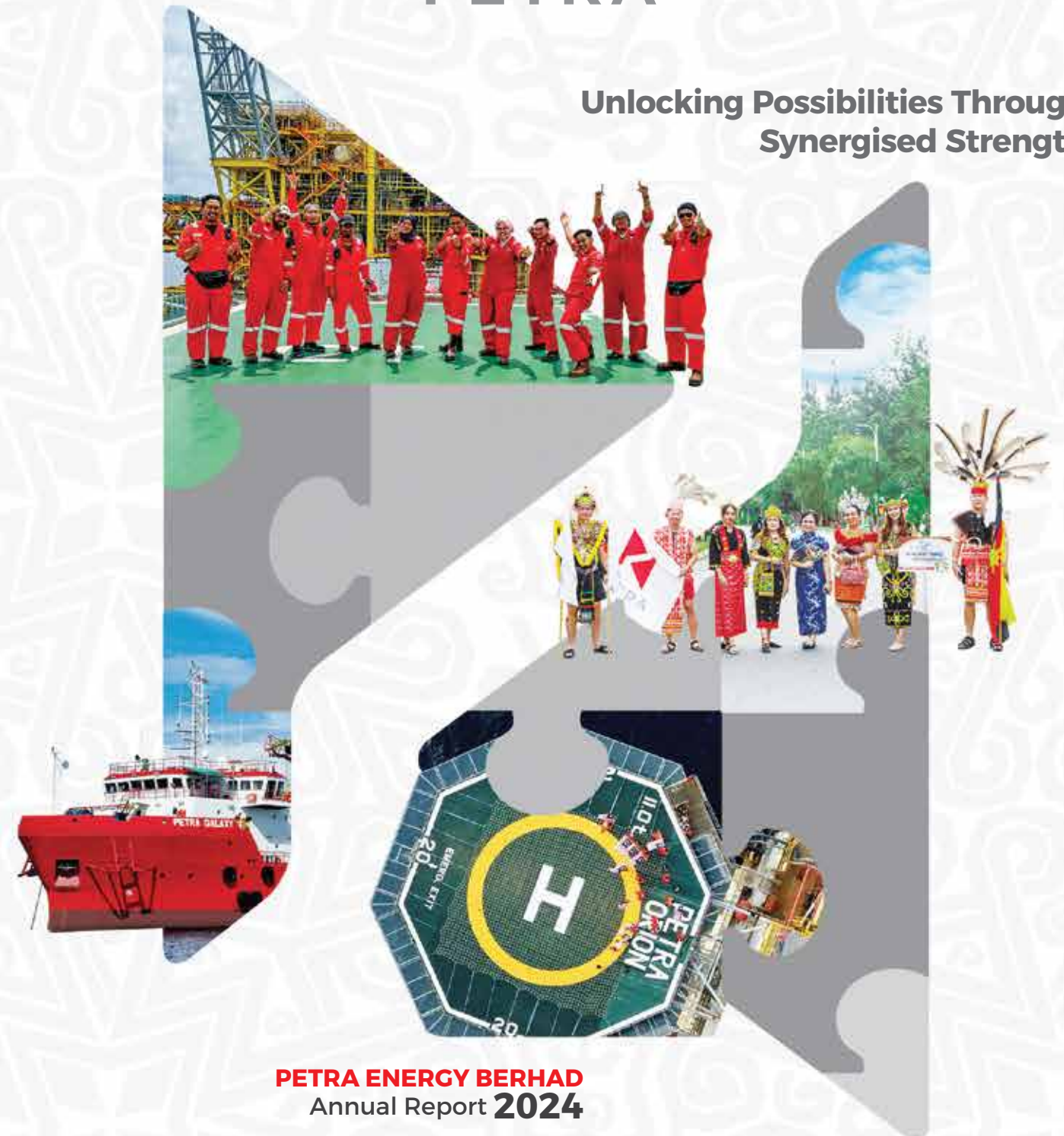
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4, Jalan PJU 8/8A,
Bandar Damansara Perdana,
47820 Petaling Jaya,
Selangor Darul Ehsan

Tel : +60 3 7726 5576 Fax : +60 3 7726 3686
Email : peb.corporate@penergy.com.my



www.petraenergy.com.my

PETRA ENERGY BHD [Registration No. 200501036241 (718388-H)] • ANNUAL REPORT 2024



PETRA ENERGY BERHAD
Annual Report **2024**

SYNERGISING PARTNERSHIPS



At PETRA Energy, our competitive edge lies in the synergies we form with all our stakeholders - clients, business partners, vendors, shareholders, employees and the investment community. These partnerships have been instrumental to our growth.

The cover reflects PETRA Energy's identity, built on the strength of our people, partnerships, assets and operations.

Rooted in the themes of *Synergising Partnerships and Unlocking Possibilities*, it represents how collaboration, purpose and progress come together to shape our journey and deliver lasting impact.



Welcome to **PETRA Energy Berhad's** Annual Report for the Financial Year 2024.

You can access the report by scanning the QR code or by visiting <https://www.petraenergy.com.my/>.



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OUR VISION IS TO BE A SUSTAINABLE ENERGY COMPANY

At PETRA Energy, we strive to bring our values to life; the Company's ISO 37001 certification reflects our commitment to integrity, our management systems-driven approach emphasises professionalism, and our journey toward a generative culture brings teamwork to life. We demonstrate commitment through consistency, by delivering on our promises, staying resilient in the face of challenges and holding ourselves accountable to the standards we set.

OUR CORE VALUES



BUSINESS OVERVIEW

PETRA Energy Berhad (PETRA Energy) began operations in 1988 in Miri, Sarawak. Over the years, we have grown to provide solutions to appraise, develop, operate and maintain oil and gas fields, integrated brownfield engineering focusing on hook-up commissioning, maintenance, construction and modification services with solid project management capabilities. PETRA Energy also owns and operates a fleet of eight (8) marine assets.

We are currently the operator of two upstream assets: the Banang Field offshore Terengganu under the Late Life Asset (LLA) Production Sharing Contract (PSC) with PETRONAS and Block SK433 in Miri, Sarawak, under the inaugural Petroleum Contract awarded by Petroleum Sarawak Berhad (PETROS).

Synergising Partnerships defines our way of doing business. We are deeply committed to building meaningful collaborations and embedding this principle across our value chain.

Beyond our core operations, PETRA Energy is dedicated to empowering people and communities, nurturing a resilient business ecosystem, and preserving culture and heritage. At the heart of our philosophy lies an unwavering commitment to Health, Safety, and Environment (HSE), guided by generative safety culture behaviours that ensure every action reflects our care for people, the planet and performance. This is embodied in our #PETRACares culture.

Our Vision is to be a Sustainable Energy Company



BUSINESS OVERVIEW



EXPLORATION, DEVELOPMENT AND PRODUCTION

- Petroleum Contract relating to Exploration, Development and Production of Petroleum in Block SK433, Onshore Sarawak
- Development and Production of petroleum from the Banang small field, offshore Terengganu

This began under a Risk Service Contract in 2012, transitioned into a Technical Services Agreement in 2020 and culminated in the award of the Late Life Asset Production Sharing Contract in 2024

INTEGRATED BROWNFIELD AND OFFSHORE MARINE SERVICES

- Hook-up and Commissioning
- Maintenance, Construction and Modification
- Project Management, Procurement and Logistics
- Engineering, Operations and Maintenance
- Oil Field Optimisation
- Equipment, Packaging and Manufacturing

MARINE ASSETS

The Group owns and operates two (2) accommodation and work barges, four (4) workboats, one (1) AHTS vessel and one (1) Mobile Offshore Production Unit (MOPU) to support its operations

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting (“**AGM**”) of PETRA Energy Berhad (PETRA Energy or the Company) will be held at Jasmine Junior Ballroom, Level C, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor on Monday, 26 May 2025 at 11:00 a.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon. **(Please refer to Notes No. 1)**
2. To approve the payment of Directors’ fees payable to the Non-Executive Directors amounting to RM522,000.00 from 27 May 2025 until the next AGM of the Company. **(Resolution 1)**
3. To approve the payment of Directors’ benefits up to an amount of RM117,250.00 from 27 May 2025 until the next AGM of the Company. **(Resolution 2)**
4. To re-elect Tan Sri Ahmad Nizam bin Salleh, who is due to retire in accordance with Clause 116 of the Company’s Constitution and being eligible, has offered himself for re-election. **(Resolution 3)**
5. To re-elect the following Directors, who are due to retire in accordance with Clause 117 of the Company’s Constitution and being eligible, have offered themselves for re-election:-
 - (a) Dato Ahmadi bin Yusoff; and **(Resolution 4)**
 - (b) Mr Simon Ong. **(Resolution 5)**
6. 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. **(Resolution 6)**

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without modification, to pass the following Ordinary Resolutions:-

7. **ORDINARY RESOLUTION NO. 1** **(Resolution 7)**
 - **AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

“**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.”

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

8. ORDINARY RESOLUTION NO. 2

(Resolution 8)

- 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 25 April 2025, 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.”

9. ORDINARY RESOLUTION NO. 3

(Resolution 9)

- 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:-

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

- 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.”

10. To consider any other business for which due notice shall have been given.

By Order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)

LIM LIH CHAU (SSM PC NO. 201908001454) (LS0010105)

Company Secretaries

Kuala Lumpur

25 April 2025

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

Explanatory Notes to Special Business:

1. Authority to Issue Shares pursuant to the Companies Act 2016

The Company wishes to renew the mandate on the authority to issue shares of not more than 10% of the total issued shares capital for the time being pursuant to the Companies Act 2016 at the Nineteenth AGM of the Company (hereinafter referred to as the “**General Mandate**”).

The Company had been granted a general mandate by its shareholders at the last AGM of the Company held on 23 May 2024 (hereinafter referred to as the “**Previous Mandate**”). As at the date of this notice of Nineteenth AGM, the Company did not implement any proposal for new allotment of shares under the Previous Mandate. Therefore, no proceeds have been raised under the Previous Mandate.

The purpose for the Company to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next AGM. The proceeds raised from the General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

2. Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Proposed Resolution 8 is intended to enable the Company and its subsidiaries (“**the Group**”) to enter into any of the recurrent related party transactions of a revenue or trading nature which are necessary for the Group’s day-to-day operations, subject to the transactions being 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.

Please refer to the Circular/Statement to Shareholders dated 25 April 2025, for more information.

3. Proposed Renewal of Authority for the Company to Purchase its Own Shares

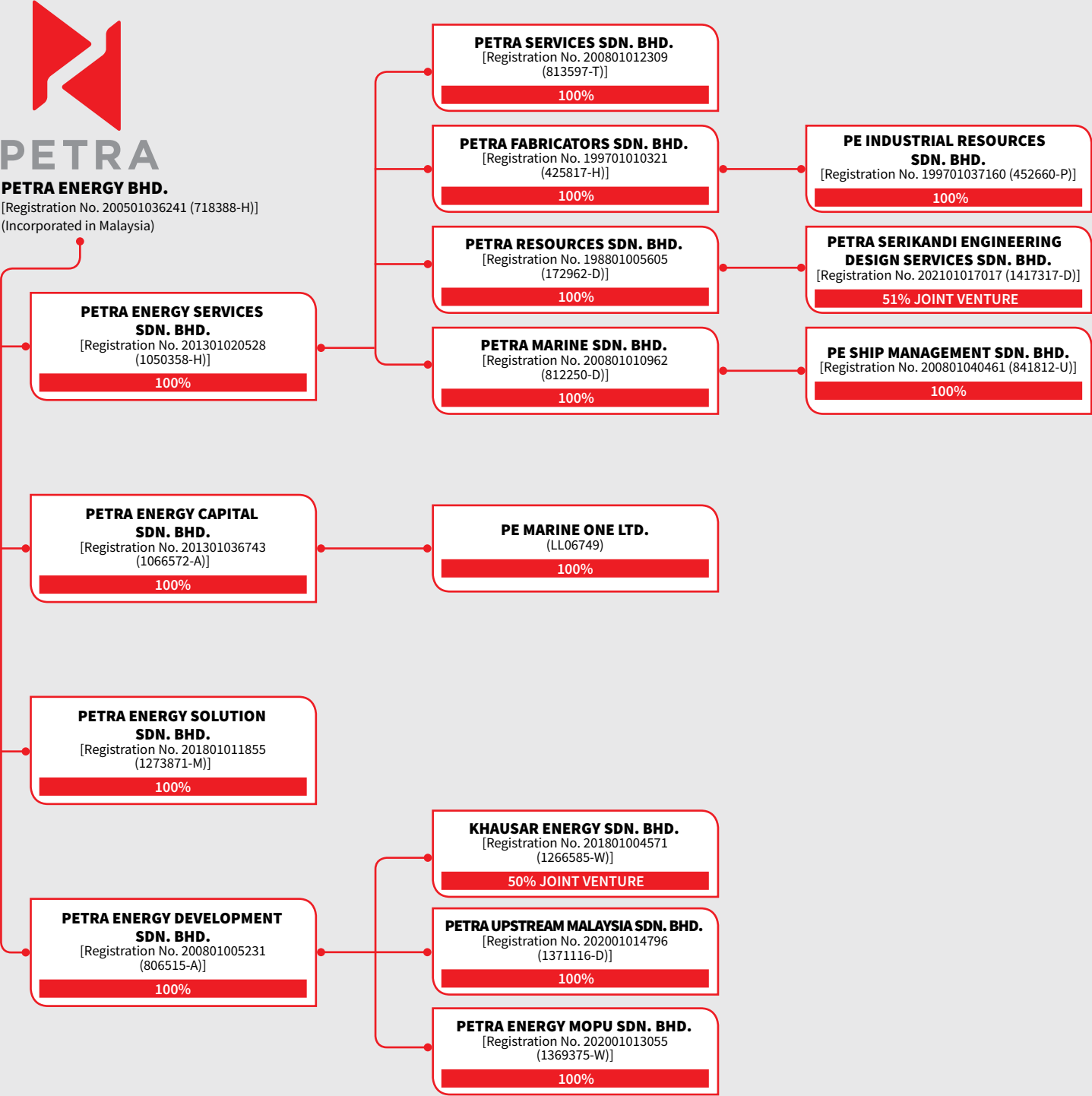
The Proposed Resolution 9 is intended to allow the Company to purchase its own shares up to ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Please refer to the Circular/Statement to Shareholders dated 25 April 2025, for more information.

Notes:-

1. This Agenda item is meant for discussion only as Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements and only requires the Audited Financial Statements to be laid at the Meeting. Therefore, this Agenda item is not put forward for voting.
2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 May 2025 shall be eligible to attend and vote at the Meeting.
3. A member entitled to attend and vote at the AGM of the Company, shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. There shall be no restriction as to the qualification of the proxy. The proxy(ies) appointed to attend and vote at the AGM shall have the same rights as the member to speak at the AGM.
4. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
6. Where a member of the Company is an Exempt Authorised Nominee which hold ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account (“**Omnibus Account**”), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
7. The completed instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted via fax at 03-2094 9940 and/or 03-2095 0292 or emailed to info@sshsb.com.my, not less than forty-eight (48) hours before the time for holding the Meeting or any adjourned thereof (**i.e. on or before Saturday, 24 May 2025 at 11:00 a.m.**).

CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Tan Sri Ahmad Nizam bin Salleh

(Chairman/Independent
Non-Executive Director)
(Appointed on 3 March 2025)

2. Ng Ing Peng

(Independent Non-Executive Director)

3. Gian Carlo Maccagno

(Non-Independent Non-Executive
Director)

4. Zuhaida binti Zulkifli

(Independent Non-Executive Director)

5. Dato' Anthony @ Firdauz bin Bujang

(Executive Director/Group Chief
Executive Officer)

6. Dato Ahmadi bin Yusoff

(Executive Director)

7. Simon Ong

(Executive Director)

AUDIT COMMITTEE

1. Ng Ing Peng (Chairperson)

2. Gian Carlo Maccagno

3. Zuhaida binti Zulkifli

NOMINATION AND REMUNERATION COMMITTEE

1. Ng Ing Peng (Chairperson)

2. Gian Carlo Maccagno

3. Zuhaida binti Zulkifli

BOARD SUSTAINABILITY COMMITTEE

1. Zuhaida binti Zulkifli (Chairperson)

2. Ng Ing Peng

3. Gian Carlo Maccagno

COMPANY SECRETARIES

1. Chua Siew Chuan

(MAICSA 0777689/
SSM PC NO. 201908002648)

2. Lim Lih Chau

(LS0010105/
SSM PC NO. 201908001454)

AUDITORS

PricewaterhouseCoopers PLT
(LLP0014401-LCA & AF 1146)
Chartered Accountants
Level 10, 1 Sentral,
Jalan Rakyat,
Kuala Lumpur Sentral,
P.O. Box 10192,
50706 Kuala Lumpur,
Wilayah Persekutuan

HEADQUARTERS

Suite 13-02, Level 13,
Menara OBYU,
4, Jalan PJU 8/8A,
Bandar Damansara Perdana,
47820 Petaling Jaya,
Selangor Darul Ehsan
Tel : 03-7726 5576
Fax : 03-7726 3686
Email : peb.corporate@penergy.com.my

REGISTERED OFFICE

Suite 13-02, Level 13,
Menara OBYU,
4, Jalan PJU 8/8A,
Bandar Damansara Perdana,
47820 Petaling Jaya,
Selangor Darul Ehsan
Tel : 03-7726 5576
Fax : 03-7726 3686
Email : peb.corporate@penergy.com.my
Website : www.petraenergy.com.my

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
[Registration No. 197701005827 (36869-T)]
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan
Tel : 03-2084 9000
Fax : 03-2094 9940
Email : info@sshsb.com.my
(for Annual Report request and/or general
meeting registration matters)
Website : www.sshsb.com.my


PRINCIPAL BANKERS

- OCBC Bank (Malaysia) Berhad
[Registration No. 199401009721
(295400-W)]
- Malayan Banking Berhad
[196001000142 (3813-K)]
- United Overseas Bank (Malaysia) Berhad
[199301017069 (271809-K)]
- Al Rajhi Banking & Investment
Corporation (Malaysia) Sdn. Bhd.
[Registration No. 200501036909 (719057-X)]
- Bank Pembangunan Malaysia Berhad
[Registration No. 197301003074 (16562-K)]


STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Berhad
Sector : Energy
Stock Code : 5133
Stock Name : PENERGY


BOARD OF DIRECTORS' PROFILE




TAN SRI AHMAD NIZAM BIN SALLEH
Chairman/Independent Non-Executive Director

 **Date of appointment as Director**


3 March 2025

 **Gender**

Male

 **Age**

69

 **Nationality**

Malaysian

LENGTH OF SERVICE AS DIRECTOR SINCE APPOINTMENT (AS AT 24 APRIL 2025):

1 month

BOARD COMMITTEE(S) SERVED ON:

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)/RECOGNITION:

- Degree in Business Administration, Ohio University
- Advanced Management Program, The Wharton School, University of Pennsylvania

WORKING EXPERIENCE:

- 2021-2024: Chairman of Pelaburan Hartanah Berhad
- 2018-2024: Chairman of KLCC Property Holdings Berhad
- 2018-2021: Chairman of KLCC Holdings Berhad
- 2018-2021: Chairman of KLCC REIT Management
- 2018-2021: Chairman of Petroliam Nasional Berhad (PETRONAS)
- 2018-2021: Chairman of Yayasan PETRONAS
- 2018-2021: Pro Chancellor of Universiti Teknologi PETRONAS
- 2016-2018: Director of WZ Satu Berhad
- 2010-2016: Managing Director/CEO Engen Limited, South Africa
- 2007-2010: Vice President, Corporate Services PETRONAS
- 2004-2007: Managing Director/CEO Malaysia LNG Group of Companies, PETRONAS
- 2002-2004: Senior General Manager Group Treasury, PETRONAS
- 1999-2002: Senior General Manager Crude Oil Group, PETRONAS
- 1997-1999: General Manager Malaysia Crude Oil Marketing Division, PETRONAS
- 1991-1995: Deputy Project Director, LNG 2 Project PETRONAS

- 1988-1991: Head of Projects, Tender and Contract Division PETRONAS
- 1986-1988: Project Coordinator Implementation and Coordination Unit, PETRONAS
- 1981-1986: Held various positions in PETRONAS and its group including Economic and Investment Evaluation Department, Gas Development Division, Commercial Division PETRONAS Gas Berhad, Project Management Team PGU 1 and II projects

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:

Nil

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY:

Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:

Nil


CONVICTION FOR OFFENCES WITHIN THE PAST 5 YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:

Nil


NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR END:


Not applicable as Tan Sri Ahmad Nizam bin Salleh was appointed as a Director on 3 March 2025


BOARD OF DIRECTORS' PROFILE




NG ING PENG
Independent Non-Executive Director

 **Date of appointment as Director**
14 May 2015

 **Gender**
Female

 **Age**
68

 **Nationality**
Malaysian

LENGTH OF SERVICE AS DIRECTOR SINCE APPOINTMENT (AS AT 24 APRIL 2025):

9 years 11 months

Madam Ng was appointed as Executive Director of the Company on 14 May 2015 and was redesignated as Non-Independent Non-Executive Director on 31 December 2016 and subsequently redesignated as Independent Non-Executive Director of the Company on 2 January 2019

BOARD COMMITTEE(S) SERVED ON:

- Chairperson of the Audit Committee
- Chairperson of the Nomination and Remuneration Committee
- Member of the Board Sustainability Committee

ACADEMIC/PROFESSIONAL QUALIFICATION(S)/RECOGNITION:

- Bachelor of Accounting, Universiti Malaya
- Member of Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants (MIA)

WORKING EXPERIENCE:

- Executive Director and Group Chief Financial Officer of PETRA Energy Berhad
- Head of Group Finance of CIMB Investment Bank Berhad
- Head of Operations of PB Securities Sdn. Bhd.
- Financial Controller of RSH (Malaysia) Sdn. Bhd. and Reebok (M) Sdn. Bhd.
- Manager of KPMG Management Consulting division
- Senior Auditor of Ernst & Whinney (now known as Ernst & Young)
- Audit Executive of Thornton Baker Chartered Accountants, London
- Financial Accountant of Penang Development Corporation

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:

- Red Sena Berhad (in liquidation)
- MR D.I.Y. Group (M) Berhad
- HSBC Amanah Malaysia Berhad

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY:

Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:

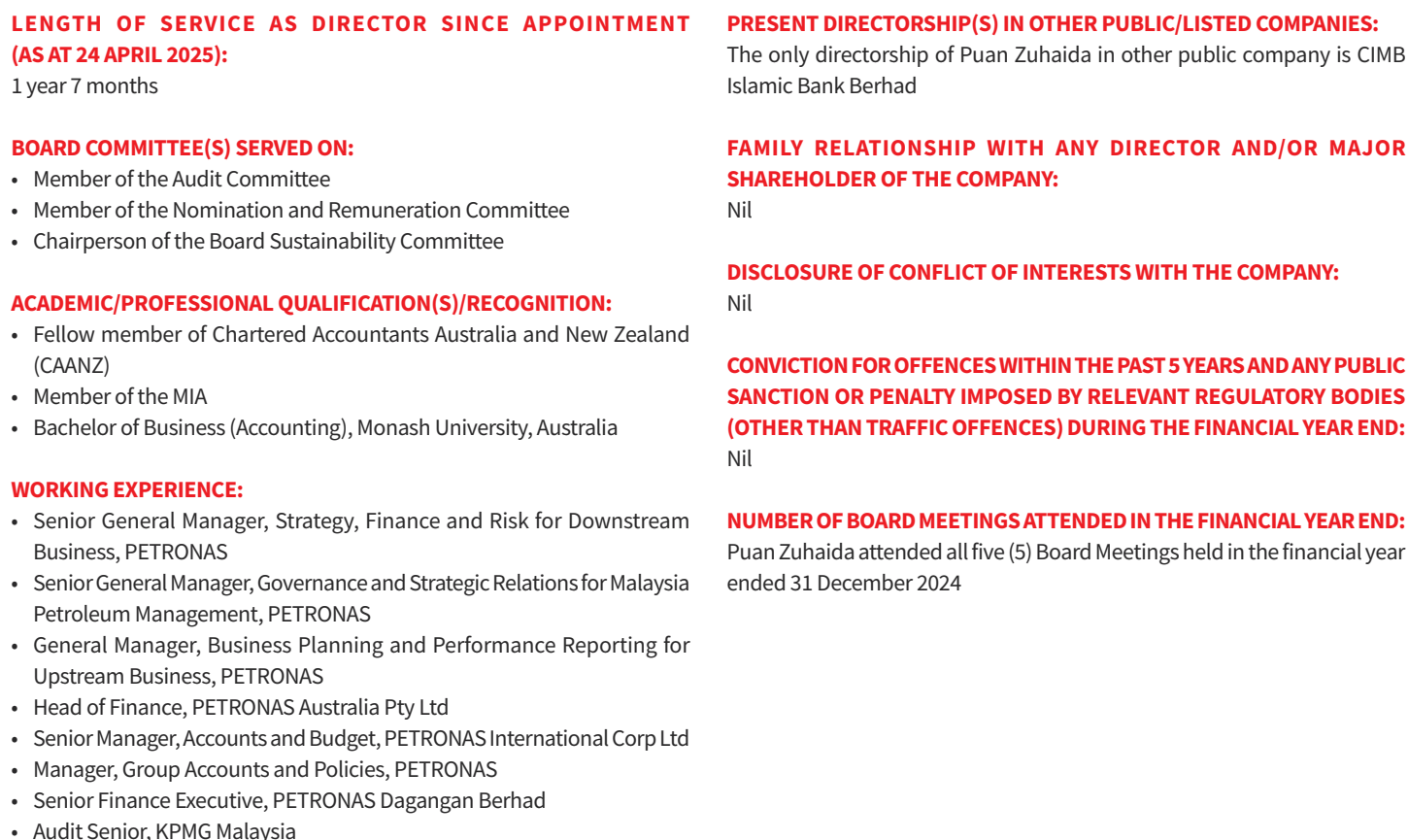
Nil

CONVICTION FOR OFFENCES WITHIN THE PAST 5 YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:


Nil

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR END:


Madam Ng attended all five (5) Board Meetings held in the financial year ended 31 December 2024





BOARD OF DIRECTORS' PROFILE




GIAN CARLO MACCAGNO
Non-Independent Non-Executive Director

 **Date of appointment as Director**
18 September 2012

 **Gender**
Male

 **Age**
61

 **Nationality**
Italian

LENGTH OF SERVICE AS DIRECTOR SINCE APPOINTMENT (AS AT 24 APRIL 2025):

12 years 7 months

BOARD COMMITTEE(S) SERVED ON:

- Member of the Audit Committee
- Member of the Board Sustainability Committee
- Member of the Nomination and Remuneration Committee

ACADEMIC/PROFESSIONAL QUALIFICATION(S)/RECOGNITION:

Bachelor in Business Administration from Tecnico Commerciale Maddalena Adria (RO) Italy

WORKING EXPERIENCE:

- Trainee in Production and Project Management for Socotherm S.R.L, Italy (1984-1987)
- Project Manager for Socotherm S.R.L in Nigeria (1987-1990)
- Petro-Pipe Industries (M) Sdn. Bhd. in Malaysia (1990)
- Country Manager for Socotherm S.R.L in Taiwan (1991-1992)
- General Manager of Wasco Coatings Malaysia Sdn. Bhd. in Malaysia (1993)
- Deputy Managing Director of Wasco Berhad (1.1.2007-30.6.2023)
- Managing Director/Group Chief Executive Officer of Wasco Berhad (1.7.2023-present)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:

The only directorship of Mr Maccagno in other public company or listed company is Wasco Berhad

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY:

Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:

Nil


CONVICTION FOR OFFENCES WITHIN THE PAST 5 YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:


Nil

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR END:


Mr Maccagno attended all five (5) Board Meetings held in the financial year ended 31 December 2024

BOARD OF
DIRECTORS' PROFILE







Date of appointment as Director



Gender



Age



Nationality

Male

65

Malaysian

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

**LENGTH OF SERVICE AS DIRECTOR SINCE APPOINTMENT
(AS AT 24 APRIL 2025):**
12 years 7 months

BOARD COMMITTEE(S) SERVED ON:
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)/RECOGNITION:

- Degree in Economics (Business Admin), Universiti Malaya
- Higher Professional Diploma in Management, University of Cambridge
- Executive MBA in International Marketing, University of Berne, Switzerland

WORKING EXPERIENCE:

- Accountant in Bank Utama Malaysia Berhad (1983)
- Secretary and Adviser to Major Tender Board for Sarawak Shell Berhad (1988-1996)
- Head of General Contracts and Head of Strategy for Sarawak Shell Berhad (1988-1996)
- Head of Strategy, Planning and Procurement for Shell Gabon, Republic of Gabon, West Africa (1988-1996)
- Chief Executive of Eastbourne Services Sdn. Bhd. (1996-2000)
- Director of Operations for TV3
- Chief Executive Officer for NTV7
- Group Chief Executive Officer for The NSTP (M) Berhad
- Board Member, Tourism Malaysia Berhad
- Board Member, AmanahRayaREIT Managers Sdn Bhd
- Board Member, Weatherford (M) Sdn Bhd

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:
Dato' Anthony @ Firdauz bin Bujang does not hold any directorship in other public company and listed company


FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY:
Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:
Nil


CONVICTION FOR OFFENCES WITHIN THE PAST 5 YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:
Nil


NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR END:
Dato' Anthony attended five (5) Board Meetings held in the financial year ended 31 December 2024


BOARD OF DIRECTORS' PROFILE




DATO AHMADI BIN YUSOFF
Executive Director

 **Date of appointment as Director**
18 February 2010

 **Gender**
Male

 **Age**
65

 **Nationality**
Malaysian

LENGTH OF SERVICE AS DIRECTOR SINCE APPOINTMENT (AS AT 24 APRIL 2025):

15 years 2 months

BOARD COMMITTEE(S) SERVED ON:

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)/RECOGNITION:

Bachelor of Arts (Honours), Universiti Sains Malaysia

WORKING EXPERIENCE:

Dato Ahmadi held various key management positions with experience spanning over 17 years in the rural electrification, media, agro-chemical, construction, plantation and trading sectors

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:

Dato Ahmadi does not hold any directorship in other public company or listed company

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY:

Dato Ahmadi is the brother of Tan Sri Bustari bin Yusuf, who is deemed interested by virtue of his interest in Shorefield Resources Sdn. Bhd., a Major Shareholder of the Company

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:

Nil


CONVICTION FOR OFFENCES WITHIN THE PAST 5 YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:


Nil

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR END:

Dato Ahmadi attended all five (5) Board Meetings held in the financial year ended 31 December 2024


BOARD OF DIRECTORS' PROFILE






Gender

Male




Age

71




Nationality

Malaysian




Date of appointment as Director

22 February 2018




Gender

Male



Age

71



Nationality

Malaysian

LENGTH OF SERVICE AS DIRECTOR SINCE APPOINTMENT (AS AT 24 APRIL 2025):

7 years 2 months

BOARD COMMITTEE(S) SERVED ON:

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)/RECOGNITION:

- Bachelor in Chemical Engineering (Hons) from the University of Malaya and Master in Business Administration from Rotterdam School of Management
- Member of the Institution of Chemical Engineers and a Chartered Engineer
- In 2018, Mr Simon Ong received the Distinguished Achievement Award for Individuals from OTC-Asia for his contribution to developing the Oil and Gas Industry in Malaysia. The OTC is the world's largest Oil and Gas conference which is held annually in Houston. OTC-Asia is a bi-annual event whose inaugural conference was held in Kuala Lumpur in 2014

WORKING EXPERIENCE:

- His 38 years of broad upstream experience includes Engineering, Project Management, Maintenance and Upstream Mergers and Acquisitions and Asset Management for Shell Non-Operated Ventures
- Prior to retiring from the Royal Dutch Shell in 2017, Mr Simon Ong was the Managing Director of Shell Global Solutions and the General Manager for Projects in the East. His responsibilities included the delivery of two (2) mega deep-water projects in Malaysia, the Gumusut-Kakap and the Malikai projects as well as leading the Shell Project and Technology Function in Malaysia. He was also a member of Shell Malaysia's Country Coordination Team

- Mr Simon Ong has had several international assignments with the Royal Dutch Shell Group, namely in Australia, the Netherlands and Canada
- In March 2012, he was elected to the Board of the Institution of Chemical Engineers, Malaysia for the year 2013

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:

Mr Simon Ong does not hold any directorship in other public company and listed company

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY:

Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:

Nil

CONVICTION FOR OFFENCES WITHIN THE PAST 5 YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:

Nil

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR END:

Mr Simon Ong attended all five (5) Board Meetings held in the financial year ended 31 December 2024

PROFILE OF KEY SENIOR MANAGEMENT



KHAIRUL ANWAR MOHAMAD
Group Chief Financial Officer



Date first appointed to the Key
Senior Management Position

1 January 2017



Male



43



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor Degree in Accounting (Hons), Universiti Tenaga Nasional, Malaysia
- Advanced Diploma in Management Accounting, Chartered Institute of Management Accountants, United Kingdom
- Chartered Accountant, Malaysian Institute of Accountants (MIA)
- Fellow, Chartered Institute of Management Accountants, United Kingdom
- Member, Chartered Global Management Accountant
- The Executive Development Program for Private Companies, The University of Chicago Booth School of Business

WORKING EXPERIENCE:

- January 2017-present: Group Chief Financial Officer, PEB
- 2013: Joined PETRA Energy Berhad (PEB) as Manager, Group Finance and has held various positions within the Group, the last being Deputy Group Chief Financial Officer prior to his current appointment
- 2011: Manager, Corporate Strategy and Development, Sapura Secured Technologies

- 2009: Assistant Manager, Corporate Strategy Department, Bank Muamalat Malaysia Berhad
- 2008: Senior Executive, Strategic Change Management, RHB Bank Malaysia Berhad
- 2006: Executive, Corporate Assurance Division, Astro All Asia Networks PLC

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/ LISTED COMPANIES:

Encik Khairul does not hold any directorship in other public company or listed company but he sits on the Board of several private companies under the PEB Group

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/ OR MAJOR SHAREHOLDER OF THE COMPANY: Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY: Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END: Nil



MOHAMAD SUBKY BIN BUSTARI
Chief Executive Officer, PETRA Resources
Sdn. Bhd.



Date first appointed to the Key
Senior Management Position

1 June 2011



Male



41



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

BA Commerce/BA Arts from Curtin University of Technology, Perth, Australia

WORKING EXPERIENCE:

- 2018-present: Chief Executive Officer (CEO), PETRA Resources Sdn. Bhd.
- 2017: Appointed as Director of Business Development, PETRA Energy Berhad (PEB)
- 2011: Joined PEB as General Manager, Operations Planning and subsequently redesignated to Strategic Planning and Business Development in 2014
- Appointed as Director of Shorefield Sdn. Bhd., a subsidiary company of OBYU Holdings Sdn. Bhd. (OBYU) until 2011
- 2010: Appointed as Director at Reservoir Link Engineering Sdn. Bhd.
- 2009: Held a role of Finance Executive at Reservoir Link Engineering Sdn. Bhd.
- Appointed as Director of KACC Construction Sdn. Bhd.
- Started his work career with Deloitte Consulting (M) as an analyst

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/ LISTED COMPANIES:

Encik Mohamad Subky does not hold any directorship in other public company or listed company but he sits on the Board of several private companies under the PEB Group and OBYU Group

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/ OR MAJOR SHAREHOLDER OF THE COMPANY:

Encik Mohamad Subky is the son of Tan Sri Bustari bin Yusuf, who is deemed interested by virtue of his interest in Shorefield Resources Sdn. Bhd., a major shareholder of the Company

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY: Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END: Nil

PROFILE OF KEY SENIOR MANAGEMENT



CAPTAIN SASITHARAN SOMADERAN

Chief Executive Officer, PETRA Marine Sdn. Bhd. (PMSB)



Date first appointed to the Key Senior Management Position

1 January 2017



Male



46



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

Master Mariner Certificate of Competency Class 1, Jabatan Laut Malaysia

WORKING EXPERIENCE:

- 2018-present: CEO, PETRA Marine Sdn. Bhd. (PMSB)
- 2014-2018: General Manager, PMSB
- 2013-2014: Marine Capt, PMSB
- 2011-2013: Marine Superintendent, Bumi Armada Navigation Sdn. Bhd.
- 2010-2011: Master Mariner, Bumi Armada Navigation Sdn. Bhd.
- 2006-2010: Chief Officer/DPO Bumi Armada Navigation Sdn. Bhd.

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/ LISTED COMPANIES:

Captain Sasitharan does not hold any directorship in other public company or listed company

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/ OR MAJOR SHAREHOLDER OF THE COMPANY:

Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:

Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:

Nil



ELSA IYOK JAMES

Director, Group Human Capital



Date first appointed to the Key Senior Management Position

1 June 2019



Female



41



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Masters of Science in Project Management, Curtin University of Technology
- Bachelor of Business (Major in Human Resource Management), Edith Cowan University, Perth, Western Australia

WORKING EXPERIENCE:

- March 2018-May 2019: Senior Manager, Group Human Capital, PEB
- January 2015-February 2018: Manager, Group Human Capital, PEB
- April 2011-December 2014: Senior Executive, Group Human Capital, Petra Resources Sdn. Bhd.
- June 2008-March 2011: Employee Relations Executive, Petra Resources Sdn. Bhd.

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/ OR MAJOR SHAREHOLDER OF THE COMPANY:

Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY:

Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END:

Nil

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/ LISTED COMPANIES:

Ms Elsa Iyok does not hold any directorship in public company or listed company

PROFILE OF KEY SENIOR MANAGEMENT



BORHAN BIN OSMAN

Head, Business Unit (SK433), PETRA Energy Development Sdn Bhd (PEDSB)



Date first appointed to the Key Senior Management Position

14 February 2022



Male



62



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Executive Program in General Management – Massachusetts Institute of Technology
- Chartered Project Professional – Association of Project Management (UK)
- Master of Business Administration, Curtin University of Technology
- Bachelor of Engineering (Chemical), Cleveland State University

WORKING EXPERIENCE:

- February 2022-present: Head of Business Unit for SK433, PEDSB
- August 2021-February 2022: Business Opportunity Manager, PEDSB
- October 2011-July 2021: Front End Engineering Manager, Sarawak Shell Berhad
- 2007-2011: Senior Process Engineer, Shell Global Solutions (Netherlands)
- 2000-2007: Senior Front-End Engineer, Sarawak Shell Berhad
- 1996-1999: Senior Project Engineer, Shell MDS Sdn. Bhd. (Malaysia)
- 1986-1995: Facilities/Process Engineer, Sarawak Shell Berhad

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/ LISTED COMPANIES:

Mr Borhan bin Osman does not hold any directorship in other public company or listed company

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/ OR MAJOR SHAREHOLDER OF THE COMPANY: Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY: Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END: Nil



FARDZILLAH BINTI ABDUL MANAP

Head of Group Health, Safety, Security and Environment (HSSE)



Date first appointed to the Key Senior Management Position

17 July 2023



Female



50



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

B.Eng (Hons) Chemical Engineering, University Of Manchester Institute of Science and Technology (UMIST), United Kingdom

WORKING EXPERIENCE:

- July 2023-present: Head of Group HSSE, PEB
- April 2023-July 2023: Assistant Manager, Technical Safety and Environment, Sime Darby Plantation
- August 2018-December 2021: Downstream HSSE Reporting Lead-Global Commercial (GC) and Chemicals, Shell Malaysia Trading Sdn. Bhd.
- August 2012-August 2018: Head, QHSSE Management System and Assurance and HSSE Culture, Brunei LNG Sdn. Bhd. (International Assignment seconded from Shell Malaysia)
- January 2010-July 2012: Major Projects, Senior Construction HSE Advisor, Shell Refining Company Berhad
- June 2007-December 2009: Construction HSE – Environmental Lead, Qatar Shell GTL Limited (International Assignment)
- January 2005-May 2007: Corporate Affairs and Communications Manager, Shell Refining Company

- November 2001-December 2004: Refinery Environmental Engineer, Shell Refining Company Berhad
- October 1998-November 2001: Upstream Process Engineer, Technip Geoproduction (M) Sdn. Bhd.

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/ LISTED COMPANIES:

Fardzillah binti Abdul Manap does not hold any directorship in other public company or listed company

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/ OR MAJOR SHAREHOLDER OF THE COMPANY: Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY: Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END: Nil

PROFILE OF KEY SENIOR MANAGEMENT



NOR ASLINA BINTI ISMAIL

Head, Business Services



Date first appointed to the Key Senior Management Position

1 June 2019



Female



49



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Laws (Hons), Universiti Kebangsaan Malaysia
- Admitted and enrolled as Advocate and Solicitor at High Court of Malaya, Kuala Lumpur

WORKING EXPERIENCE:

- June 2019-present: Head of Business Services, PEB
- 2012: Joined PEB as Manager (Group Risk Management and Insurance) and has held various positions within the Group, the last being Head of Group Contract Commercial and Compliance and Group Admin and Insurance
- 2010: Head of Servicing Development Unit, BIB Insurance Brokers Sdn. Bhd.

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:

Ms Nor Aslina does not hold any directorship in other public company or listed company

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY: Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY: Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END: Nil



ALICIA ANN BHAGWANDAS

Head, Corporate Communications and Branding



Date first appointed to the Key Senior Management Position

1 June 2019



Female



45



Malaysian

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Group Higher Diploma Media Studies, Stamford College KL
- LCCI Professional Certificate in Marketing, Public Relations, Sales and Advertising

WORKING EXPERIENCE:

- June 2019-present: Head, Group Corporate Communications and Branding
- 2015-2019: Manager, Group Corporate Communications and Branding, PEB
- 2010-2015: Assistant Manager, Corporate Communications, PEB
- 2004-2009: Senior Executive, Communications Petra Perdana Bhd.
- 2001-2003: Marketing Executive, Asian Wall Street Journal

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC/LISTED COMPANIES:

Ms Alicia Ann does not hold any directorship in other public company or listed company

FAMILY RELATIONSHIP WITH ANY DIRECTOR AND/OR MAJOR SHAREHOLDER OF THE COMPANY: Nil

DISCLOSURE OF CONFLICT OF INTERESTS WITH THE COMPANY: Nil

CONVICTION FOR OFFENCES WITHIN THE PAST FIVE (5) YEARS AND ANY PUBLIC SANCTION OR PENALTY IMPOSED BY RELEVANT REGULATORY BODIES (OTHER THAN TRAFFIC OFFENCES) DURING THE FINANCIAL YEAR END: Nil



FINANCIAL HIGHLIGHTS

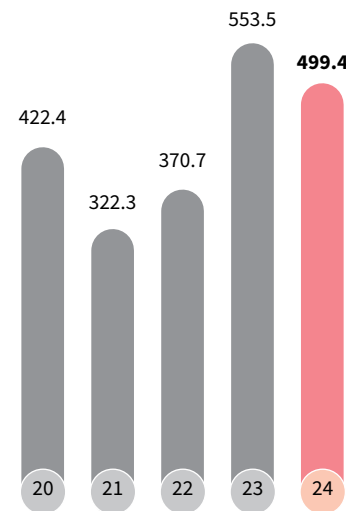
	2024	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000	RM'000
INCOME STATEMENT					
REVENUE	499,415	553,532	370,724	322,342	422,362
EBITDA*	139,512	150,133	61,004	83,917	85,178
Profit Before Tax (PBT)	75,232	64,773	10,109	22,569	23,061
Profit After Tax (PAT)	70,586	52,722	13,076	15,941	16,014
PATAMI (attributable to enquiry holders)	70,586	52,722	13,076	15,941	16,014
BALANCE SHEET					
Total assets	835,967	676,366	630,007	551,188	638,043
Total shareholders' equity	443,235	407,954	387,328	387,090	383,468
Total liabilities	392,732	268,412	242,679	164,098	254,575
Total borrowings	92,207	25,529	36,860	32,837	27,170
Dividend/share (sen)	11.0	11.0	5.0	4.0	4.0
Share price at the end of each financial year (RM per share)	1.32	0.95	0.86	0.77	1.06
Earnings per share (sen)	21.99	16.43	4.07	4.97	4.99
Net assets/share (RM)	1.38	1.27	1.20	1.20	1.19
Total cash balances (RM Million)	188.1	225.0	184.8	143.1	173.0
Net gearing ratio (Net D/E)	(0.22)	(0.49)	(0.38)	(0.28)	(0.38)

* EBITDA amount before impairment of assets and unrealised foreign exchange gain/losses

FINANCIAL HIGHLIGHTS

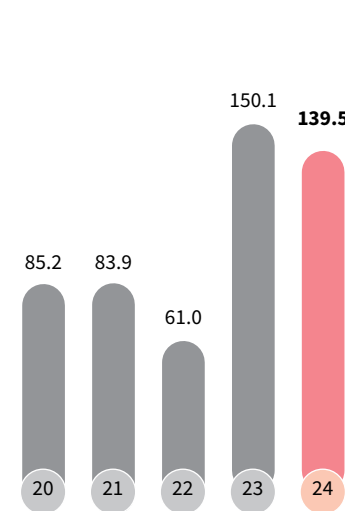
REVENUE
RM Million

RM499,415



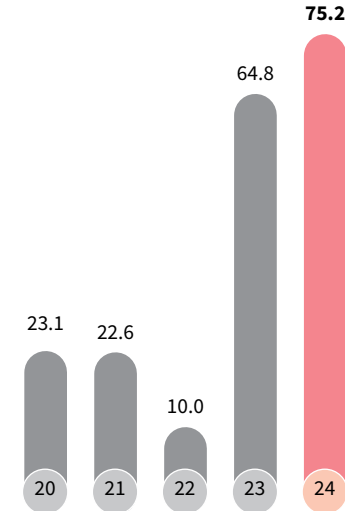
EBITDA
RM Million

RM139,512



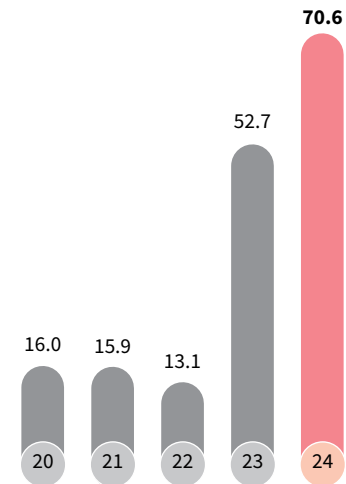
PBT
RM Million

RM75,232



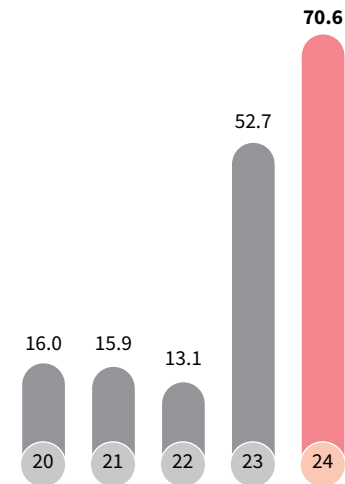
PAT
RM Million

RM70,586



PATAMI
RM Million

RM70,586



CALENDAR OF EVENTS

JANUARY

9 January 2024

PETRA Energy hosted a session for employees group-wide focused on Generative HSE Culture Awareness by Hj Mohamed Amin Abdullah of ITX Consultancy.



10-23 January 2024

Driving Generative HSE Culture. Workshops were conducted Group-wide to deepen employees understanding on Generative culture behaviours.



23 January 2024 - 4 February 2024

As part of the culture of holistic development of individuals, PETRA Energy began the year with the Pilgrimage Programme - The 5th PETRA Energy Umrah Journey. Employees and their families joined the pilgrimage to the holy cities of Mecca and Medina.

FEBRUARY

13 February 2024

Sustainability awareness session on Anti-Corruption and Corporate Liabilities in Malaysia by the Malaysian Anti-Corruption Commission.



14 February 2024

Management HSE Visit by PETRONAS Carigali Sdn Bhd (PCSB) Integration, Value and Assurance (IVA) Management to PETRA Energy's Secondary Yard, Labuan.



28 February 2024

Jerun Project Hook-Up, Commissioning and Start-Up (HUCSU) Pre-Mobilisation Briefing and the launching of Hand and Finger Injury Prevention Campaign, Miri.

Sustainability awareness session on AI Powered Future Workforce by Dr Guna Seelan Rethinam, Programme Leader and Lecturer from Sunway University.

MARCH

7 March 2024

#PETRACares Outreach – A special lunch and visit with the children at Pertubuhan Kebajikan dan Perlindungan Al Haq Malaysia.

8 March 2024

Awareness session on Sustainability, HSE and Generative Culture. Why & How? by Ir Ts Nurul Huda Bt Mat Nor.

CALENDAR OF EVENTS



- **8 March 2024**
DEI matters at PETRA Energy – Celebrating the women of PETRA Energy on International Women's Day.

APRIL



- **25 April 2024**
Hari Raya Get-Together 2024, Menara OBYU.



- **29 April 2024**
PETRA Energy successfully completed the AKW2 development well in Block SK433. Spudded on 12 January 2024, this achievement reinforces PETRA Energy's commitment to advancing onshore hydrocarbon production in Sarawak.

MAY



- **9 May 2024**
Hari Raya Get-Together, Miri
- **19 May 2024**
PETRA Energy completed the AKW3 appraisal and development well in Block SK433 which was spudded on 14 October 2023.



- **23 May 2024**
PETRA Energy held its 18th Annual General Meeting, broadcasted from One World Hotel, Petaling Jaya.

CALENDAR OF EVENTS

JUNE



1 June 2024

PETRA Energy Development Sdn Bhd was awarded the Banang Late Life Asset (LLA) Production Sharing Contract (PSC) by PETRONAS, further strengthening its operatorship profile.



24 June 2024

Dato' Anthony Bujang, Group CEO, participated as a panelist at the PETRONAS PD&T HSE Conference sharing on the topic 'Pursuing Zero in HSE': Accountability Towards Mission Zero-Possible. Later that evening, Dato Ahmadi bin Yusoff, Executive Director was honoured with a Special Recognition, the Generative Culture Advocate Award.

28 June 2024

Sustainability Awareness session on Biodiversity by En M Nizam Basiron, Senior Manager, PETRONAS Nature and Biodiversity Centre of Excellence, Corporate Sustainability.



29 June 2024

PETRA Energy organised a Gawai corporate social responsibility Outreach, celebrating the festive occasion by engaging with local communities.

JULY



13-14 July 2024

PETRA Energy's Sustainability Day Hunt 2024 was successfully held in both Miri and Labuan, offering employees an interactive and engaging way to learn about sustainability.



17 July 2024

PETRA Energy was recognised as a Silver Sponsor at the SUKMA Sponsors Appreciation event. This commitment aligns with our CSR efforts to foster youth development through sports.



26 July 2024

Project success sharing on the Jerun Project by the project management team led by Syamsul Hafzan, Jerun Project Manager.

CALENDAR OF EVENTS

AUGUST



3 August 2024

PETRA Energy's Miri team collaborated with the Miri City Council for a beach cleaning initiative at Luak Beach Esplanade, Miri. This effort reflects the Company's commitment to environmental sustainability and community engagement.



14 and 21 August 2024

Human Capital Day was held at PETRA Energy's locations at Selangor and Miri, centred around the theme of Continuous Learning. This initiative reflects the Company's commitment to ESG, particularly in training and education, by fostering a culture of continuous growth and development among employees.

SEPTEMBER



3 September 2024

Mr Simon Ong participated in the panel session on Production Sustainability through Cost Optimisation at the SPE Symposium, Panel Session 1: Production Sustainability through Cost Optimisation and Collaboration. He shared insights on sustaining Banang production while highlighting PETRA Energy's values and strategic partnerships.

24 September 2024

PETRA Energy's Generative HSE Culture Coaching session, Menara OBYU.



25-27 September 2024

PETRA Energy participated as a sponsor at the 7th Malaysia Oil & Gas Services Exhibition and Conference (MOGSEC), held alongside Oil & Gas Asia 2024 at the Kuala Lumpur Convention Centre.



26 September 2024

The launching ceremony of *Wira Anti Rasuah* in collaboration with Suruhanjaya Pencegahan Rasuah Malaysia ("SPRM") Labuan at Sekolah Menengah Kebangsaan Mutiara, Labuan.



27 September 2024

PETRA Resources Sdn. Bhd. (PRSB), a subsidiary of PETRA Energy received a Letter of Award for the Provision of Pan-Malaysia Offshore Maintenance, Construction, Modification (MCM) and Hook-up and Commissioning (HUC) Services from PETRONAS Carigali Sdn. Bhd. (PCSB).

CALENDAR OF EVENTS

OCTOBER



1 October 2024

PETRA Energy kicks off the Visioning Exercise works Workshop with leaders across the Group, marking a pivotal step in shaping the Company's future.



6 and 7 October 2024

PETRA Energy participated in the Sarawak Career and Training Fair (SCAT) 2024 at Hikmah Exchange Event Centre, Kuching, showcasing career opportunities and development pathways within the Company.



19 October 2024

PETRA Energy participated in Lan Berambek Anak Sarawak 2024, actively engaging with Sarawakian youth. A key focus was promoting the Fast Track Engineer programme, reinforcing the Company's commitment to nurturing local talent and contributing to national development.



21 October 2024

Signing ceremony for the Banang Late Life Asset Production Sharing Contract with PETRONAS at Malaysian Petroleum Club, Kuala Lumpur.

22, 23 and 28 October 2024

PRSB receives Letter of Award for the Provision of Pan-Malaysia Offshore MCM and HUC Services from TotalEnergies EP Sarawak Inc., ENEOS Xplora Malaysia Limited and ROC Oil (Sarawak) Sdn. Bhd. (ROC Oil) respectively.

NOVEMBER



1-3 November 2024

PETRA Energy reaffirmed its commitment to preserving culture and heritage and community engagement by supporting the Sarawak Regatta 2024. This ongoing dedication reflects the Company's pride in Sarawak's rich traditions and its support for local sporting and cultural events.

CALENDAR OF EVENTS



24 November 2024

PETRA Energy's Miri team participated in the World Diabetes Day Wellness Charity Run 2024 in Miri, promoting health awareness and community engagement.



25 November 2024

PETRA Energy participated in the Sarawak Gas Roadmap Summit by Petroleum Sarawak Berhad in Kuching, where the Sarawak Gas Roadmap and Kuching Low-Carbon Hub were launched. The event highlighted Sarawak's commitment to low-carbon solutions and its promising investment opportunities in the energy sector.

DECEMBER



7 December 2024

PETRA Energy's employees organised a CSR Tree Planting Initiative at Taman Setapak Indah, KL, contributing to riverbank rehabilitation and ecosystem enhancement. This effort aligns with the Company's commitment to sustainability, promoting a cleaner and greener environment for future generations.

10 December 2024

Captain Sasitharan, Chief Executive Officer, PETRA Marine Sdn Bhd shared insights on Generative HSE culture as a panelist at PCSB's Development Business Partners HSE Forum 2024.

13 December 2024

PETRA Energy's Generative HSE Culture Coaching session at PETRA Energy Miri office.



14 December 2024

PETRA Energy's Miri team organised a CSR Christmas Outreach programme to support children from challenging backgrounds in Miri. The initiative provided essential school supplies, ensuring they are prepared for the new academic year. Beyond education, the programme spread festive cheer, bringing hope and joy to the children and their families during the Christmas season.

LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors (Board) of PETRA Energy Berhad (PETRA Energy or the Company or the Group), I am pleased to present to you the Group's Annual Report for the financial year ended 31 December 2024 (FY2024).



The year 2024 was marked by a complex operating environment for the global oil and gas industry, shaped by volatile energy markets, geopolitical uncertainties and ongoing shifts towards energy transition. Despite these challenges, PETRA Energy demonstrated resilience, supported by sustained demand for services within the industry.

Global oil prices have experienced moderate fluctuations throughout the year, reflecting a delicate balance between supply chain disruptions, regulatory developments and the gradual adoption of renewable energy sources. In Malaysia, the oil and gas industry has remained a cornerstone of the economy, significantly contributing to national revenue and bolstering the country's energy security agenda.

According to the PETRONAS Activity Outlook 2024-2026, Malaysia's upstream activities have remained robust, driven by production enhancement initiatives and exploration campaigns. PETRONAS' continued capital investment in the oil and gas sector provided opportunities for local service providers, including PETRA Energy. The report projected steady demand for brownfield services, late life asset (LLA) management, hook-up and commissioning (HUC), as well as offshore maintenance, construction and modification (MCM) works, segments where PETRA Energy has a strong foothold in.

For PETRA Energy, 2024 was a significant year, delivering the highest profitability and interim dividend thus far — a testament to the Group's strength, focus and disciplined execution. Beyond this strong financial performance, PETRA Energy secured two (2) major anchor contracts that provide long-term growth opportunities. The Group also expanded its operatorship portfolio with the award of the Banang LLA Production Sharing Contract (PSC) in June 2024, following almost four (4) years of successfully managing the Technical Services Agreement (TSA). These achievements reflect PETRA Energy's strategic progress and reinforce our position for sustained value creation.

FINANCIAL PERFORMANCE

PETRA Energy has delivered commendable performance in FY2024, demonstrating our bottom-line focus, operational robustness and strategic agility. The Group recorded revenue of RM499.4 million, reflecting a slight contraction compared to the previous year due to the completion of several longstanding contracts. However, our unwavering focus on cost discipline, operational efficiency and prudent risk management enabled us to achieve a profit before tax (PBT) of RM75.2 million, representing a notable 16% increase year-on-year. Profit after tax (PAT) stood at RM70.6 million, marking the highest recorded to date, as a result of continuous efficiency improvements in projects executed, coupled with higher average vessel utilisation during the period.

PETRA Energy's achievements in 2024 were anchored by several key milestones. The Group secured the LLA PSC from PETRONAS, a conversion from the previous TSA, reinforcing our operatorship for Banang field production operations and maintenance, as a trusted upstream operator. This contract marks a significant step in our strategic ambition to deepen our presence in the upstream value chain, leveraging our technical capabilities in field rejuvenation and production optimisation.

LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS



Revenue

RM499.4 million



Profit Before Tax

RM75.2 million



Profit After Tax

RM70.6 million



Total Dividend

11 sen
per ordinary share
**highest interim dividend
in our history**

The Group secured the LLA PSC from PETRONAS, a conversion from the previous TSA, reinforcing our operatorship for Banang field production operations and maintenance, as a trusted upstream operator.

In addition, PETRA Energy's onshore SK433 Block exploration activities with Petroleum Sarawak (PETROS) have progressed according to plan, with the completion drilling of two (2) appraisal/development wells, paving the way for the development of the Adong Kechil West oil and gas fields onshore Sarawak.

In the services segment, we have continued to uphold our reputation as one of Malaysia's most experienced HUC and MCM contractors. Our work on the Pan Malaysia HUC contract for PETRONAS Carigali Sdn. Bhd. (PCSB) and the Kasawari Carbon Capture and Storage (CCS) project—the world's largest CCS initiative, further underscored our technical competency and commitment to delivering complex projects safely and efficiently. We are pleased to be awarded the Provision of Pan-Malaysia Offshore MCM and HUC Services Package C3 from PCSB and Package B7 from TotalEnergies EP Sarawak Inc., ENEOS Xplora Malaysia Limited and ROC Oil (Sarawak) Sdn. Bhd. (ROC Oil). This award signifies PETRA Energy's return to the Sarawak heartland under the long-term Pan-Malaysia MCM/HUC contract.

Furthermore, PETRA Energy received a letter of award from Sarawak Shell Berhad (SSB) and Sabah Shell Petroleum Company Limited (SSPC) for the provision of offshore crane operations and maintenance services, effect from 1 October 2024, for a period of four (4) years.

Our marine fleet operated at high utilisation levels throughout the year, contributing significantly to the Group's earnings. All marine fleet vessels, including our Mobile Offshore Production Unit (MOPU), recorded a higher average utilisation rate in the tune of 70%, reflecting PETRA Energy's strength in asset optimisation, operational readiness and market competitiveness in offshore marine services and the continued demand for offshore marine support services in Malaysia's upstream sector.



LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

PETRA Energy was awarded the Provision of Pan-Malaysia Offshore MCM and HUC Services Package C3 from PCSB and Package B7 from Total Energies EP Sarawak Inc, ENEOS Xplora Malaysia Limited and ROC Oil (Sarawak) Sdn. Bhd.

The financial strength of the Group remains robust, with a healthy balance sheet and cash position of RM188.1 million as at 31 December 2024. This strong liquidity position provides the necessary financial flexibility to pursue growth opportunities and invest in our long-term strategic priorities. With net assets per share rising to RM1.38 from RM1.27 in the previous year, our financial standing enhances our capacity to raise funds through bank borrowings, debt instruments or equity financing to support our future strategic expansion plans.

The Group is pleased to share that PETRA Energy has consistently delivered dividends to its shareholders over the past decade. With respect to FY2024, a total dividend of 11 sen per ordinary share was declared, marking also the highest interim dividend in our history. This also translates to an extremely attractive dividend yield of 8.3%, based on the closing price of RM1.32 on 31 December 2024. This reflects our unwavering commitment to providing sustainable returns to our valued shareholders.

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) COMMITMENT

In advancing our ESG commitments, PETRA Energy continued to strengthen its Decarbonisation Programme to inventorise and manage GHG emissions for the Group. We were re-certified ISO 37001 Anti-Bribery Management System (ABMS) certification, strengthening our stance on corruption and upholding transparency. Additionally, we were recently certified under ISO 27001 for our Information

Security Management System (ISMS) on 16 December 2024, a reflection of our proactive approach to digital risk management. ISMS is now recognised as a material topic within the Group's ESG Framework, underscoring our commitment to responsible governance and long-term stakeholder trust.

The Group's Sustainability Report can be viewed on page 40 of this Annual Report.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

PETRA Energy remains committed to ensuring a safe, secure and environmentally responsible workplace. Through continuous improvement, adherence to best practices and proactive risk management, we have achieved significant milestones in our HSE performance. This report highlights our key achievements, initiatives and the impact of our HSE efforts over the past year. In 2024, the Group recorded zero Lost Time Injury.

Safety is a fundamental value at PETRA Energy, embedded in our operations, culture and leadership commitment. We prioritise a zero-harm workplace through robust safety programmes, stringent compliance with regulatory requirements and alignment with international best practices underpinned by our proactive safety culture.

PETRA Energy is certified with ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 14001:2015 (Environmental Management Systems). The PETRA Energy Health, Safety and Environment Management System applies to all employees, business partners and suppliers/ contractors that work with PETRA Energy.

PETRA Energy's Safety performance remained positive in 2024, recording approximately 4.8 million manhours of work undertaken Group-wide.



LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

PETRA Energy is certified with ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 14001:2015 (Environmental Management Systems).

Our HSE 2024 highlight includes:



Zero Lost Time Injuries (LTI): We successfully achieved a zero LTI record, reflecting our strong safety culture and commitment to employee wellbeing.



Our Safety Culture score based on PETRONAS Safety Culture survey has also improved from 4.17 to 4.27, pushing us closer to our aspired Generative Safety Culture.



Recertification of ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 14001:2015 (Environmental Management Systems).



Safety Training and Awareness: Employees completed mandatory Health, Safety, Security and Environment (HSSE) induction programmes and HSSE Competence requirement trainings to enhance workplace safety knowledge and emergency preparedness.



Regulatory Compliance: Full compliance with local and international HSSE regulations, reaffirming our commitment to legal and ethical business operations.

Throughout 2024, the Group implemented several initiatives to enhance workplace safety:

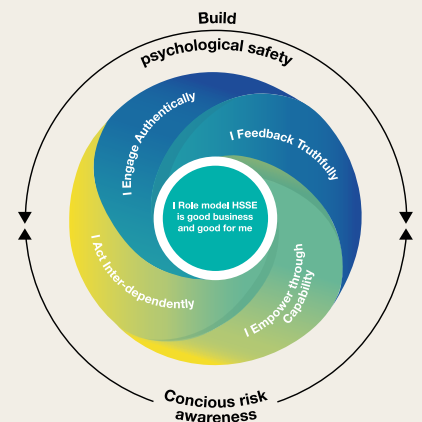
- Generative Safety Culture Programmes
- Hazard Identification, Risk Assessment and Risk Control (HIRARC) Campaigns
- Defensive Driving and Riding Campaign
- OSH (Amendment) Act 2022 Roadshow
- Digitalisation of Safety Process
- Emergency Preparedness and Response Training
- Health and Wellbeing Initiatives
- Safety Leadership and Workforce Engagement

In ensuring a healthy working environment, PETRA Energy supports and participates in the nationwide community-based intervention programme concept championed by the Ministry of Health, the Komuniti Sihat Pembina Negara (KOSPEN). This programme aims to minimise the potential occurrence of Non-Communicable Diseases (NCDs) and related risk factors and increase healthy behaviours. The KOSPEN programme is available at all locations.

JOURNEY TOWARDS GENERATIVE CULTURE

At PETRA Energy, we believe that creating a strong, values-driven culture is paramount to driving strategy and achieving long-term success. While initiatives and processes provide structure, it is culture that unlocks their full potential – enabling operational efficiency, sustainable and safe operations.

Generative culture is the foundation that shapes how we lead, collaborate and deliver on our commitments – by engaging authentically, acting interdependently, empowering through capability and providing truthful feedback at every level. By embedding generative culture behaviours across the organisation, we are building a workplace where collaboration and care for each another enables us to execute strategy effectively, adapt to change and continuously improve. As we move forward, we remain committed to nurturing this culture, knowing that it is essential for driving operational excellence and delivering value to our clients, partners, employees and communities.



LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

As part of this journey, PETRA Energy has actively championed generative culture initiatives, conducting 12 Generative Culture Workshop Sessions, attended by 353 employees and 16 Generative Culture Coaching Sessions. These efforts reflect our commitment to embedding generative behaviours throughout our organisation, ensuring that every individual is equipped with the mindset and tools to contribute meaningfully to our shared vision.

As we continue this journey, PETRA Energy is committed to building an organisation where every voice is heard, and where collaboration, care and integrity drive sustainable value for our stakeholders.

By prioritising HSE, we not only safeguard our people and the environment but also ensure the long-term success and stability of our organisation. We will persist in our efforts to innovate, educate and implement best practices to maintain and improve our HSE performance.

Our focus remains on progressing towards the Generative – Culture, integrating ESG considerations and working towards our long-term vision of zero incidents (Mission Zero Possible) and a fully engaged workforce.

OPERATIONAL HIGHLIGHTS BY SEGMENT

SERVICES SEGMENT

The services segment encompasses PETRA Energy's diverse range of offerings within the oil and gas industry. These include HUC, MCM, as well as marine vessel support for HUC and MCM activities. Additionally, the segment provides fabrication yard services, trading and specialised engineering solutions.

It also includes the Group's participation in the TSA with PETRONAS since June 2020, managing the operations and maintenance of the Banang oilfield on behalf of PETRONAS. In June 2024, this agreement transitioned into a LLA PSC, marking a new phase in the asset's lifecycle.

In FY2024, the Services segment reported a revenue of RM267 million (external and inter-segment), a decrease from RM366 million in FY2023. This decline impacted the segment's pre-tax profit, which stood at RM14.3 million, down from RM39.7 million in the previous year. The decrease was primarily attributed to lower activities executed in line with client's scheduled plan.



As we move forward, we remain committed to nurturing this culture, knowing that it is essential for driving operational excellence and delivering value to our clients, partners, employees and communities.

LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

Contracts within this Services segment and its highlights are:

1. HUC work for KSCPP Kasawari for Engineering, Procurement, Installation and Commissioning (EPCIC) Kasawari Gas Development Project
 - PRSB played a role in supporting the Kasawari Central Processing Platform (CPP) HUC work for achieving first gas production in August 2024 at the Kasawari Field
 - The Kasawari field is located in Block SK316, approximately 200 km off the coast of Sarawak. The CPP for the field is listed in the Malaysia Book of Records as the heaviest offshore structure, with a total weight of 53,893 tonnes
2. HUC work for SK408W for EPCIC of Jerun Development Project
 - PRSB played a vital role in supporting Jerun CPP HUC work achieving first gas production in July 2024 at the Jerun field
 - Jerun field is in Block SK408 located approximately 160 km off the coast of Sarawak, offshore Malaysia
 - Offshore work completed four (4) days ahead of schedule with zero punchlist and zero incident

3. HUC work for the Kasawari Carbon Capture Storage (CCS) Project
 - Completed major campaign work at M1 field for Kasawari CCS project
 - Total 228 offshore days with zero incidents and accidents. The offshore turnaround scope was completed one (1) day ahead of schedule
4. Provision of Water Maker Maintenance Services and Supply of parts for PCSB
5. Provision of rental portable air compressors for PCSB
6. Provision of Offshore Crane Operations and Maintenance Services for Sarawak Shell Berhad (SSB) and Sabah Shell Petroleum Company Berhad (SSPC)
7. Contract for the refurbishment of MLNG Train 9 Pump Mechanical Seals

The Services segment remains committed to delivering excellence in all its projects, ensuring safety, efficiency and timely execution to meet the evolving needs of the oil and gas industry.

With PETRONAS targeting an increase in national production to two (2) million barrels of oil equivalent per day (MMboe/d) by 2027, alongside plans for approximately 15 exploration wells per year, the outlook underscores a sustained demand for upstream development, drilling and brownfield services. The scheduled activities align closely with PETRA Energy's core capabilities in the Services segment, specifically in HUC, maintenance and integrated brownfield services.

The heightened emphasis on innovation, sustainability and efficient execution resonates with our commitment to delivering ISO-certified, high-quality and responsible solutions. Collectively, these developments reaffirm an optimistic outlook for PETRA Energy's service offerings in supporting Malaysia's upstream and offshore activities.



LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

MARINE ASSETS SEGMENT

This segment encompasses the Group's activities that cover the range of marine assets and fleet operations, management and chartering. Our fleet comprises a diverse range of vessels, including:

- 4 accommodation workboats
- 1 anchor handling tug supply vessel (AHTS)
- 2 accommodation workbarges
- 1 mobile offshore production unit (MOPU)

FY2024 was a year marked by significant achievements in our Marine Asset segment. PETRA Marine successfully recorded 704,108 manhours without Lost Time Incident (LTI), bringing our cumulative achievement to 3,358,540 manhours since February 2020. This milestone is a testament to our commitment to operational excellence and safety.

In addition, all our vessels successfully completed their scheduled campaigns for the year without any recordable downtime, underscoring our ability to maintain reliability and efficiency in our operations. Our performance reinforces PETRA Energy's reputation as a trusted partner in the offshore energy sector, ensuring seamless support for our clients' requirements.

In FY2024, the Marine segment reported a stronger revenue of RM446 million (external and inter-segment), compared to FY2023, driven by improved average vessel utilisation rate.

As we navigate the evolving energy landscape, PETRA Energy remains committed to continuous improvements in our fleet operations, safety practices and environmental responsibility. We will continue to invest in technological advancements and operational enhancements to further strengthen our Marine Assets segment and in line with our ESG strategy.



According to PETRONAS' Activity Outlook 2025-2027, the demand for marine assets in upstream operations is projected to remain stable for production support, while a slight decrease is anticipated for drilling and project-related activities.

On 26 November 2024, we were awarded a contract by PTTEP for the provision of one (1) AHTS vessel (60MT) to support PTTEP's Sarawak Operations. The contract spans three (3) years, with an option for an additional three (3) years, further solidifying PETRA Energy's presence in offshore marine services.

EXPLORATION, DEVELOPMENT AND PRODUCTION SEGMENT

This segment encompasses the Group's business activities in rejuvenating mature fields, as well as the development and production of small and marginal fields. Currently, this includes PETRA Energy's participation in the Inaugural Petroleum Contract for onshore Block SK433 in Miri, awarded by PETROS. Block SK433, located in the Miri-Marudi region, covers Northern Marudi and includes the Adong Kechil West (AKW) discovery. The contract is structured as a PSC.

BANANG OILFIELD

In June 2024, PETRA Energy Development Sdn Bhd (PEDSB) received an award from PETRONAS MPM on the LLA PSC. This marks the transition from the TSA.

With PEDSB securing this award, we now operate the Banang field with 100% participating interest. The 10-year contract provides us with the right to develop and produce petroleum resources from Banang, further solidifying our expertise following our successes with the KBM Cluster Risk Service Contract (RSC) and TSA operations.

Throughout 2024, the Banang Oilfield maintained a facilities availability of at least 95% on an annual average basis, ensuring consistent and efficient operations. Under the TSA from 1 January to 31 May 2024, the total oil production reached 245,806 barrels. Following the transition to the LLA PSC on 1 June 2024, the field continued to perform strongly, achieving 242,533 barrels of total oil production as at 31 December 2024.

LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS



Additionally, we successfully executed key projects and interventions, including:

- Slickline Operations for wells B2 and B5, which contributed 150 barrels of production gains and a successful descaling campaign for well B2.
- Banang Life Extension (BALIFEX) Project, an ongoing initiative set for implementation in Q2 2025, aimed at optimising asset performance and sustainability.

SK433 PETROLEUM CONTRACT

The drilling campaign for two (2) wells in Adong Kechil West (AKW) progressed steadily throughout Quarter 1 and Quarter 2 2024. In January, drilling operations on AKW3 gas well achieved its objectives and shifted to the appraisal and development drilling of AKW2 well. Wells downhole completion for production readiness were successfully achieved in April and May 2024, followed by the installation of Christmas trees. By June 2024, having completed the drilling campaign, the Hilong-2 rig was rigged down and demobilised.

In August 2024, well unloading and clean-up activities were conducted on AKW2. Both AKW2 and AKW3 wells are ready for the development and production phase.

In parallel with drilling operations, the SK433 team worked diligently to secure the necessary regulatory approvals for field development. The AKW Field Development Plan (FDP) was submitted in November 2024 and PETROS officially approved the FDP on 14 January 2025, granting regulatory clearance to proceed with the AKW field development.

Environmental approvals were also a key focus for us. The Environmental Impact Assessment (EIA) report was prepared and submitted in two (2) parts—one for land clearing, requiring approval from the Natural Resources and Environment Board (NREB), Sarawak and another for the overall development, requiring approval from the Department of Environment (DOE), Sarawak. After deliberations, the final reports were submitted on 6 September 2024 to NREB and 21 November 2024 to DOE. Approval was granted on 19 November 2024 by NREB and on 20 December 2024 by DOE, marking a critical milestone in the development process.

Additionally, formal approval was granted by the Sarawak State Planning Authority (SPA) on 11 November 2024 for Siting Application and Development Plans, further paving the way for the AKW field development.

These accomplishments highlight our strategic execution and progress in onshore oil and gas development. With the successful completion of the drilling campaign, regulatory approvals secured and production readiness on track, the Company is well-positioned to contribute to the future of Sarawak's oil and gas industry.

LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

The positive outlook for Malaysia's upstream oil and gas sector, signals strong ongoing demand for upstream development and production activities. With Malaysia targeting to increase production to 2 MMboe/d by 2027, and multiple upstream players committed to sustaining output and rejuvenating existing fields, opportunities in small field development, marginal field monetisation and brownfield rejuvenation are expected to grow.

This presents a strategic opportunity for PETRA Energy, as a local operator and field developer, to extend its participation in Malaysia's upstream landscape. PETRA Energy's role as the operator of Banang Field (offshore Terengganu) and onshore Block SK433 (Miri, Sarawak) aligns well with the national focus on optimising existing resources and developing smaller, underutilised assets to maintain production targets. This broader national strategy of asset maximisation, coupled with PETRONAS' and other oil companies' push for local content and collaboration, directly complements PETRA Energy's capabilities and ambitions in the Development and Production segment.

PETRA Energy, with its unique position as both an upstream service provider and operator, is well-positioned to support and collaborate on these initiatives. The focus on resource optimisation, cost-effective field development and responsible asset retirement aligns with PETRA Energy's expertise in operating mature fields safely and efficiently while contributing to the country's energy security. This momentum provides PETRA Energy a pathway to grow its development and production business, pursue new opportunities and strengthen its position as a trusted local operator in Malaysia's evolving oil and gas landscape.

FAREWELL AND APPRECIATION TO TAN SRI DATUK SERI PANGLI MA SULONG BIN MATJERAIE

On behalf of the Board, Management and staff, we would like to express our deepest gratitude to Tan Sri Datuk Seri Panglima Sulong bin Matjeraie for his invaluable leadership and unwavering commitment to our Company over the past 10 years.

Tan Sri Datuk Seri Panglima Sulong has been an instrumental figure in providing stewardship at the Board and guiding the Company through significant milestones. His wisdom, integrity and dedication have left an indelible mark and we are profoundly grateful for his years of service.

He stepped down as Chairman on 31 August 2024. We extend our heartfelt appreciation for his contributions and wish him all the best in his future endeavours and trust that his legacy will continue to inspire us as we move forward.

Thank you, Tan Sri Datuk Seri Panglima Sulong, for your principled stewardship to integrity, fairness and deep care for people. You will always be a valued part of PETRA Energy's journey.

SUBSEQUENT EVENTS

As PETRA Energy continues to strengthen its position in the industry, several key developments have taken place at the time of writing:

APPOINTMENT OF NEW CHAIRMAN

We extend a warm welcome to Tan Sri Ahmad Nizam bin Salleh as the new Chairman of PETRA Energy. With his distinguished leadership and extensive experience, Tan Sri Ahmad Nizam will play a pivotal role in upholding our vision, ensuring effective governance and driving alignment with PETRA Energy's long-term goal of becoming a Sustainable Energy Company.



LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

Tan Sri Ahmad Nizam brings over four (4) decades of industry expertise, having held key leadership positions, including Chairman of PETRONAS, Managing Director and CEO of the Malaysia LNG Group of Companies, and most recently, Chairman of Pelaburan Hartanah Bhd (2021–2024).

FINAL INVESTMENT DECISION (FID) FOR AKW ONSHORE OIL AND GAS DEVELOPMENT

PEDSB received conditional approval from the PEB Board to take Final Investment Decision (FID) for the AKW Onshore Oil and Gas Development Project in February 2025. This follows the successful drilling and completion of two (2) development wells, approval of FDP and finalisation of the AKW Onshore Production Facility (“OPF”) contract marking a significant milestone in advancing the Company’s oil and gas portfolio. PETRA Energy will commence the development phase in Q2 2025, including civil infrastructure works and the installation of AKW OPF. First production is expected to commence in 2026.

FUTURE OUTLOOK

While we remain mindful of ongoing uncertainties, we approach 2025 with a balanced perspective, acknowledging the challenges ahead while remaining confident in our ability to navigate them.

Despite geopolitical and market uncertainties, we have confidence in the resilience and expertise of our leadership and workforce. Our unwavering commitment to sustainability and operational excellence will drive PETRA Energy forward as a Sustainable Energy Company, one that not only delivers long-term value to stakeholders but also fosters a workplace and business ecosystem that others aspire to be part of.

PETRONAS’ Activity Outlook 2025-2027 emphasises the importance of collaboration within the Oil and Gas Services and Equipment (OGSE) ecosystem to enhance industry competitiveness and sustainability. This aligns with PETRA Energy’s strategic focus on forging strong partnerships, leveraging technological advancements and enhancing service offerings to drive sustainable growth.

The strategic initiatives undertaken through our Visioning Exercise, coupled with PETRA Energy’s financial resilience, position us well to adapt to evolving market conditions. We see some potential turbulence in the global economy which may impact oil price and activities in the short term. As part of the Visioning Exercise, the Group will focus on optimising our portfolio with long-term strategic opportunities including in the renewable energy space, while proactively managing long-term risks. This approach enables us to stay ahead of macroeconomic trends and industry shifts, ensuring we remain agile and well-prepared for future developments. In doing so, the Board remains committed to striking the right balance between business investments, shareholder returns and financial stability.

ACKNOWLEDGEMENTS

As we reflect on 2024, we would like to express our sincere gratitude to our shareholders, clients, business partners and stakeholders for your continued trust and support. Your confidence in PETRA Energy has been instrumental in driving our growth and success.

Despite industry challenges, we have continued to strengthen our operational excellence, drive sustainable growth and enhance value for our stakeholders. Our commitment to Generative HSE Culture, financial prudence and operational efficiency has positioned us as a reliable player in the energy sector.

These achievements would not have been possible without the dedication and hard work of our employees and frontline crew. We extend heartfelt gratitude to each and every one of them for their resilience and unwavering commitment.

On behalf of the Board, thank you for your continued support and we look forward to another year of progress and success together.

Thank you.

#PETRAcares

DATO AHMADI BIN YUSOFF

Executive Director

25 April 2025

SUSTAINABILITY REPORT



Welcome to PETRA Energy Berhad's Sustainability Report 2024. This Report provides a comprehensive guide of our sustainability strategies, objectives and approaches alongside clear disclosures of our performance and progress across the Environmental, Social and Governance (ESG) scopes during the year.

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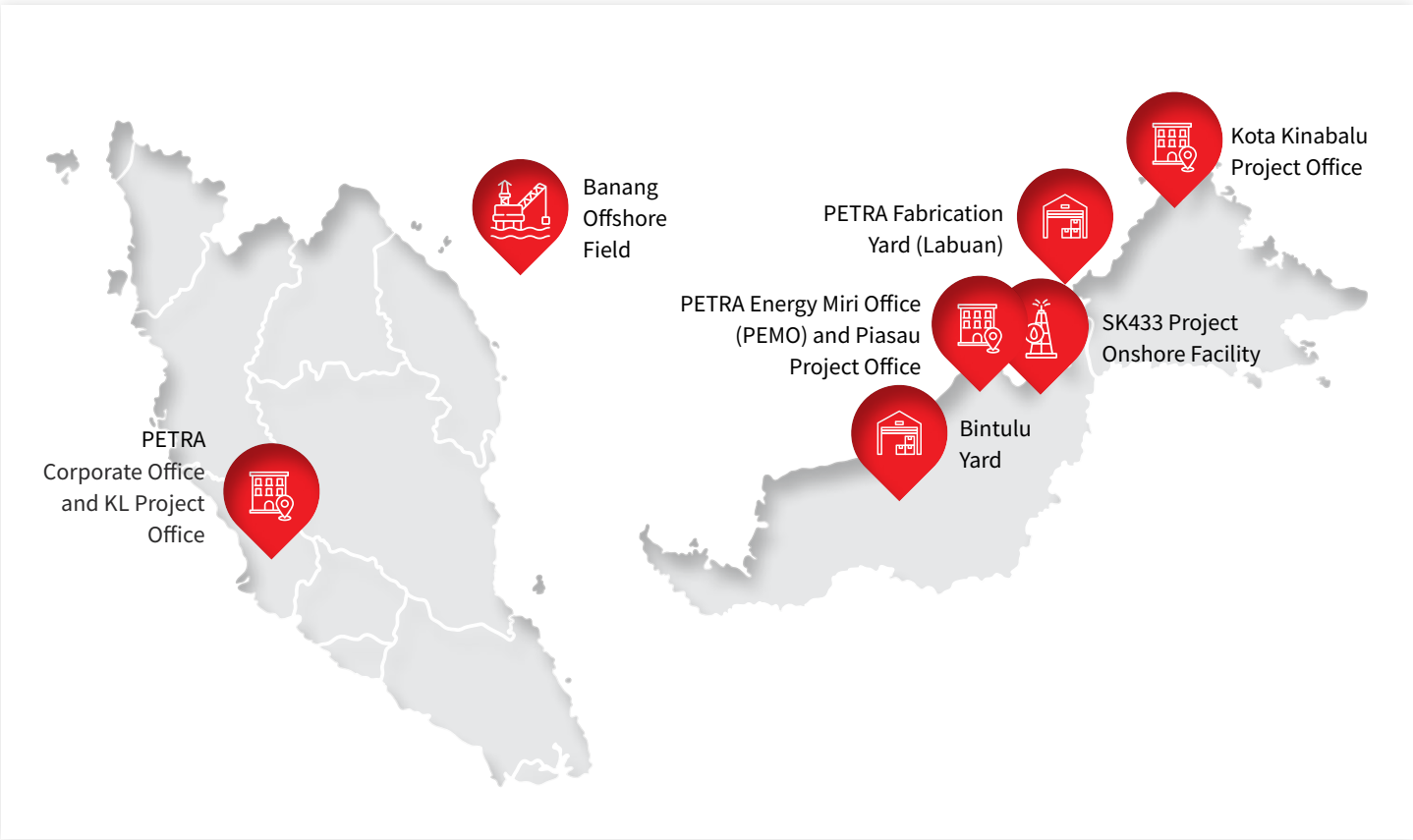
ABOUT THIS REPORT

PETRA Energy Berhad (PETRA Energy or the Company or the Group) is pleased to present its Sustainability Report for the financial year ended 31 December 2024.

This Report contains disclosure of sustainability data and information related to environmental, social and governance (ESG) based on the Group’s Sustainability Framework, as well as potential risks and opportunities for our identified material topics for our stakeholder’s reference. This Report is in alignment with Bursa Malaysia’s Sustainability Reporting Guide, Rev 3 and with reference to the Global Reporting Initiative Sustainability Reporting Standards (GRI) 2021.

The reporting period and coverage of PETRA Energy’s previous Sustainability Report, covering the financial year 2023, was issued on 24 April 2024. The editorial content of this Report covers the sustainability-related matters for financial year 2024 (FY2024), from 1 January 2024 to 31 December 2024.

There were no significant changes to the Group’s ownership and leadership or supply chain during the reporting period. Reporting Scope and Boundaries of this Sustainability Report covers PETRA Energy Berhad (PEB), PETRA Resources Sdn Bhd (PRSB), PETRA Marine Sdn Bhd (PMSB) and PETRA Energy Development Sdn Bhd (PEDSB). The Group’s Corporate project offices and operators at other locations within Malaysia are as reflected in the map below:



SUSTAINABILITY REPORT

REPORTING GUIDELINES, GUIDING PRINCIPLES, FRAMEWORKS, STANDARDS AND SUSTAINABILITY-RELATED INDICES

PETRA Energy prepared this Report with reference to the GRI standard 2021 and meeting the requirements of the Malaysian Code on Corporate Governance (MCCG) 2021 of Securities Commission Malaysia as well as Bursa Malaysia's Sustainability Reporting Guide (3rd Edition), which sets out the sustainability-related disclosure obligations prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. PETRA Energy also supports goals and initiatives by the United Nations Global Compact (UNGC) and relevant United Nations Sustainable Development Goals (UNSDGs).

REFERENCE, DATA, RESTATEMENT AND FORWARD-LOOKING STATEMENTS

All references to "PETRA Energy" or the "Group" collectively refer to PETRA Energy and all operating companies within the boundaries of this report.

All disclosure metrics used in this Report related to PETRA Energy, including workforce and environmental data, refers to the current reporting period. Unless otherwise indicated, information in this Report relates to PETRA Energy's continuing operations.

Where available, data is collected and reported with the aid of existing management systems control and information systems to ensure the reliability of information flow and the accurate monitoring of sustainability performance disclosure.

This Report contains forward-looking statements that are meant to provide our stakeholders with the opportunity to understand our opinions and plans with respect of the future. These statements should not be construed as absolute guarantees or predictions of PETRA Energy's future outcomes and readers are advised not to place undue reliance on them.

RELIABILITY AND RELEVANCE OF INFORMATION DISCLOSED

Preparing the Sustainability Report is part of the annual reporting process subject to management review by PETRA Energy's Sustainability Steering Committee (SSC), including final approval by the Board of Directors (Board).

In strengthening the credibility of the Sustainability Report, Group Internal Audit had conducted a review regarding the processes and internal controls involved in compiling and reporting the diverse governance, social and environmental indicators in this Report.

We have engaged an external assurer from BSI Services Malaysia Sdn Bhd (BSI) to provide limited assurance for the 2024 Sustainability Report and is annexed to this Report. We are also confident that our various management system certifications and internal and external audits such as ISO 9001 – Quality Management Systems, ISO 45001 – Occupational Safety and Health Management Systems, ISO 14001 – Environmental Management Systems, ISO 37001 – Anti Bribery Management Systems and ISO 27001 – Information Security Management System have bolstered the credibility of the performance data we share with our stakeholders. However, we remain committed to enhancing our reporting transparency by continuously refining our disclosures. Furthermore, we are open to broadening the scope of our assurance activities aligning with our dedication to fostering trust through transparency in the future.

The Board acknowledges the contents of this Sustainability Report and believes that the Sustainability Report contains a fair and factual account of PETRA Energy's sustainability performance for the year under review.

RESTATEMENT OF INFORMATION

There is no restatement of information from the previous Sustainability Report.

FEEDBACK CHANNEL

PETRA Energy values feedback from our stakeholders as a crucial part of the sustainability process as we continuously strive to better ourselves and contribute to a more sustainable future.

Please feel free to direct comments or enquiries regarding this Report and its content to:

PETRA Energy Berhad

Sustainability Team

Suite 13.02, Level 13, Menara OBYU
4, Jalan PJU8/8A, Bandar Damansara Perdana
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SUSTAINABILITY REPORT



MESSAGE BY THE GROUP CEO

Dear Stakeholders,

At PETRA Energy, we view sustainability as an ongoing journey. We are actively working to embed sustainable thinking into our strategy and daily decision-making. We recognise that change and culture go hand in hand and we are committed to shaping behaviours that support sustainable thinking and choices. In 2024, we strengthened our ESG framework by aligning with an evolving industry expectation and ESG landscapes. Our vision is to be a Sustainable Energy Company, ensuring that our operations create lasting value and positive impact for our stakeholders.

I am pleased to share that PETRA Energy achieved Bursa Malaysia's 3-star ESG Grading band at the end of 2024.

In 2024, we continued advancing our #PETRACares ethos, strengthening our approach to ESG excellence.

Governance remains the backbone of our sustainability efforts. Our adherence to ISO-certified processes, ethical business practices and risk management frameworks reinforces our commitment to transparency, accountability and integrity.

STRENGTHENING GOVERNANCE FOR SUSTAINABILITY

The Board Sustainability Committee (BSC) was established in place of the Governance, Compliance and Risk Committee (GCARC) to oversee our sustainability journey, ensuring alignment with the Company's strategic goals.

Our Sustainability Report is now independently assured (limited) by a third-party assurer, reinforcing the credibility of our disclosures and demonstrating our accountability.

PETRA Energy's journey towards Generative Culture (GC) and its behaviours continue to play a vital role in embedding sustainability and ESG principles into our corporate DNA. We continued driving GC throughout the reporting cycle, intensifying our efforts in this space.

This year, we enhanced our ESG framework by adopting Data Privacy and Security in the space of Information Security as a material topic in response to Bursa Malaysia's latest reporting requirements. Achieving ISO 27001 certification at the end of 2024 underscores our commitment to data protection and managing cybersecurity risks in accordance with international standards.

PETRA Energy continued to deliver strong economic performance, retaining high economic value that reinforces our ability to reinvest in future growth and long-term sustainability.

Our increased spending on local vendors and service providers reflects our ongoing commitment to strengthening the national supply chain.

Our commitment to social impact and capacity building is crucial to demonstrate our investment in social inclusion. Our efforts in local content development, including the Fast Track Engineer (FTE) Programme and strategic workforce upskilling, empowering local talent and providing opportunities for growth and progress. We continued to strengthen partnerships with local contractors and communities, ensuring that the benefits of our industry extend beyond the energy sector and contribute to socio-economic development.

SUSTAINABILITY REPORT



Generative Culture Behaviours (GCB) Programme – A total of **353 employees** participated and attended the GCB workshops and **87 employees** were engaged for the GCB coaching by external facilitators.



Celebrated more than a decade of involvement in the Sarawak Regatta, marking **11 years** of sponsorship and participation in this iconic cultural event, in line with PETRA Energy's Corporate Social Responsibility focus area in supporting the preservation of culture and heritage.



We continued to invest in local talent through **PETRA Energy's FTE Programme**. This impact-driven graduate development programme, active since 2012, has successfully recruited and **trained over 120** young engineers – many from challenging backgrounds providing them with meaningful work experience and mentorship.



In line with our CSR efforts, we increased our contributions by **over 50%** compared to the previous reporting cycle, further supporting local communities.

On Occupational Health and Safety (OHS), while we maintained a strong safety performance, we acknowledge the two (2) incidents that required two (2) of our team members to receive medical attention. We will learn from these incidents by reviewing and improving our practices and procedures. This will drive us to reinforce best practices on site in promoting generative safety culture behaviours through leading indicator initiatives such as "You See, You Act" (UCUA)/Accident control Technique (ACT) and Near-Miss Reporting which are already trending in a positive direction.

We also remain deeply committed to Diversity and Equal Opportunities — recognising that diversity goes beyond gender to include background, experience and perspectives. Our Senior Management team reflects this commitment, with a 50% gender representation that brings balanced leadership to the forefront. Additionally, our annual compensation ratio underscores our dedication to equitable remuneration and the wellbeing of our workforce.

Environmental Stewardship and Climate Action remain central to PETRA Energy's long-term commitment to sustainability. In 2024, we took a significant step forward by initiating a Group-wide decarbonisation programme to inventorise all assets and equipments, establishing a critical baseline for measuring and managing carbon emissions. Our Greenhouse Gas (GHG) emissions profile reflects the evolving nature of our operations. Scope 1 emissions increased, primarily due to operational flaring associated with the newly acquired Banang Late Life Asset (LLA) PSC, while Scope 2 emissions remained stable throughout the year. More importantly, we reported Scope 3 emissions for the first time, capturing data on business travel and employee commuting — a move that provides a more comprehensive view of our environmental impact and lays the foundation for PETRA Energy's future carbon footprint reduction.

SUSTAINABILITY REPORT

LOOKING AHEAD

As we move forward, PETRA Energy remains focused on balancing profitability with purpose. We will continue to integrate ESG principles, enhance corporate governance and invest in sustainable innovation. We are committed to our decarbonisation plan, with the aim to manage emissions and adopt cleaner technologies.

We will also be extending our ESG ambitions to our vendors and partners. We recognise that building a responsible and resilient future requires collective action, and we aim to work closely with our entire value chain to achieve this.

As we reflect on our progress, PETRA Energy extends our deepest appreciation to all who have been part of this journey. We thank the Board for their guidance, our leadership team for their relentless commitment to driving sustainability, our employees for their unwavering dedication

and our partners and vendors for their continued collaboration. Most importantly, we express our heartfelt gratitude to our clients for their trust, partnership and belief in our capabilities. Your continued support and high expectations drive us to innovate, improve and deliver on our commitments to sustainability excellence.

Our journey is ongoing, and together with our people, partners and stakeholders, we aim to shape a future that is responsible, resilient and sustainable.

Thank you.

#PETRAcares

Dato' Anthony Bujang
Group CEO, PETRA Energy Berhad



SUSTAINABILITY REPORT

SUSTAINABILITY HIGHLIGHTS



Bursa ESG rating

3-Star

(FY2023 – not rated) improve



Economic value distributed

RM445 million



Breaches of customer privacy/losses of customer data

Zero



Annual compensation ratio

26



Spending on local suppliers

89%

(increase)



CSR

RM1,291,014

(increase)



No. of beneficiaries of CSR

66

(increase)



Workforce below 40 years old

54%



Significant oil spill

Zero



Regulatory non-compliance

Zero



GHG emission intensity

0.1015

(increase)



Energy consumption intensity

0.72

(decrease)



Total training hours

8,264 hours



Leadership and Management anti-bribery training attendance

100%



Total manhours worked

4,810,422

(increase)

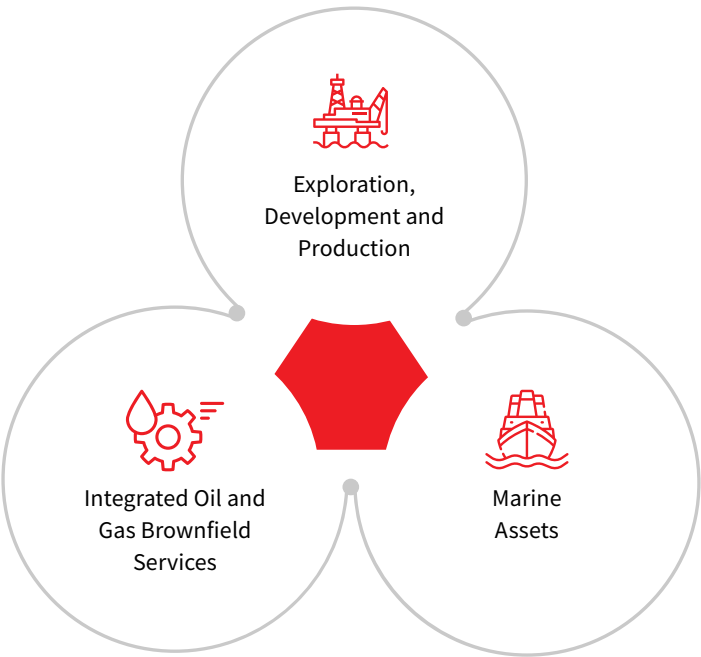
SUSTAINABILITY REPORT

CREATING VALUE THROUGH SUSTAINABILITY

Sustainability or ESG is a strategic and operational framework that assists PETRA Energy’s vision is to be a Sustainable Energy Company. Creating shared economic value for our stakeholders is essential to our culture. We aim to help meet the world’s energy needs and address critical challenges facing the world today, including climate change, while creating values to all stakeholders.

We integrate sustainability overarching principles to business practices, corporate citizenship and environmental stewardship. Our core values of Integrity, Professionalism, Commitment and Teamwork, are the foundation of our sustainability journey. These will provide a clear focus on our contribution to the delivery of the UNSDGs.

The oil and gas industry contributes significantly to the nation’s economic growth, supporting jobs, providing lower energy costs for consumers and ensuring energy security. PETRA Energy continues to contribute to the advancement of the industry and the nation through its excellence in operations of our business segments:



INDUSTRY PARTICIPATION

PETRA Energy contributes to industry advancement by playing its role in various industry organisations. We participated in associations and trade events in the oil and gas sector, staying abreast of industry trends. This engagement facilitates the addressing of emerging challenges, learning and contributing to enhanced sustainability practices within the industry.

Memberships held by the Group, not limited to the following:

- Malaysian Oil, Gas & Energy Services Council (MOGSC)
- Malaysian Gas Association (MGA)
- Malaysian Petroleum Resources Corporation (MPRC)
- Malaysian Institute of Corporate Governance (MICG)
- Malaysian Society for Occupational Safety & Health (MSOSH)
- Malaysian Shipowners’ Association (MASA)
- The Baltic and International Maritime Council (BIMCO)
- Malaysian Employers Federation (MEF)

PETRA Energy’s representatives actively engaged with conference attendees, exchanging ideas, knowledge and insights on various oil and gas industry topics. The Company’s experts also participated in panel discussions, technical sessions and workshops, sharing their expertise and experience on relevant industry trends, challenges and solutions.

In 2024, PETRA Energy participated in the following industry conferences, exhibitions and forums.

- 11th Sabah Oil & Gas Exhibition & Conference
- 7th Malaysia Oil & Gas Services Exhibition and Conference
- Oil and Gas Asia (OGA) 2024
- PETRONAS Operation Readiness Assurance (ORA) Forum 2024
- Asia Petroleum Geoscience Conference & Exhibition
- Accelerating Sustainable Futures: From Insights to Actions (ESG), SW Management & Environmental Impact Aspect (EIA)
- The Future of OSH: Trends and Transformation in Occupational Health (OH)
- National Employment Law Conference 2024
- Asian Maritime Law & Business Conference

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE

The Board sets the tone for steering sustainability across the Group, assuming ultimate responsibility for all ESG matters and playing a pivotal role in defining the Company's sustainability strategies and priorities. Concurrently, our Leadership team takes the helm in leading the Group towards its objectives, with ESG goals and targets set within their scope.

SUSTAINABILITY LEADERSHIP FROM THE TOP

Strong governance structures and clear accountability helps PETRA Energy deliver its sustainability commitments. In crafting sustainability strategies and priorities, the Board maintains keen oversight on all matters identified as material across the ESG spectrum.

To effectively discharge its duties, the Board is supported by various committees within our sustainability governance structure, namely the BSC, the SSC and the SWC. These committees feature distinct subgroups overseeing ESG matters.

The SSC, chaired by the Group Chief Executive Officer (GCEO) will advise the Board and is responsible for driving sustainability strategy and regularly reviewing sustainability progress throughout the reporting period.





This robust and cohesive governance structure ensures our Board and Senior Management team stay well-informed on all emerging ESG matters, while fostering effective communication across the organisation to convey objectives and directives, receive feedback and make realistic adjustments to strategies in tandem with our evolving capacity, capabilities and sustainability goals.

To stay abreast of the dynamic sustainability landscape, the Board, Senior Management and Management team remains committed to attending relevant sustainability training programmes, including those organised by market regulators and professional associations.



SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE

	Composition	Functions	Frequency
 Board of Directors	<ul style="list-style-type: none"> - Board members 	<ul style="list-style-type: none"> - Exercises oversight on all material ESG topics - Guides the Company's sustainability agenda - Holds ultimate accountability to ensure management integrates ESG considerations into corporate strategies, governance and decision-making 	<ul style="list-style-type: none"> - Quarterly
 Board Sustainability Committee (BSC)	<ul style="list-style-type: none"> - Chaired by an Independent Director - Members shall comprise majority of Independent non-executive Directors 	<ul style="list-style-type: none"> - Assists the Board to fulfil its corporate governance and oversight responsibilities in relation to the relevant Acts, Laws, Requirements, codes, Regulations and Policies governing the Company - Oversees the development and implementation of the Group's sustainability-related frameworks notably on anti-bribery and risk management 	<ul style="list-style-type: none"> - Minimum twice a year (actual – quarterly basis)
 Sustainability Steering Committee (SSC)	<ul style="list-style-type: none"> - Chaired by the GCEO - The Group's Senior Management team 	<ul style="list-style-type: none"> - Ensures alignment of sustainability strategies with the Group's vision and mission - Reviews and recommends Sustainability Report to the Board - Evaluates and recommends sustainability strategies, policies and other related matters, including management systems, performance monitoring, policies, commitments and regulations - Actively monitors stakeholders' expectations on PETRA Energy's ESG activities through effective communication strategies 	<ul style="list-style-type: none"> - Half yearly meeting
 Sustainability Working Committee (SWC)	<ul style="list-style-type: none"> - Chaired by the CEO and head of subsidiaries for each of the pillars. Head of Sustainability/Management system as secretary - Representatives from corporate functions and subsidiaries 	<ul style="list-style-type: none"> - Supports the effective implementation of sustainability strategies and projects - Tracks data to ensure all outlined activities achieve its target 	<ul style="list-style-type: none"> - Half yearly meeting (actual – quarterly)

SUSTAINABILITY REPORT

OPERATIONAL SITES CERTIFICATION














Across our operational sites, we reinforce sustainability governance through the attainment and upkeep of management system certifications. Our Marine Assets, project and corporate offices are certified in accordance to globally recognised management system standards.

Certification	Entity	Scope
ISO 9001 (PRSB only)	PEB/PRSB/PMSB/PEDSB	Provision of Project Management services
ISO 14001		Provision of Marine support vessels
ISO 45001		Provision of Exploration, Development and Production
ISO 37001		
ISO 27001		

We plan to be certified to ISO 29001 (Quality Management System – Oil and Gas) in the upcoming reporting cycle in view of the recent requirement by the State authority for oil and gas companies operating in Sarawak.

ALIGNMENT TO THE UNSDGs

In 2015, the United Nations launched 17 UNSDGs to end poverty, fight inequality and injustice and tackle climate change by 2030. The UNSDGs provide a blueprint for human progress and a clear call to action for businesses to contribute to a better future. We are committed to playing our role and we believe we can add value across several UNSDGs by leveraging our expertise and partnering with our stakeholders.

Sustainability Pillar	PETRA Energy Commitment	Highlights and Achievements	Relevant UNSDGs
 Governance	We remain committed to generating direct and indirect economic value through our business strategies and operations.	<ol style="list-style-type: none"> Vendor Development Programme (VDPx), in support of clients' agenda to prioritise local talent, vendors and content Maintained ISO 37001 (Anti-Bribery Management System) certification Maintained ISO 9001 (Quality Management System) certification for PRSB Certified to ISO 27001 (Information Security Management System) 	 
 Social	We prioritise cultivating a high-performing, inclusive work environment for all employees centred on PETRA Energy's desired behaviours. We continue to play our role as responsible corporate citizens in the community.	<ol style="list-style-type: none"> Safe operations Group-wide Continued our commitment to the preservation of culture and heritage and developing communities Maintained ISO 45001 (OHS Management System) certification Continued developing our competencies, skill sets and workforce diversity Investment to drive towards Generative culture 	    
 Environment	We strive to reduce, manage and mitigate our environmental footprint in terms of resource consumption, GHG emissions and addressing climate change impacts.	<ol style="list-style-type: none"> Commenced our reporting on GHG Emissions Scope 3 (Employee commuting and Business travel) Our headquarters is a certified Green Building Maintained ISO 14001 (Environmental Management System) certification EIA study and monitoring for the Development and Production segment 	  

SUSTAINABILITY REPORT

FOCUSING ON THE IMPERATIVES

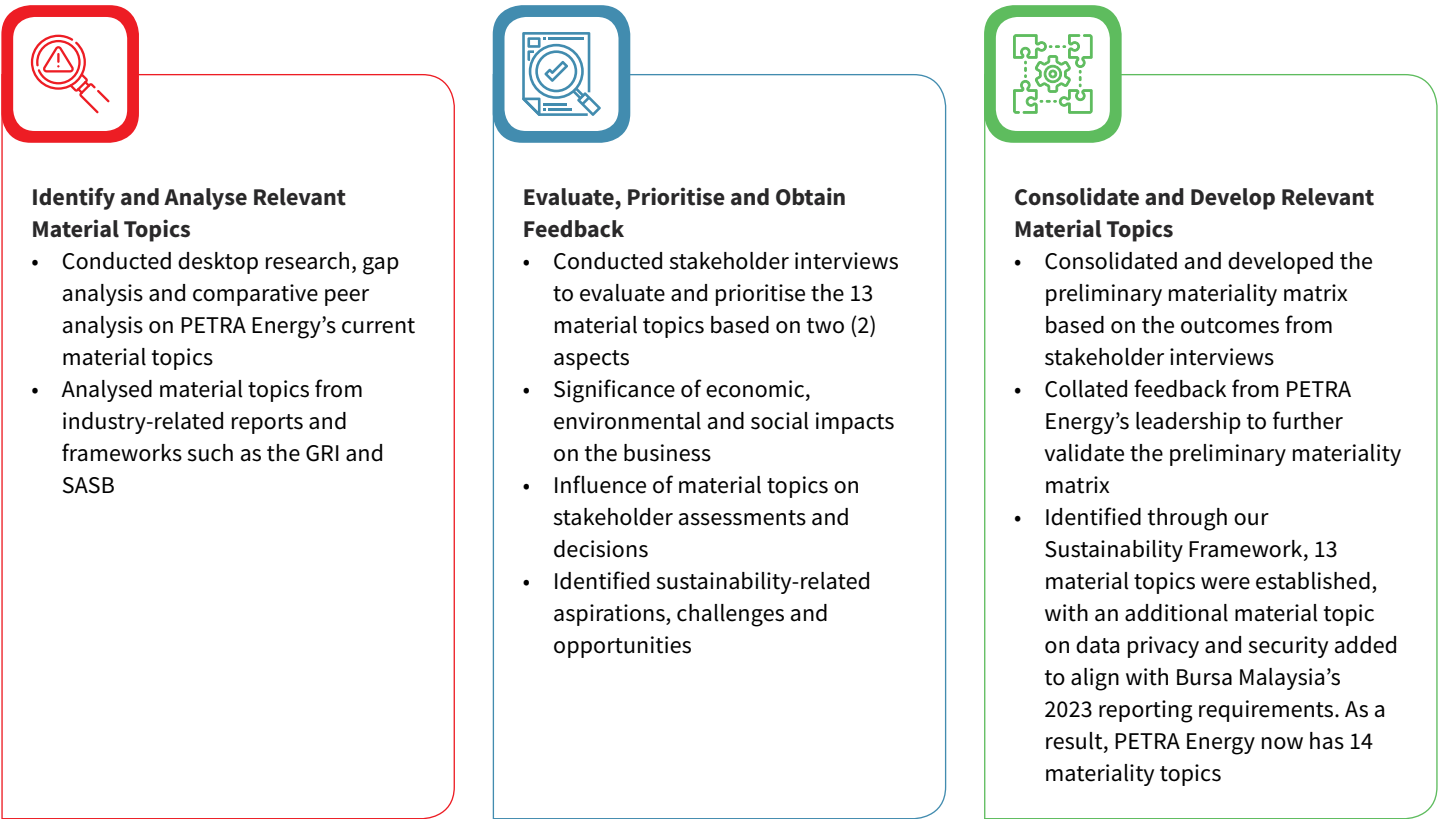
PETRA Energy conducted a detailed assessment of sustainability material issues by engaging a broad spectrum of stakeholders in 2021.

This assessment helps us to identify key ESG (sustainability) matters by identifying key issues significant to our stakeholders. It allows us to develop strategies for building a robust sustainability management and to capitalise on opportunities more effectively.

We did not perform any materiality analysis in the year under review as the current material topics are still relevant to the organisation based on the various engagements with the stakeholders. However, we plan to review our materiality topics by engagement with our stakeholders in the upcoming reporting cycle.

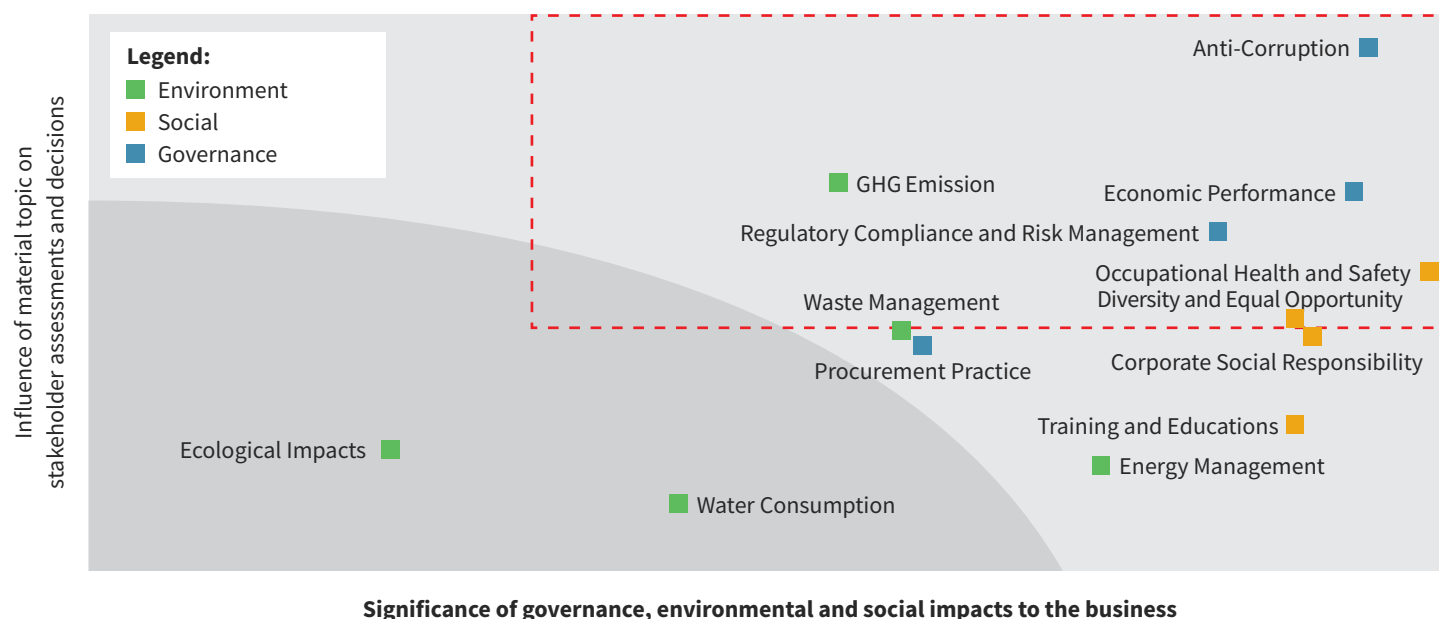
THE PROCESS

The process used to identify, analyse, evaluate, prioritise and consolidate relevant material topics were as follows:



SUSTAINABILITY REPORT

PETRA ENERGY'S MATERIALITY MATRIX – 2022

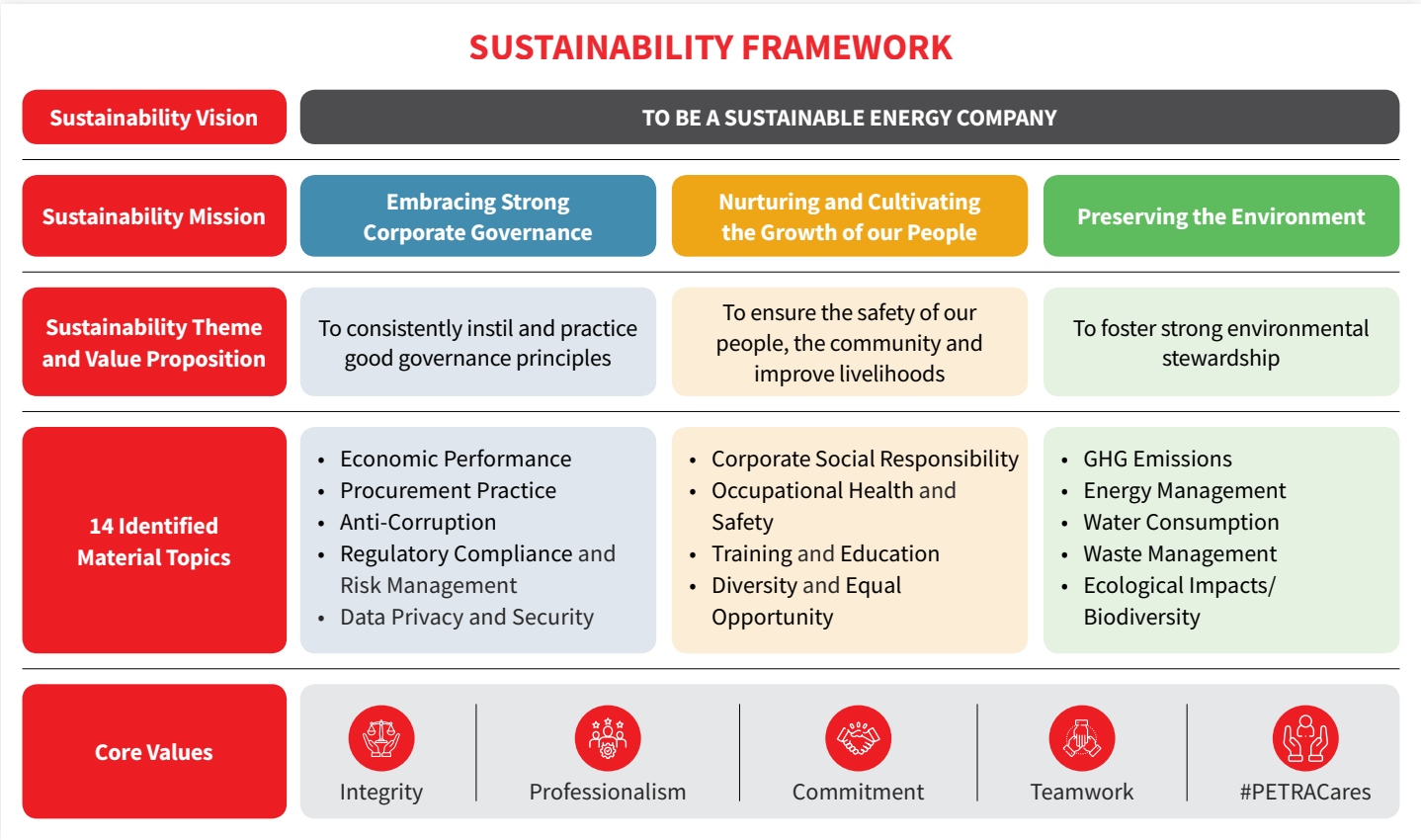


DEFINITION OF MATERIALITY TOPICS

Governance	
Economic Performance	<ul style="list-style-type: none"> Generating sustainable economic value and wealth for stakeholders while managing profitability, stakeholder wealth, profitability, revenue growth and the Company's balance sheet
Procurement Practice	<ul style="list-style-type: none"> Engaging with suppliers that behave economically, environmentally and socially responsibly to maintain human rights and sustainability in the supply chain
Anti-Corruption	<ul style="list-style-type: none"> Conducting ethical business by managing risks associated with corruption, bribery, fraud, bias and other activities that breach ethical behaviour Ensuring PETRA Energy upholds the industry's highest professional and ethical standards
Regulatory Compliance and Risk Management	<ul style="list-style-type: none"> Managing risks arising from the Company's operations to ensure the Company can achieve its business objectives without any significant adverse consequences Complying with applicable laws and regulations made by regulators and government bodies of the countries where the Company operates
Data Privacy and Security	<ul style="list-style-type: none"> Safeguarding the Group's data and systems against external cyber threats
Social	
Corporate Social Responsibility	<ul style="list-style-type: none"> Creating opportunities and working closely with communities to make a positive impact on these communities and areas of operations
Occupational Health and Safety	<ul style="list-style-type: none"> Providing a safe and healthy work environment for employees and contractors by preventing incidents such as injuries, fatalities and illness by carefully planning operations to identify potential hazards and risks
Training and Education	<ul style="list-style-type: none"> Actively engaging with employees through established communication channels and team bonding activities Providing employees with opportunities to enhance their competencies and skills to strengthen relationships between the management and employees

SUSTAINABILITY
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Social	
Diversity and Equal Opportunity	<ul style="list-style-type: none">Cultivating a diverse and inclusive workplace where all employees are treated fairly and provided with equal opportunities regardless of their nationality, gender, race, age, religion, ethnicity, or physical ability
Environment	
GHG Emission	<ul style="list-style-type: none">Managing the discharge of direct and indirect GHG resulting from the Company's operations, covering scopes 1, 2 and 3 emissions to alleviate the risks of climate change on the environment and the Company's operations
Energy Management	<ul style="list-style-type: none">Addressing the environmental impact of energy consumption from sources such as diesel and electricity for the Company's operationsManaging energy efficiency and intensity, energy mix and grid reliance
Water Consumption	<ul style="list-style-type: none">Covering the impact on water resources of the geographical locations the Company operates in due to water usage, water consumption and wastewater generation for operationsPETRA Energy's management of water efficiency and wastewater treatment (if applicable)
Waste Management	<ul style="list-style-type: none">Addressing PETRA Energy's management of hazardous and non-hazardous waste produced from our operations in terms of treatment, handling, disposal and regulatory complianceReducing the harmful effects of waste on the environment
Biodiversity	<ul style="list-style-type: none">Managing the impacts of the Company's operations on ecosystems and biodiversity to protect the local environment of the locations where they operate








SUSTAINABILITY REPORT

Our sustainability actions are structured into three (3) main pillars of Corporate Governance, People and Environment. Guided by our core values of Integrity, Professionalism, Commitment and Teamwork and #PETRAcares, we continue to strive to be a Sustainable Energy Company.



STAKEHOLDER ENGAGEMENT

Establishing mutual relationships with stakeholders is of paramount importance in our operations. We view stakeholders as essential partners and actively engage with them regularly to share our strategy, goals and progress and to receive their feedback. Stakeholders are individuals, groups or organisations that PETRA Energy affects or are impacted by. Stakeholder engagement is critical for gaining and maintaining a licence to operate. Engaging with stakeholders is more than a two-way dialogue; it involves building long-term, honest and transparent relationships.

A summary of our key stakeholder categories and engagement details are listed below.

Stakeholder	Method of Engagement	Matters Discussed
 Employees	<ul style="list-style-type: none"> Employee induction programme Performance appraisals Team buildings Management HSE visit Employee engagement initiatives Sustainability, integrity and HSE day Whatsapp group's (ongoing) 	<ul style="list-style-type: none"> Business goals and targets Transformation plan initiatives Core values and behaviours sharing HSSE plan and sharing GC workshops ESG related matters Management systems certification Staff performance
 Customers	<ul style="list-style-type: none"> Industry events and exhibitions Face-to-face engagement Formal and informal meetings and updates Client's HSE management visits 	<ul style="list-style-type: none"> Company activities Company capabilities
 Investors and Shareholders	<ul style="list-style-type: none"> Annual Report Annual general meeting PETRA Energy website Quarterly announcement of financial results to Bursa Malaysia 	<ul style="list-style-type: none"> Annual general meeting Company updates Annual performance
 Government and Regulatory Authorities	<ul style="list-style-type: none"> Meetings and engagements Audit and inspections 	<ul style="list-style-type: none"> Regulatory requirements Company updates Audits and plans
 Communities and The Public	<ul style="list-style-type: none"> Exhibitions Career fairs CSR activities Engagement 	<ul style="list-style-type: none"> Company activities Recruitment

SUSTAINABILITY
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Stakeholder	Method of Engagement	Matters Discussed
 Financial Institutions	<ul style="list-style-type: none">• Annual Report• Engagement with bankers	<ul style="list-style-type: none">• Company updates
 Vendors and Business Partners	<ul style="list-style-type: none">• Integrity and anti-bribery awareness sessions• Meeting and engagement	<ul style="list-style-type: none">• Supporting the Group's business objective• Corporate Liability Malaysian Anti-Corruption Commission (MACC) Section 17(A)• Challenges



▲ Engagement with Sarawak State minister and PETROS Board member at PETROS Sarawak Gas Roadmap Summit



▲ MOU with Anton at PETROS Sarawak Gas Summit



SUSTAINABILITY REPORT



GOVERNANCE



Governance is an important focus area for PETRA Energy. In this segment of the report, we featured all materiality topics identified that will have major impact on the performance of strategic governance of the organisation.

- Economic Performance
- Procurement Practices
- Anti-Corruption
- Regulatory Compliance and Risk Management
- Data Privacy and Security

ECONOMIC PERFORMANCE

PETRA Energy's five-year road map (2019-2024) guides the Group's economic performance management. The economic performance disclosed for 2024 is as follows:

Disclosure element	2024	2023	2022
Revenue Generated (RM Million)	499.4	553.5	370.7
Economic value distributed (RM Million)	445.4	491.3	359.7
Dividend Distributed (RM Million)	35.3	35.3	16.1
Economic value retained (RM Million)	54.0	62.2	11.0

Note: For further information on PETRA Energy financial performance, please refer to Financial Statement on pages 112-180 in the Annual Report 2024

Some of the key disclosure for the economic performance is as follows:

- PETRA Energy's compensation and benefit programmes focus on attracting and retaining highly-skilled workforce. PETRA Energy also pays all statutory benefits, including the Employee Provident Fund (EPF) and the Social Security Organisation (SOCSO).

- PETRA Energy does not offer any retirement plan for its employees. PETRA Energy did not receive any financial assistance from the government in the reporting period.



- PETRA Energy had conducted in-house training and initial assessment to assess the impact of its sustainability materiality topics on its economic performance (financial performance) based on the IFRS S1 and S2. This is part of the transition plan as required by the National Sustainability Reporting Framework (NSRF).

SUSTAINABILITY REPORT

PROCUREMENT PRACTICE

PETRA Energy managed its procurement practices through the implementation of the Group Procurement Management Manual where it is supported by the relevant procedures. The process is subjected to a regular review and audit by the internal and external stakeholders. The manual has incorporated the ISO 24000 (Sustainable Procurement) principles.

PETRA Energy sources the material and services with priority given to the local vendors and service providers. All procurement practices are to comply not only to our Manual but also the contractual obligation and statutory requirements.

- Continue to include the following considerations for vendor selection:
 - Technical compliance
 - HSE performance
 - Past performance
 - Financial stability
 - Local content and geographical location
- During the reporting cycle, 89% of the procurement spending was made locally in Malaysia.
- The effort being made through the implementation of the PETRA Energy's VDP to increase the competency and capability of the local vendors in Sarawak, Sabah and WP Labuan.

ANTI-CORRUPTION

PETRA Energy is certified to ISO 37001 (Anti Bribery Management System) since 2021. The Group's anti-bribery management system has also adopted the TRUST principles that was issued by the Malaysia's Prime Minister Department in 2018. The principles are based on Section 17A of the MACC Act 2009 (Amendment 2018).



▲ Courtesy visit to MACC Kuala Lumpur office

Our main anti-corruption activities and monitoring during the reporting period are based on TRUST Principles:

1. Top level commitment – Integrity pledge signing and training for leadership and staff (renewal within two (2) years).
2. Risk Assessment for all our operations – Conducted a risk workshop on a yearly basis for all operating assets and corporate units.
3. Undertake control measures – Regular updates and reviews of key processes and procedures, such as Procurement and Human Resources.
4. Systematic review, monitoring and enforcement – Conducted internal audit, external 3rd party audit and regular reviews by the relevant governing body.
5. Training and communication – Mandatory Integrity training for all staff and engagement with key vendors and suppliers on the minimum expectation in the area of anti-bribery compliance.

During the reporting period, there were no confirmed cases of bribery for PETRA Energy.

As previously disclosed, we continue to support together with the MACC (Sabah) and Jabatan Pendidikan Negeri Sabah (JPNS) on the operation of “Kedai Jujur” programme in Sabah. The performance of the programme during the reporting period has been positive in terms of activities of the Kedai Jujur kiosks as provided to the participating schools and organisations. We plan to continue monitoring and engaging with the stakeholders of the programme to ensure it supports the set objectives.



▲ Group photo during JPNS Kedai Jujur Handover ceremony

SUSTAINABILITY REPORT



▲ Handover of Kedai Jujur plaque to JPNS Director

During this reporting period, PETRA Energy also sponsored together with MACC (Labuan) and a programme call “Wira Anti-Rasuah” in Wilayah Persekutuan Labuan. The key objectives of the programme are:

1. Instill and strengthen positive values in the younger generation.
2. For students to understand the cause and impact of bribery.
3. Provide inspiration to students to support changes in the community especially in the areas of integrity.

The programme lasted about five (5) weeks with activities like poster painting, talks on anti-bribery, mural sketch at one of the secondary schools in WP Labuan and exhibition on anti-bribery education.



REGULATORY COMPLIANCE AND RISK MANAGEMENT

For detailed information on the Group’s regulatory compliance framework and risk management practices, please refer to the Statement on Risk Management and Internal Control (SORMIC) on pages 90-96 of this Annual Report.

DATA PRIVACY AND SECURITY

Safeguarding Group information asset is crucial in meeting the Group’s vision to be A Sustainable Energy Company. The leadership had steered the team to embark on the certification of ISO/IEC 27001 (Information security, cybersecurity and privacy protection – Information Security Management System – Requirement) in the last reporting cycle.

The Group’s ongoing effort to modernise and digitalise its processes creates higher exposure to cyber threats due to an increasing dependency on digital data. Cybersecurity breaches leading to loss of confidential information may potentially cause disruption of operation and financial losses, reputational damages and decreased competitiveness.

The certification received during this reporting cycle provided a systematic approach in managing potential threats and exposure by cybersecurity breaches. Therefore, robust data management practices will strengthen stakeholders’ trust and improve operational efficiency with reliable digitalisation.

There is no data privacy and security incidence reported during the reporting cycle.



SUSTAINABILITY REPORT

Information Security Day 2024 (November 2024)

Objectives of Information Security Day were to reinforce the importance of protecting sensitive data, ensuring compliance and fostering a culture of cybersecurity awareness among employees.

Information Security Day featured an expert-led session, gamifying awareness campaigns designed to educate our workforce on best practices in cybersecurity. Employees engaged in live hacking simulations, phishing awareness training and discussions on emerging threats, equipping them with the knowledge to identify threats and helping them mitigate information security risks effectively.



▲ Talks on cybersecurity trends and best practices by PDRM (Royal Malaysian Police)



▲ Participants on various events during the day

SUSTAINABILITY REPORT



SOCIAL



Social consideration under sustainability focused on two (2) elements:

- Internal – working conditions, rights and fair practices of personnel
- Wider community/society

Our material topics are as follows:

- Corporate Social Responsibility (CSR)
- Occupational Health and Safety
- Training and Education
- Diversity and Equal Opportunity

CORPORATE SOCIAL RESPONSIBILITY

PETRA Energy is committed to making a meaningful impact through its CSR initiatives. Anchored by our fundamental values and the ethos of #PETRACares, our CSR efforts are concentrated on enhancing education, community wellbeing, cultural and heritage preservation and socio-economic development for underserved communities/ targeted to those from challenging backgrounds.

Over the reporting period, PETRA Energy invested close to RM1.3 million in various donations and sponsorship initiatives, positively affecting 66 beneficiaries. To ensure these efforts are both strategic and structured, we have implemented a robust donation and sponsorship policy and framework that aligns with our broader overarching Sustainability framework and related policies. This framework ensures that our contributions effectively support our social impact commitments.



Over the reporting period, PETRA Energy invested close to **RM1.3 million** in various donations and sponsorship initiatives, positively impacting 66 beneficiaries.

Key highlights of the programmes:

Community Support and Welfare

PETRA Energy is committed to supporting the communities in which we operate through financial assistance, volunteer efforts and in-kind contributions. We extend these to various charitable groups and communities. Our efforts are particularly focused on uplifting underserved groups and providing essential support during festive periods.

During the holy month of Ramadan, we contributed to Kompleks Kebajikan Laila Taib and other regions including Labuan, Miri and Kuala Lumpur, benefiting orphans, caretakers and students. We also distributed grocery baskets to families in Miri with Uplift Miri, an NGO dedicated to coordinating support efforts for families from challenging backgrounds. PETRA Energy also made contributions to Al Haq Malaysia, Rumah Kasih Harmoni and Maahad Tahfiz (MATAF) in Selangor in support of their activities.

Acknowledging the diverse cultures of the communities we engage with, PETRA Energy spearheaded CSR initiatives during Gawai and Christmas festivities in Miri. These programmes supplied essential school items to children from families from challenging backgrounds, bringing festive cheer and joy during these significant celebrations.

SUSTAINABILITY REPORT

Empowering People through Education

During the review period, PETRA Energy’s FTE programme, now in its 12th year since inception, continued to develop graduates by placing them in various project management and engineering units to enhance their technical competencies. This ongoing initiative reflects PETRA Energy’s commitment to nurturing talent. 113 graduates have been hired through this programme to date. As a social impact initiative, PETRA Energy focuses on hiring graduates from challenging backgrounds, aiming to uplift communities and foster socio-economic development by creating opportunities for individuals.

There were no new intakes of FTE during the reporting cycle, however there is plan for the new intakes in the part of the next reporting cycle. The PETRA Energy Berhad FTE Programme, initiated in 2012 to address a critical talent gap within the Company’s technical workforce, has since evolved into a strategic platform for identifying and nurturing talent from underrepresented regions across Malaysia, aligning with PETRA Energy’s broader Environmental, Social, and Governance (ESG) commitments. Designed to strengthen the Company’s talent ecosystem, the one-year structured programme equips fresh graduates with relevant technical competencies, practical knowledge and industry exposure while fostering inclusivity and social mobility. It combines theoretical learning, hands-on technical assignments and continuous mentorship, with multiple phases of corporate business exposure and operation/project management training.

Employee Volunteerism related to Environment

In collaboration with My Clean Hijau and Jabatan Pertanian Malaysia, PETRA Energy participated in planting herbal plants of Kari and Kantan at Taman Setapak Indah in Kuala Lumpur. The project enhances urban greenery and supports reforestation efforts. This initiative plays a vital role in improving air quality, promoting biodiversity and mitigating the effects of climate change. The team planted 300 herbal plants within the vicinity.



Also, partnering with Miri City Council for a beach cleaning initiative at Luak Beach Esplanade, Miri, our employees removed waste and debris, helping to preserve the coastal ecosystem while fostering environmental consciousness within the community.



SUSTAINABILITY REPORT

#PETRACares – a universal commitment wherever we go

While our operations may be concentrated locally, our commitment to CSR knows no borders. Wherever our people go, they embody PETRA Energy’s brand promise of synergising partnerships and the #PETRACares culture, demonstrating our commitment to community and collaboration.

Preserving Culture, Arts and Heritage

PETRA Energy remains steadfast in its commitment to preserving and celebrating culture and heritage.

As part of this commitment, PETRA Energy proudly sponsors the Sarawak Regatta, a historic event that honours Sarawak’s rich maritime heritage while bringing together local communities in the spirit of sportsmanship and tradition. Our continued support for the Sarawak Regatta 2024 reflects our deep-rooted dedication to cultural preservation and our role in sustaining the traditions that define the region. This is PETRA Energy’s 11th year of sponsorship.



Additionally, PETRA Energy participated in the Miri Arts Festival, supporting local artists and cultural practitioners in showcasing Sarawak’s vibrant arts scene. This engagement underscores our commitment to nurturing creative talent and ensuring that cultural expressions continue to thrive for future generations.

Sponsoring National Press Club Award

We proudly sponsored the National Press Club Award, an esteemed platform that honours excellence in journalism and acknowledges the contributions of media professionals in delivering impactful and responsible reporting. Additionally, PETRA Energy supported the Kenyalang Journalism Award Sarawak, which celebrates outstanding journalism in Sarawak and highlights the importance of press freedom and integrity in media.

Community Building through Sports Sponsorships

PETRA Energy supports targeted sports sponsorships as a way to promote unity, community development and youth development. In 2024, PETRA Energy was the Silver sponsor for Sukan Malaysia (SUKMA) XXI Sarawak 2024, demonstrating our commitment to empowering young athletes and fostering sports excellence.

Furthermore, we contributed to the 33rd ASEAN Veteran Basketball Tournament and supported Pasukan Badminton Sarawak, reinforcing our dedication to developing sporting talent and strengthening community engagement through sports.

OCCUPATIONAL HEALTH AND SAFETY

At PETRA Energy, we are committed to maintaining the highest standards of occupational safety and health (OSH) as part of our broader sustainability strategy. Our unwavering dedication to creating a safe and healthy work environment is reflected in our strong performance metrics, continuous improvement initiatives and proactive risk management approach.

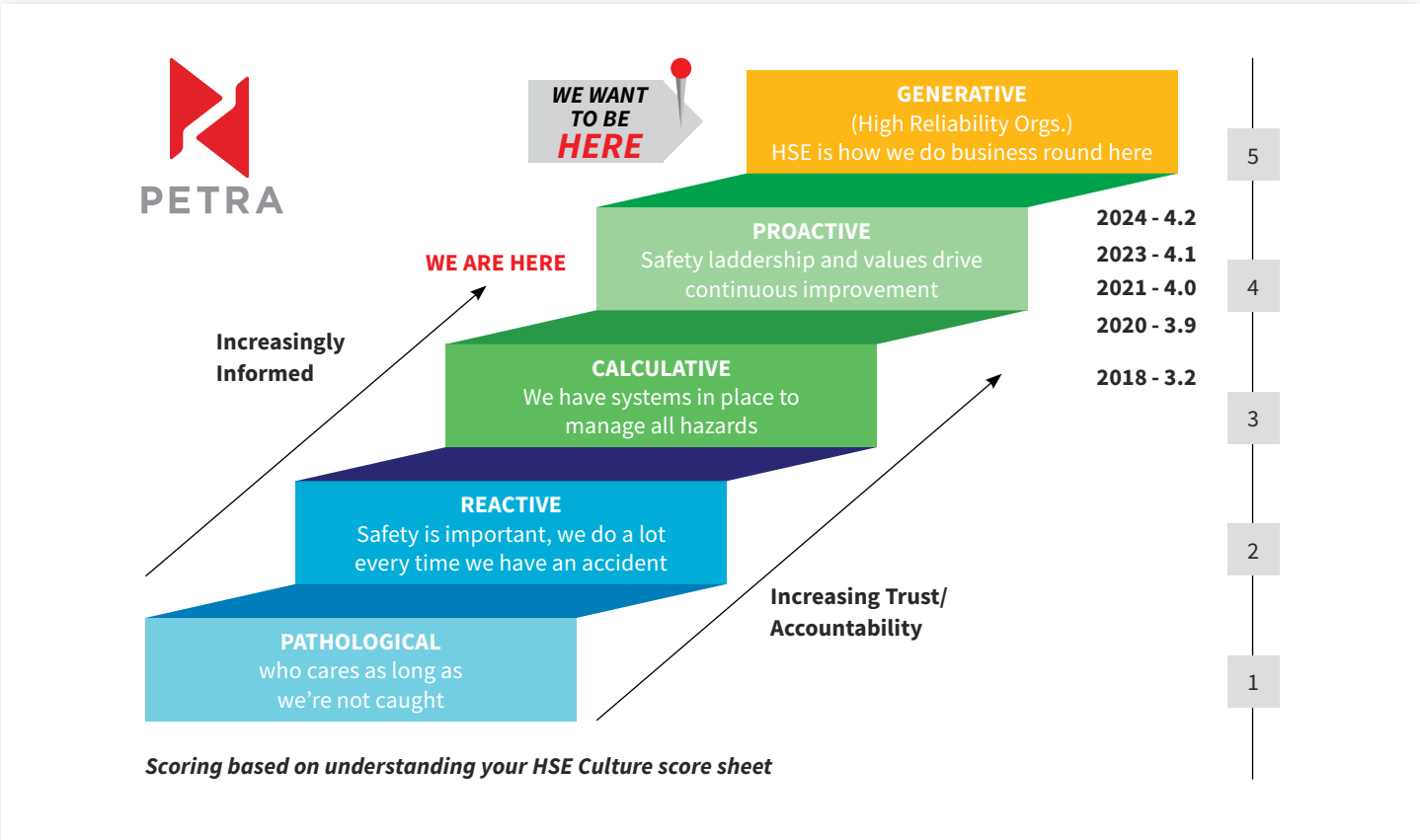
Safety is one of our core values at PETRA Energy, embedded in our operations, culture and leadership commitment. We prioritise a zero-harm workplace through robust safety programmes, stringent compliance with regulatory requirements and alignment with international best practices. PETRA Energy is certified with ISO 45001:2018 (Occupational Health and Safety Management System) since 2021. The PETRA Energy Health, Safety and Environment Management System applies to all employees and suppliers/contractors that work with PETRA Energy.

Strategic Initiatives and Improvements 2024

Throughout the year 2024, we implemented several initiatives to enhance workplace safety:

- **Generative Safety Culture Programmes:** Encouraging a generative safety mindset where everybody will “Do the Right Things Right, even if No one is Watching” through upskilling workshops and coaching with strong encouragement on peer-to-peer observations and intervention.

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Participation for the GCB workshops in 2024

353 participants



Participation for the coaching session in 2024

87 participants

SUSTAINABILITY REPORT

GENERATIVE CULTURE WORKSHOPS



SUSTAINABILITY REPORT

GCB Coaching Session



Participation and recognition of our leadership at PETRONAS PD&T HSE Conference

- **HIRARC Campaign - Hazard Identification Campaigns:** Implementing proactive campaigns to enhance workforce awareness, encourage hazard reporting and drive risk mitigation efforts.
- **Defensive Driving and Riding Campaign:** Launching an interactive competition to promote safe driving and riding practices through employee-generated videos. The campaign fosters engagement, highlights real-life safety scenarios and reinforces defensive driving principles through creative storytelling and peer learning.
- **OSH (Amendment) Act 2022 Roadshow:** Conducting PETRA Energy-wide roadshows in collaboration with the Department of Occupational Safety and Health (DOSH) to educate employees on the latest OSH (Amendment) Act 2022. These sessions ensure compliance, enhance awareness and facilitate proactive adaptation to regulatory changes.

- **Digitalisation of Safety Process:** Leveraging technology for Unsafe Act and Unsafe Condition (ACT/UAUC) reporting (S.A.F.E.) and data analytics to enhance decision-making.
- **Emergency Preparedness and Response Training:** Strengthening our ability to respond to potential incidents through regular drills and crisis simulations.
- **Health and Wellbeing Initiatives – Health is Wealth Campaign:** Launched a comprehensive wellbeing initiative aimed at promoting a healthier workforce through preventive healthcare measures, fitness programmes, mental health support and lifestyle awareness campaigns.
- **Safety Leadership and Workforce Engagement:** Conducting Leadership Listening Tour (safety walks) and toolbox talk and safety briefing to reinforce a culture of safety ownership at all levels.



▲ Our team success as part of Jerun Project



▲ Hand and Finger Injury Campaign for MCM Project

SUSTAINABILITY REPORT

PETRA Energy also issued on a regular basis Employee Information (EI) related to safety and health during the reporting period.

There are three (3) major safety training types offered to all our employees and contractors:

BASIC:

- Must be attended by all employees
- Examples include safety induction, Unsafe Act Unsafe Condition Reporting (S.A.F.E)

PROJECT/LOCATION SPECIFIC:

- Examples include Working at Height, Permit to Work, Specific HSE Induction

COMPETENCY:

- Must be attended by Safety Officer, Blasting and Painting Personnel, Scaffolding Operators, Forklift drivers as required by law

PETRA Energy also supports the nationwide community-based intervention programme concept championed by the Ministry of Health, the Komuniti Sihat Pembina Negara (KOSPEN). This programme aims to minimise the potential occurrence of Non-Communicable Diseases (NCDs) and related risk factors and increase the healthy behaviours of targeted workers. The KOSPEN programme is available at all locations.

Looking Ahead

As we move forward, we will continue to drive safety excellence through innovation, data-driven decision-making and continuous learning. Our focus remains on strengthening our OSH culture, integrating ESG considerations and working towards our long-term vision of zero incidents and a fully engaged workforce.

Through these concerted efforts, PETRA Energy reaffirms its commitment to safeguarding the health, safety and wellbeing of all employees, contractors and stakeholders as we progress on our sustainability journey.

Highlight of Major Projects on OSH

SK433 AKW drilling campaign –

SK433 AKW drilling campaign started on 28 July 2023 and ended on 8 June 2024. The drilling project was challenging due to the nature of an onshore rig operating inside a remote oil palm plantation. The team experienced several challenges in terms of logistics, regulatory requirements, rig equipment and also new learning experience for many of the crews, being first time working on an onshore drilling rig (Rig HL-2). Overall, the drilling project recorded close to 700,000 manhours.

A **Health Risk Assessment (HRA)** was conducted at the rig site on 29 January to 1 February 2024 by Chemsain Konsultant Sdn Bhd. The purpose of the HRA is to identify the hazards, exposure and further verify the adequacy of controls on site by using a facilitated workshop approach followed by a site verification survey. 21 recommendations were identified from the assessment to further minimise the health risks and managed for continuous improvement.

Drugs and alcohol policies were implemented to protect employees and the public from accidents which could arise from the misuse of substances. Regular urine tests on employees were conducted by rig medics at the work site. The rig medics also conducted regular health monitoring for employees at the work site.

We implemented comprehensive HSE policies and requirements processes, which were in line with PETRA Energy's HSEMS and industry best practices. These included the following:

- Onshore Safety Health Passport
- HSE Case implementation
- Journey Management Programme
- Daily pre-tour meetings with crews and service contractors
- Regular Emergency Drills/Exercises
- UAUC programme with weekly awards
- PTW/JHA and LSR implementation
- 6-monthly Colour Coding for lifting gears
- No hands-on load policy; promote push and pull sticks usage
- Monthly and Weekly Safety meetings with site personnel
- Weekly Inspections and Audits by site supervisors
- Well Management Inspection Visits
- Monthly QHSE Meetings
- HSEMS Awareness Training
- GC themes sharing
- Incident investigations and Sharing
- Track HSE performance and issue HSE dashboard on monthly basis
- Wells 2024 HSE Action Plan

SUSTAINABILITY
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▲ Onshore Drilling Rig AKW Field, SK433. Project Miri, Sarawak

HSE Campaign - The HSE campaign with the theme “AIM ZERO” was successfully held at Rig HL-2 on 29 April 2024. The campaign shared lessons learnt from several incidents as well as topics from GC to create awareness and for continuous improvement in the operations.



Management and Regulator visit

- Periodic Management Inspection Visits to the rig site were carried out with team members from PETRA Energy and contractors. It is primarily designed for leadership engagement visits to the rig location and to assess a specific safety topic.
- The Director of DOSH Sarawak, conducted a technical visit to SK433 AKW site on 26 January 2024. SK433 management team accompanied them and toured the rig site. Overall, they were pleased with the tour and saw the drilling rig in operations.



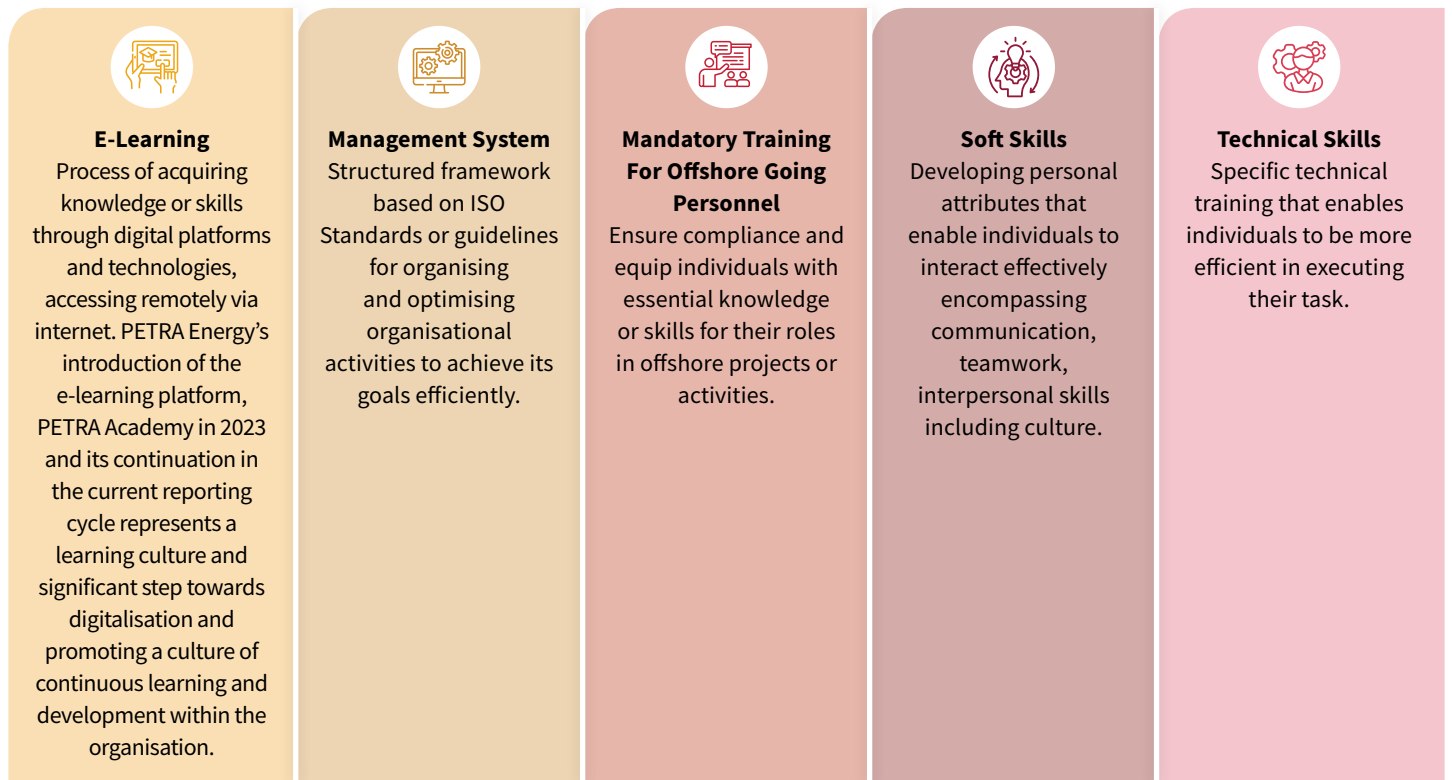
TRAINING AND EDUCATION

We prioritise training and developing employees, focusing on cultivating a knowledgeable and skilled workforce that aligns with our distinctive culture and growth ambitions.

Our robust training and development system includes regularly reviewing and discussing the development needs of our employees. As part of the system, we also conduct annual performance review, talent mapping and succession planning. To meet the needs of employees, we deliver our management training programme via formal trainings delivered by our training partners as well as our internal training programmes.

SUSTAINABILITY REPORT

There were five (5) categories of training attended by our employees

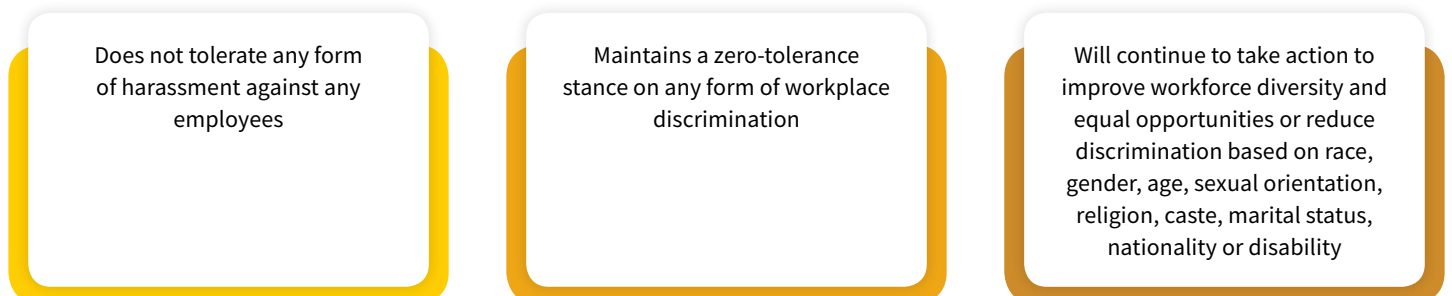


The average hours of formal trainings attended by every employee in 2024 is 12 manhours which is lower compare to the previous reporting period. The average training manhours includes in-house awareness and training.

All staff under permanent employment and on contract (except for offshore going construction personnel) received a regular performance reviews and feedback where supervisor and employees discussed their current performance and potential career development path transparently.

DIVERSITY AND EQUAL OPPORTUNITY

PETRA Energy focuses on nurturing a workplace where all employees feel safe, respected and protected. The Group has made the following commitment:



SUSTAINABILITY REPORT

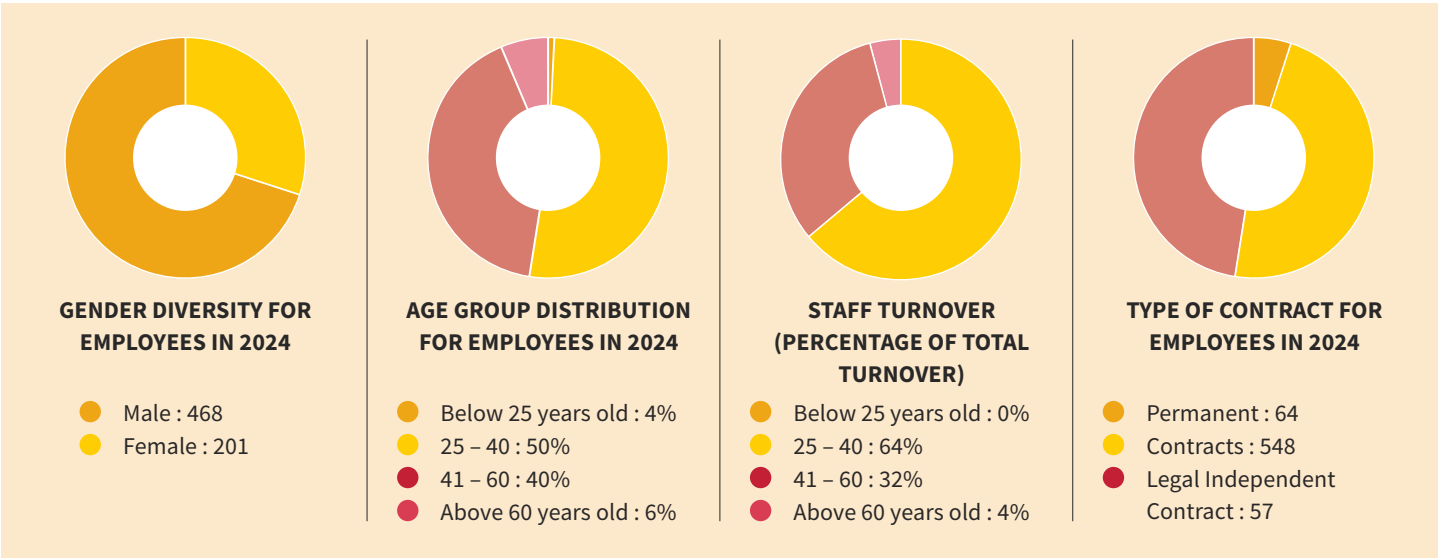
PETRA Energy reflects these commitments in all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation and training.

Historically, the oil and gas industry has been male-dominated due to the nature of work, especially in labour-intensive offshore operations. PETRA Energy does not discriminate against female candidates in its remuneration and promotions and will continue to invest in attracting, retaining and promoting women in its employment practices.

A diverse and highly talented team is central to our success. Embracing a sustainable energy future can only be achieved with an engaged and motivated team that will deliver on targets and translate our vision into meaningful action.

The Group Code of Conduct guides our labour standards, covering many aspects of employee conduct. The Code defines unethical business practices and stipulates what constitutes unethical corporate behaviour, sexual harassment, discrimination, human rights, workers’ rights and more.

Please refer to pages 9-20 of this Annual Report for our Board of Directors and Leadership gender diversity data.



PETRA Energy’s compensation and benefits programmes focus on attracting and retaining a highly skilled workforce. We validate the competitiveness of these programmes by reviewing them periodically through industry-specific surveys to identify and address compensation inequities, including pay parity based on gender, race and ethnicity.

PETRA Energy does not condone any discrimination based on gender. There is no remuneration difference between men and women holding the same position.

Annual Compensation Ratio

There was a marked improvement in the ratio which reflected the compensation package received by employees is improving. (refer to page 77 of the Annual Report for data)

SUSTAINABILITY REPORT

Human Rights

Respect and dignity for everyone are cornerstones of business operations and our success. Basic human rights principles, the Malaysian Employment Act 1955 and other relevant Malaysian labour laws guide PETRA Energy's human rights stand.

Our human rights ethos acknowledges a longstanding commitment to the dignity and rights of all people, including a commitment and process for identifying, eliminating or minimising any negative impact our activities may have on human rights in the communities where we do business.

The Group also subscribes to the International Labour Organisation (ILO), the Universal Declaration of Human Rights and the UN Global Compact 10 Principles.

Our Human Rights Practices explicitly prohibit child labour, forced labour and workplace harassment in our operations. It also covers the rights of indigenous peoples and critical issues relating to security, community engagement and the supply chain.

PETRA Energy had issued a workplace human rights policy at the end of reporting cycle.

SUSTAINABILITY REPORT



ENVIRONMENT



PETRA Energy's vision is to preserve the environment where we operate. We are committed to fostering solid environmental stewardship and achieving operational excellence.

PETRA Energy is certified to ISO 14001:2015 Environmental Management System. This is where the environmental aspect and environmental impact of our operation being assessed.

There are five (5) material topics under the Environment:

- GHG Emission
- Energy Management
- Water consumption
- Waste Management
- Biodiversity



SUSTAINABILITY REPORT

GHG EMISSION

PETRA Energy has embraced Malaysia's aspiration to become a Net Zero nation by 2050. With that, it is critical that our carbon emission performance management is effective and transparent through regular assessment of our business operations and do the necessary benchmark against our industry peers and identifying gaps and opportunities to address them.

PETRA Energy has consistently reported its GHG Scope 1 and Scope 2 since 2022. For greater transparency in our reporting, we have adopted an international standard guidelines on GHG emission methodology such as the GHG Protocol's A Corporate Accounting and Reporting standards (revised edition – 2004), GHG Protocol Scope 2 Guidance (2015) and Corporate Value Chain (Scope 3) standard (2011). We also used the UK Government GHG Conversion Factors for Company Reporting (2024) as issued by the Department for Energy Security & Net Zero throughout the disclosure calculation unless stated otherwise.

In this year's reporting cycle, there are two (2) new sources of Scope 1 emission, mainly from Banang Operation which we were awarded the LLA PSC since 1 June 2024. The newly addition GHG source from Banang were mainly contributed by the operational flaring required as well as the fuel needed in operating the field. The drilling campaign activities for the SK433 PSC that took place in Q1 and Q2 of 2024 as part of the drilling campaign of the Adong Kechil Wells that was started in Q3 2023 also contributed to the increase of Scope 1 emission.

Scope 2 emission is quite stable against the previous year. We have used the Grid Emission Factor (GEF) as published in November 2024 by the Energy Commission of Malaysia.

In this reporting cycle, we commence to disclose the Scope 3 indirect emission under Category 6 (Business travel) and Category 7 (Employee Commuting). The inclusion of part of Scope 3 emission reflects PETRA Energy's commitment to continuously monitoring and reducing its direct and indirect environmental impact. This approach is significant for:

- 1. Identification of Opportunities** – Measuring Scope 3 emissions allows us to identify energy efficiency and cost reduction opportunities within our supply chain, contributing to more sustainable and economical operations.
- 2. Employee Engagement** – Measuring and reporting Scope 3 emission empower us to engage positively with employees. This engagement aims to reduce emissions associated with business travel and commuting, aligning with our commitment to environmental responsibility.

- 3. Compliance Assurance** – The measurement of Scope 3 emission ensures that we are in compliance with the existing environmental reporting standards and regulations such as Bursa Malaysia and GRI standards. This further demonstrates our commitment towards transparency and environmental stewardship.

GHG SCOPE 3 EMISSION ASSESSMENT

Leveraging current data availability and readiness from PETRA Energy's internal monitoring system, we employ a distance-travel based methodology for reporting GHG scope 3 emission in Category 6 (Business travel) and Category 7 (Employee Commuting).

GHG Scope 3	Methodology
Category 6 (Business Travel)	Distance x emission factor of type of vehicle. (Note: For 2024 reporting cycle, we only consider distance travel by airplane as it is a dominant distance for staff for business travel)
Category 7 (Employee Commuting)	Distance x emission factor of type of vehicles used. Data of distance travel were extracted from the staff survey done towards end of 2024.
Emission factor of transportation mode by land and travel were from DESNZ UK, 2024.	

The adoption of the above methodology aims to ensure the disclosure is aligned with international and industry practices, improve result credibility and thus, provide better insight for all stakeholders.

	Unit	2024	2023	2022
GHG Emission – Scope 1 and 2 only	tonne CO ₂ e	50,806	31,466	32,324
GHG Intensity (GHG Emission/ Total Revenue)	kgCO ₂ e/ RM	0.1017	0.057	0.087
Scope 3 (Business Travel)	tonne CO ₂ e	719	Not reported	Not reported
Scope 3 (Employee Commuting)	tonne CO ₂ e	683	Not reported	Not reported

SUSTAINABILITY REPORT

GHG emissions for Scope 1 and Scope 2 increased by more than 60%, primarily attributed to operational flaring at Banang and fuel requirements to support SK433 drilling activities. GHG intensity increased by 78%.

Decarbonisation plan – PETRA Energy had established decarbonisation framework and plan in 2024 in order to inventorise its GHG emissions in 2025 and beyond, based on the data disclosed in this reporting cycle. The short-term focus will be on the efficient use of existing equipment and facilities, while the long-term focus is to reduce operational flaring from the Banang field by conducting studies and considering methods aligned with industry standards.

ENERGY MANAGEMENT

PETRA Energy is considering the implementation of the energy management system in the future by adopting the ISO 50001 (Energy Management System). Most of the energy used are from the total fuel consumption from non-renewable source, followed by the electricity purchase and limited energy source from renewable source.

Summary of the energy consumption is as follows:

Energy type	2024	2023	2022
Non-renewable fuel/source	358,054,363	481,009,868	455,560,363
Renewable source	87,091		
Electricity purchase	2,881,624		
Total Energy Consumption (MJ)	361,023,078	481,009,88	455,560,363
Energy Intensity (Energy used/Total Revenue – MJ/RM)	0.72	0.83	1.2

Based on the trend in energy intensity, the Group has become more efficient in its energy use. This improvement was mainly due to reduced fuel consumption at our Banang Operation, where the team installed a smaller generator set, as disclosed in the previous report. There is an opportunity to further utilise renewable energy and improve the efficiency of non-renewable energy use with the implementation of the Energy Management System mentioned earlier.

WATER CONSUMPTION

The communities and ecosystems where we operate depend on water to thrive. PETRA Energy has used this resource to support our operations.

The majority of our water consumption during the reporting period was for potable water supply to our marine vessels and to support drilling activities at the SK433 drilling site.

	2024	2023	2022
Water Consumption (m³)	103,127	90,062	90,200

Water consumption in the next reporting cycle is projected to be at the previous reporting cycle level, as there are no planned drilling activity.

The Group to continue to optimise the utilisation of an existing rain harvesting system at our fabrication yards and site offices in order to minimise the use of processed water.

SUSTAINABILITY REPORT

WASTE MANAGEMENT

PETRA Energy is developing strategies to reduce waste and exploring opportunities to integrate a circular approach in operations and across the value chain. Waste management is an integral part of our operations.

PETRA Energy minimises, segregates and safely disposes of waste generated by its operations. Our waste mitigation hierarchy prioritises waste avoidance when feasible. When waste is unavoidable, we work to reduce, recover or reuse it whenever possible. We identify, characterise and track all waste from generation to final disposal to ensure minimal risk to our waste production and transportation.

	2024	2023	2022
Schedule waste (tonnes)	305	133	73,315
Domestic waste (tonnes)	213	44	Not reported

Overall, the waste generated from our operation increased mainly due to our drilling activities at SK433 and maintenance activities for our marine asset (vessels) and maintenance projects undertaken offshore.

During the reporting period, the fabrication yard team in Labuan managed to reduce the potential schedule waste from blasting operation by segregating the type of base material to be blasted. If the base material is raw metal, then the waste from blasting operation can be disposed as a domestic waste. The team managed to get approval from the local authorities hence the increase in domestic waste for the Group.

As for the schedule waste, the sources were from the drilling activities at SK433, frontline maintenance activities for our marine vessels and higher maintenance project activities at offshore.

BIODIVERSITY

PETRA Energy is committed to conserving biodiversity and the habitats where we operate, by considering biodiversity protection in decision making and management from the earliest stages of project development. As part of our risk management, we conducted environmental and social impact assessments on major projects comprising:

- Biodiversity and cultural heritage baselines
- Identifying species on the International Union for Conservation of Nature (IUCN) Red List
- Other threatened, endangered species lists

Currently, PETRA Energy does not operate in areas with significantly high biodiversity value or protected habitat, flora and fauna. Our operations do not affect the habitat of any species listed in the IUCN Red List or national conservation list. All offices are within well-developed city or town areas; our facilities are in designated industrial areas.



▲ Sembang Santai Sustainability on Biodiversity – Sharing by En Mohd Nizam Basiron of PETRONAS

SK443 Drilling Project

The project had demonstrated the highest level of environmental assessment, monitoring and closure with the following key activities are as follows:

- Development of Environmental Impact Assessment (EIA) Study, Environmental Management Plan (EMP) and Environmental Monitoring Report (EMR)
- Execute the Environmental Monitoring
- Execute Schedule waste management
- Execute Drilling waste management

Facilitate regular authority's visit, inspection and engagement in relation to the environment management at site.



Develop and execute clean air management as per Environmental Quality (Clean Air) Regulation, 2014.

SUSTAINABILITY REPORT

Annex 1

SUSTAINABILITY PERFORMANCE DATA 2024

	Measurement Unit	2024	2023	2022
Governance				
Economics Performance				
Revenue generated	RM Million	499.4	553.5	370.7
Economic value distributed	RM Million	445.4	491.3	359.7
Dividend distributed	RM Million	35.3	35.3	16.1
Economic value retained	RM Million	54.0	62.2	11.0
Procurement Practices				
Percentage of spending on local suppliers	percentage	89	88	91
Anti-Corruption				
Training	percentage	Leadership and Management – 100	Leadership and Management – 100	Leadership and Management – 100
		Staff – 89	Staff – 87.6	Staff – 80
Confirmed incidents of corruption	number	0	0	0
Operations assessed for risks related to corruption	percentage	100	100	100
Regulatory Compliance and Risk Management				
No. of risks and potential issues identified	number	H-2 M-7 L-2	Risks were identified and addressed during our ongoing risk identification process	Risks were identified and addressed during our ongoing risk identification process
Regulatory non-compliance	percentage	0	0	0
Data Privacy and Security				
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	number	0	0	Not reported
Social				
Corporate Social Responsibility				
Total contributions to non-profit organisations	RM	1,291,014	733,947	401,642
Total number of beneficiaries of the investment in communities	number	66	37	22
Occupational Health and Safety				
Fatalities	number	0	0	0
Fire/Explosion	number	0	0	0
Number of cases resulting in lost workdays	number	0	1	0
Number of cases resulting in medical treatment	number	2	2	0
Number of cases resulting in first aid treatment	number	0	0	0
Number of cases resulting in asset damage/lost	number	1	1	0

SUSTAINABILITY REPORT

	Measurement Unit	2024	2023	2022
Social				
Number of cases resulting in near-miss reporting	number	0	15	0
Total work-related injuries	number	2	3	0
Total man-hours worked	number	4,810,422	3,808,983	2,984,161
Total number of lost days	number	0	2	0
Rate of work-related injuries per total man-hours worked	number	0.42	0.8	0
Severity rate (total number of lost days per total number of recordable incidents)	number	0	0.67	0
Total ACT received	number	31,190	20,376	12,000
Work-related ill health	number	13 (Diarrhea)	16 (C-19 related)	112 (C-19 related)
Training and Educations				
Total training time	hours	8,264	10,485	6,442
Average training hours per year per employee	number	12	17	12
Percentage of employees receiving regular performance and career development reviews	percentage	100	100	100
Diversity and Equal Opportunity				
Workforce Strength				
Female	number	201	184	164
Male	number	468	434	382
Total number of employees	number	669	618	546
Age Group				
Below 25 years old	percent	4	11	6
25 – 40	percent	50	55	59
41 – 60	percent	40	28	30
Above 60 years old	percent	6	6	6
Staff Turnover				
Below 25 years old	Percent	0	9	2
25 – 40	Percent	64	66	80
41 – 60	Percent	32	23	17
Above 60 years old	Percent	4	2	2
Type of Contract				
Permanent	number	64	66	70
Contracts	number	548	529	449
Legal Independent Contract	number	57	23	27
Annual Total Compensation Ratio Number	number	26	23	48

SUSTAINABILITY
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	Measurement Unit	2024	2023	2022
Environment				
GHG Emissions				
Scope 1	tonneCO ₂ e	50,414	31,121	32,000
Scope 2	tonneCO ₂ e	391	345	324
Scope 3 – Business Travel	tonneCO ₂ e	719	–	–
Scope 3 – Employee Commuting	tonneCO ₂ e	683	–	–
Energy Management				
Total Energy Consumption	MJ	361,023,078	461,009,868	455,560,363
Water Consumption				
Total Water Consumption	m ³	103,127	90,062	90,200
Waste Management				
Scheduled Waste	MT	305	133	73,315
Domestic Waste	MT	213	44	
Significant spills	number	0	0	0
Biodiversity				
Refer to the disclosure in the Sustainability Report				

SUSTAINABILITY REPORT

Annex 2

BURSA MALAYSIA COMMON MATERIALITY MATTERS DISCLOSURE 2024

Indicator	Measurement Unit	2024
C1 – Percentage of employees who have received training on anti-corruption by employee category	Percentage	89
C2 – Percentage of operations assessed for corruption related risks	Percentage	100
C3 – Confirmed incidents of corruption and actions taken	Number	0
C7 – Proportion of spending on local suppliers	Percentage	89
C8 – Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
C2 – Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,291,014
C2 – Total number of beneficiaries of the investment in communities	Number	66
C5 – Number of work-related fatalities	Number	0
C5 – Lost time incident rate	Rate	0
C5 – Number of employees trained on health and safety standards	Number	669
C3 – Percentage of employees by gender and age group, for each employee category		
C3(a) – Age group by employee category		
Permanent – Under 25	Percentage (number)	0 (0)
Permanent – Between 25 – 40	Percentage (Number)	0 (2)
Permanent – Between 41 – 60	Percentage (Number)	9 (58)
Permanent – Above 60	Percentage (Number)	1 (4)
Contract – Under 25	Percentage (Number)	2 (12)
Contract – Between 25 – 40	Percentage (Number)	50 (335)
Contract – Between 41 – 60	Percentage (Number)	28 (186)
Contract – Above 60	Percentage (Number)	2 (15)
Legal independent contractor (LIC) – Under 25	Percentage (Number)	1 (4)
LIC – Between 25 – 40	Percentage (Number)	3 (18)
LIC – Between 41 – 60	Percentage (Number)	3 (17)
LIC – Above 60	Percentage (Number)	3 (18)
6(b) Gender group by employee category		
Permanent – Male	Percentage (Number)	6 (41)
Permanent – Female	Percentage (Number)	3 (23)
Contract – Male	Percentage (Number)	57 (380)
Contract – Female	Percentage (Number)	25 (168)
LIC – Male	Percentage (Number)	7 (48)
LIC – Female	Percentage (Number)	1 (9)
C4 – Percentage of Directors by gender and age group	Percentage	Male – 71 Female – 29

SUSTAINABILITY
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Indicator	Measurement Unit	2024
6a – Total hours of training by employee category	Hours	8,264
6c – Total number of employee turnover by employee age group		
Below 25	Percentage (Number)	2 (1)
Between 25 – 40	Percentage (Number)	27 (16)
Between 41 – 60	Percentage (Number)	70 (42)
Above 60	Percentage (Number)	2 (1)
6d – Number of substantiated complaints concerning human rights violations	Number	0
4 – Total energy consumption	Megawatthour	100,284
9 – Total volume of water used	Megalitres	10.312
Bursa (Waste management)		
Bursa C10(a) Total waste generated Metric tonnes	Metric tonnes	518.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	518.00
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	50,414.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	391.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	1,402.00

SUSTAINABILITY REPORT

Annex 3

STATEMENT OF ASSURANCE - BSI



INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No.: **SRA-MY 816716**

PETRA Energy Berhad Sustainability Report 2024

The British Standards Institution is independent of PETRA Energy Berhad (hereafter referred to as "PETRA" in this statement) and has no financial interest in the operation of PETRA other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of PETRA only for the purposes of verifying its statements relating to its environmental, social and governance (ESG), more particularly described in the scope, below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by PETRA. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to PETRA only.

Scope

The scope of engagement agreed upon with PETRA includes the following:

1. The assurance covers specific sections of the report related to the following sustainability subject matters, focusing on systems and activities at PETRA's headquarters and relevant operations during the 2024 calendar year.
 - GHG Emission
 - Occupational Health and Safety
 - Anti Bribery
2. Type 2 Moderate Level of Assurance in accordance with the AA1000 Assurance Standard v3 ("AA1000AS v3") evaluates the nature and extent of PETRA adherence to four reporting principles: Inclusivity, Materiality, Responsiveness and Impact. The specified sustainability performance information and data disclosed in the sustainability subject matter of the Report has been evaluated.

SUSTAINABILITY REPORT

Opinion Statement

Based on our work described in the verification report, nothing has come to our attention that causes us to believe that data and information presented in the PETRA's Sustainability Report is not correctly presented or with omission, in any material respects or that Inclusivity, Materiality Responsiveness and Impact based on AA1000AS criteria are not correctly addressed.

We conclude that the sustainability subject matter of the report provides a fair view of PETRA's sustainability programmes and performance for the reporting year. We believe that the environmental, social and governance performance indicators are accurate and supported by robust internal verification processes.

Our work was conducted by a team of sustainability report assurors in accordance with the AA1000 Assurance Standard v3. We planned and performed this part of our work to obtain the necessary information and explanations. We considered to provide sufficient evidence that PETRA's description of its approach to AA1000 Assurance Standard is fairly stated.

Methodology

Our work was designed to gather evidence on which our conclusion is based. We undertook the following activities:

- a top-level review of issues raised by external parties that could be relevant to PETRA's policies to check on the appropriateness of statements made in the report.
- discussion with managers and staff on PETRA's approach to stakeholder engagement. We had no direct contact with external stakeholders.
- interview with staff involved in sustainability management, report preparation and provision of report information.
- review of key organizational developments.
- review of supporting evidence for claims made in the reports.
- an assessment of the PETRA's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000 AccountAbility Principles Standard.

Conclusions

A detailed review against the AA1000AP Principles of Inclusivity, Materiality, Responsiveness, and Impact is set out below:

Inclusivity

The Report has reflected the fact that PETRA is seeking the engagement of its stakeholders. The participation of stakeholders has been initiated in developing and achieving an accountable and strategic response to sustainability. The reporting systems are being developed to deliver the required information. There are fair reporting and disclosure for economic, social and environment information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers PETRA principle of Inclusivity.

Materiality

PETRA publishes sustainability information that enables its stakeholders to make informed judgments about PETRA's management and performance. In our professional opinion, the report adheres to the principle of Materiality and identifies PETRA's material aspects by using appropriate methods of materiality analysis and demonstrating material issues in a matrix form. Areas for enhancement of the report were adopted by PETRA before the issuance of this statement.

SUSTAINABILITY REPORT

Responsiveness

PETRA has implemented practices that respond to the expectations and perceptions of its stakeholders. These include sustainability reporting for both internal and external stakeholders. In our professional opinion, PETRA adheres to the principle of Responsiveness. Areas for enhancement of the Report were adopted by PETRA before the issuance of this statement.

Impact

PETRA has demonstrated a process on identify impacts that encompass a range of environmental, social and governance topics, and fairly represented the impacts in the report. These processes enable PETRA to assess its impact and disclose them in the sustainability subject matter of the report. In our professional opinion, PETRA adheres to the principle of Impact. Areas for enhancement of the report were adopted by PETRA before the issuance of this statement.

Assurance Level

The Type 2 Moderate Level of Assurance provided is in accordance with AA1000 Assurance Standard in our review is defined by the scope and methodology described in this opinion statement.

Responsibility & Limitations

It is the responsibility of PETRA's management to ensure the information presented to BSI is accurate. The assessment is limited by information presented by PETRA. Our responsibility is to provide an independent assessment based on the scope and methodology described. This assessment opinion statement was a conclusion based on the assessment findings, results and our professional opinion.

Competency and Independence

The assurance team was composed of Lead Assuror who are experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including AA1000, ISO14001, ISO14064, ISO 45001 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assessment is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:



Ms Evelyn Chye
Managing Director

20 March 2025

Verifier of the Report:



Mr. Shaiful Rahman
Lead Assuror



AA1000
Licensed Report
000-4/V3-2Z1N5

SUSTAINABILITY
REPORT

Annex 4

GRI CONTENT INDEX (WITH REFERENCE)

Statement of use	PETRA ENERGY BERHAD has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (In the Annual report)
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 8
	2-2 Entities included in the organization’s sustainability reporting	Page 42
	2-3 Reporting period, frequency and contact point	Page 43
	2-4 Restatements of information	Page 43
	2-5 External assurance	Page 95
	2-6 Activities, value chain and other business relationships	Page 3
	2-7 Employees	Page 69
	2-8 Workers who are not employees	Page 69
	2-9 Governance structure and composition	Page 9
	2-10 Nomination and selection of the highest governance body	Page 9
	2-11 Chair of the highest governance body	Page 9
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 97
	2-13 Delegation of responsibility for managing impacts	Page 90
	2-14 Role of the highest governance body in sustainability reporting	Page 50
	2-15 Conflicts of interest	Pages 10-20
	2-16 Communication of critical concerns	Page 9
	2-17 Collective knowledge of the highest governance body	Pages 10-16
	2-18 Evaluation of the performance of the highest governance body	Page 104
	2-19 Remuneration policies	Page 104
	2-20 Process to determine remuneration	Page 104
	2-21 Annual total compensation ratio	Page 77
	2-22 Statement on sustainable development strategy	Page 52
	2-23 Policy commitments	Page 90
	2-24 Embedding policy commitments	Page 92
	2-25 Processes to remediate negative impacts	Page 95
	2-26 Mechanisms for seeking advice and raising concerns	Page 95
	2-27 Compliance with laws and regulations	Page 93
	2-28 Membership associations	Page 48
	2-29 Approach to stakeholder engagement	Page 55
	2-30 Collective bargaining agreements	Page 70

SUSTAINABILITY REPORT

GRI STANDARD	DISCLOSURE	LOCATION (In the Annual report)
GRI 3: Material Topics 2021	3–1 Process to determine material topics	Page 52
	3–2 List of material topics	Page 53
	3–3 Management of material topics	Page 54
GRI 304: Biodiversity 2016	304–1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 75
	304–2 Significant impacts of activities, products and services on biodiversity	
	304–3 Habitats protected or restored	
	304–4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	
GRI 201: Economic Performance 2016	201–1 Direct economic value generated and distributed	Page 57
	201–2 Financial implications and other risks and opportunities due to climate change	
	201–3 Defined benefit plan obligations and other retirement plans	
	201–4 Financial assistance received from government	
GRI 204: Procurement Practices 2016	204–1 Proportion of spending on local suppliers	Page 58
GRI 205: Anti-corruption 2016	205–1 Operations assessed for risks related to corruption	Pages 58 and 76
	205–2 Communication and training about anti-corruption policies and procedures	
	205–3 Confirmed incidents of corruption and actions taken	
GRI 302: Energy 2016	302–1 Energy consumption within the organization	Page 74
	302–2 Energy consumption outside of the organization	
	302–3 Energy intensity	
	302–4 Reduction of energy consumption	
	302–5 Reductions in energy requirements of products and services	
GRI 303: Water and Effluents 2018	303–1 Interactions with water as a shared resource	Page 71
	303–2 Management of water discharge-related impacts	
	303–3 Water withdrawal	
	303–4 Water discharge	
	303–5 Water consumption	
GRI 305: Emissions 2016	305–1 Direct (Scope 1) GHG emissions	Page 73
	305–2 Energy indirect (Scope 2) GHG emissions	
	305–3 Other indirect (Scope 3) GHG emissions	
	305–4 GHG emissions intensity	
	305–5 Reduction of GHG emissions	

SUSTAINABILITY REPORT

GRI STANDARD	DISCLOSURE	LOCATION (In the Annual report)
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	Not to be reported
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	Not to be reported
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 75
	306-2 Management of significant waste-related impacts	
	306-3 Waste generated	
	306-4 Waste diverted from disposal	
	306-5 Waste directed to disposal	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 69
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	401-3 Parental leave	Website
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Pages 63-67
	403-2 Hazard identification, risk assessment and incident investigation	Pages 76-77
	403-3 Occupational health services	
	403-4 Worker participation, consultation and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-8 Workers covered by an occupational health and safety management system	
	403-9 Work-related injuries	
	403-10 Work-related ill health	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pages 68 and 69
	404-2 Programs for upgrading employee skills and transition assistance programs	
	404-3 Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 69-71 and 77
	405-2 Ratio of basic salary and remuneration of women to men	

AUDIT COMMITTEE REPORT

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee (AC) comprises four (4) members who are Non-Executive Directors (NEDs) and majority of whom are Independent which is in line with Paragraph 15.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MainLR):-

Name	Designation	Directorship
Ng Ing Peng	Chairperson	Independent Non-Executive Director
Tan Sri Datuk Seri Panglima Sulong bin Matjeraie (ceased as a member on 31 August 2024)	Member	Independent Non-Executive Director
Gian Carlo Maccagno	Member	Non-Independent Non-Executive Director
Zuhaida binti Zulkifli	Member	Independent Non-Executive Director

None of the AC members was previously a partner in the incumbent external auditors, PricewaterhouseCoopers PLT in the previous three (3) years, nor does any of the AC members hold any financial interest in PricewaterhouseCoopers PLT.

ATTENDANCE OF AC MEMBERS AT MEETINGS

The AC held a total of five (5) meetings during the financial year ended 31 December 2024. The details of the attendance of the respective members are as follows:-

Name	No. of meetings attended ^
Ng Ing Peng (Chairperson)	5/5
Tan Sri Datuk Seri Panglima Sulong bin Matjeraie (ceased as a member on 31 August 2024)	4/4
Gian Carlo Maccagno	5/5
Zuhaida binti Zulkifli	5/5

^ The meetings were held on 22 February 2024, 8 April 2024, 20 May 2024, 22 August 2024 and 21 November 2024

SUMMARY OF WORKS OF THE AC

During the financial year ended 31 December 2024, the AC has carried out the following work activities in the discharge of its duties, functions and responsibilities:-

a) Financial Matters and External Audit

- Discussed the budget of the Group for year 2024, and recommended the same to the Board for approval.
- Reviewed the Unaudited Quarterly Reports on the consolidated results of the Group for the financial quarters ended 31 December 2023, 31 March 2024, 30 June 2024, 30 September 2024, and recommended the same to the Board for approval.
- Discussed the updates on the financial performance of the Group.
- Reviewed the Audited Financial Statements of the Group for the financial year ended 31 December 2023 to ensure that the financial statements and disclosures presented a true and fair view of the Group's financial position and performance for the said year and are in compliance with the provisions of the Companies Act 2016 as well as the applicable Malaysian Financial Reporting Standards, and recommended the same to the Board for approval.

AUDIT COMMITTEE REPORT

- Reviewed the audit findings including internal control concerns highlighted by the external auditors in relation to the financial statements of the Group for the financial year ended 31 December 2024.
 - Met with the external auditors without the presence of the Management three (3) times on 22 February 2024, 22 August 2024 and 21 November 2024.
 - Reviewed the suitability, effectiveness and independence of the external auditors, and recommended their re-appointment to the Board to recommend the same to the shareholders for approval.
- b) Internal Audit
- Reviewed issues highlighted in the internal audit reports including its recommendations.
 - Reviewed status of corrective actions agreed to be implemented by Management.
 - Reviewed and discussed the Group internal audit progress report on quarterly basis.
 - Reviewed and approved the Annual Internal Audit Plan for year 2025.
 - Assessed the adequacy of the scope, functions, competency and resources of the internal audit function.
- c) Reviewed the Recurrent Related Party Transactions of a Revenue or Trading Nature (RRPTs) on quarterly basis to ensure that they are within the mandate approved by the shareholders at the Eighteenth Annual General Meeting of the Company held on 23 May 2024.
- d) Reviewed the Circular to Shareholders on the Renewal of Shareholders' Mandate for the existing RRPTs and Proposed Renewal of Authority to Buy-Back its own Shares by the Company dated 24 April 2024, and recommended the same to the Board for approval.
- e) Reviewed the performance evaluation for AC, internal audit function and external auditors to streamline with the provisions of the MainLR and Malaysian Code on Corporate Governance.
- f) Reviewed the AC Report and Statement on Risk Management and Internal Control for inclusion in the Annual Report 2023, and recommended the same to the Board for approval.
- g) Reviewed and confirmed the minutes of the AC meetings.
- h) Reported to the Board on the proceedings of each AC meeting through the chairperson of the AC.

STATEMENT ON INTERNAL AUDIT FUNCTION

Group Internal Audit Department (GIA) is an in-house function that carries out its activities in accordance with the Internal Audit Charter which defines the scope, authority, roles and responsibilities of internal audit function. It is an independent function that reports directly to the AC and administratively to the Group Chief Executive Officer.

GIA is headed by Mr Noor Ahmad bin Mohamad Basir (Mr Ahmad) who was appointed as the acting Head of GIA in year 2023. Mr Ahmad has more than 19 years of extensive experience in internal audit across diverse industries which demonstrates a strong foundation in auditing practices. Mr Ahmad is certified under Chartered Accountant of the Malaysian Institute of Accountants and Associate Member of Institute of Internal Auditors Malaysia. Mr Ahmad is well-equipped to lead GIA, ensuring that auditing processes are conducted efficiently and in accordance with industry standards and regulations.

Mr Ahmad has regular and direct communication with AC and unrestricted access to the Executive Directors and Group Chief Financial Officer. One (1) manager and one (1) executive who have bachelor degree report directly to the acting Head of GIA. All members of GIA have signed a written confirmation that they comply with the code of conduct and ethics of the Group and are free from any form of conflicts of interest which could impair their objectivity.

AUDIT COMMITTEE REPORT

Based on the internal audit plan approved by the AC, GIA performs independent assessment on the adequacy and effectiveness of the Group's system of internal control. GIA is guided by the International Professional Practice Framework (IPPF) in their works and the approach is risk based. For the financial year ended 31 December 2024, the scope of review and audit included procurement and contract management, vessel maintenance, crewing management, payment management, claims management, management of rented property and equipment, travel expenses and corporate cards, recruitment and placement process, on boarding process, review on corporate governance and the processes and internal controls involved in compiling and reporting the ESG indicators. Outcomes of audit are reported to the AC and Top Management for their deliberation where the reports included recommendations and mitigation action plans established by the Management to mitigate the issues of concern.

In addition, GIA carried out the following:

- Advisory role in the committee on anti-bribery management system.
- Participated in key management meetings to keep abreast of the evolvement of the risks pertaining to the business environment.

The total cost incurred by GIA for the financial year ended 31 December 2024 was approximately RM639,291.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This statement is made in accordance with the Paragraph 15.26(b) of the Main Market Listing Requirement (MMLR), in line with Practice 10.2 of the Malaysian Code of Corporate Governance 2021 and is guided by Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers.

THE BOARD’S RESPONSIBILITY

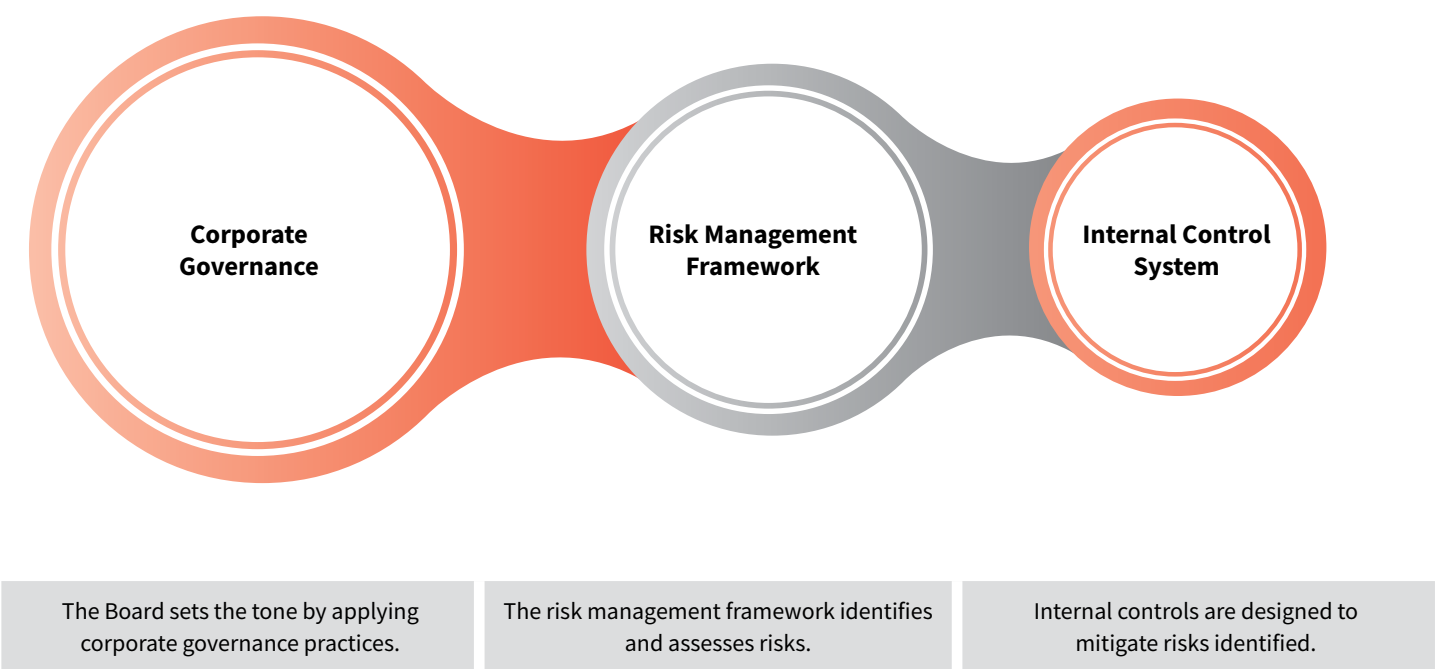
The Board of Directors (Board) is committed to maintaining sound, effective and efficient internal control and risk management that provide reasonable assurance to safeguard PETRA Energy Berhad’s (PEB or the Group) assets and shareholders’ interests. This includes ensuring operational effectiveness and efficiency, financial reporting reliability and compliance with applicable laws and regulations.

The Board recognises the limitations inherent in any risk management framework and internal control system, hence seeks to mitigate rather than eliminate risk of failure to achieve business objectives. In the pursuit of the Group’s strategies and business objectives, the risk management framework and internal control system established manage the material risks within the Group’s risk appetite. Accordingly, the systems provide reasonable and not absolute assurance against material error, misstatement or loss.

The Board confirms that the risk management framework and internal control system have been in place during the financial year and up to the date of approval of this statement.

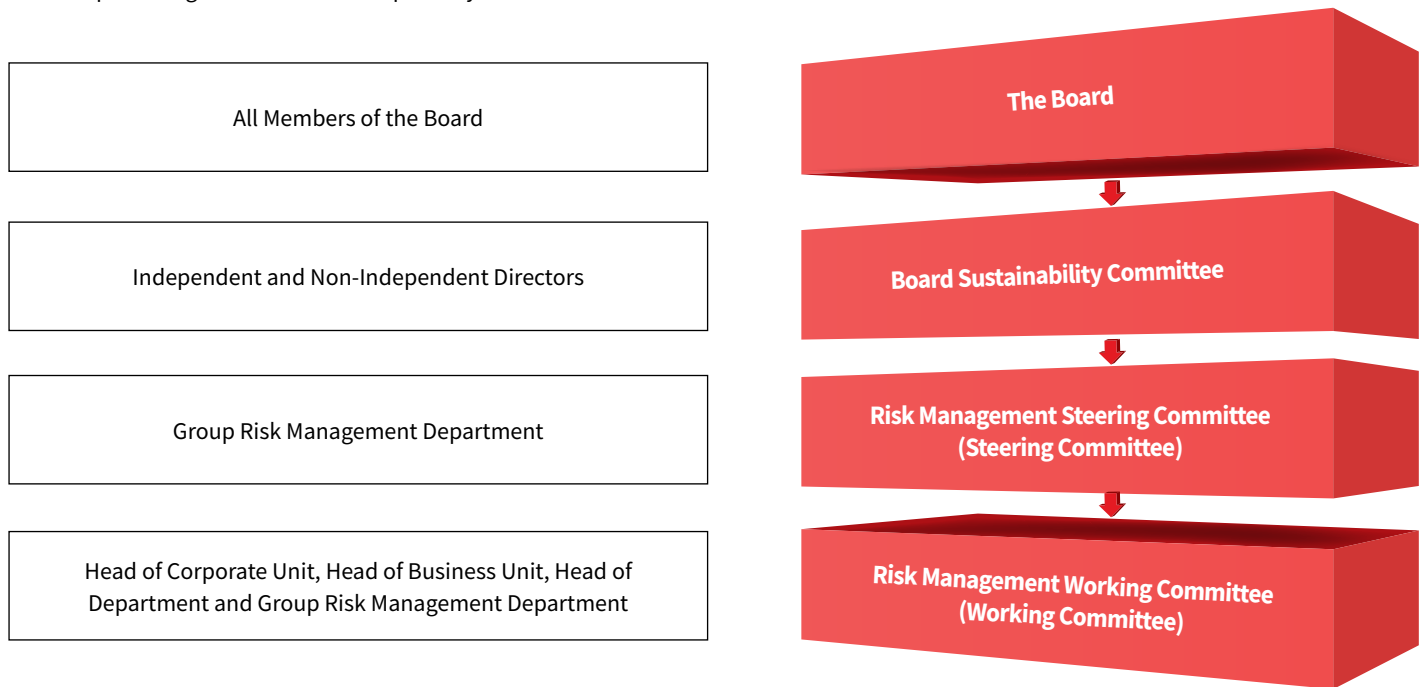
RISK MANAGEMENT FRAMEWORK

As illustrated by the diagram below, governance framework of the Group is the starting point for risk management framework and internal control system.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The PEB Group Risk Register is diligently deliberated during the quarterly Board meetings. The Board is supported by the Board Sustainability Committee (BSC) that comprises both Independent and Non-Independent Directors. To assist the BSC, Management has established a committee at Group level which is Risk Management Steering Committee (Steering Committee). The Steering Committee comprises the Executive Directors, Group Chief Financial Officer (Group CFO) and assisted by the Group Risk Management (GRM). The Steering Committee presents and updates on the Group Risk Register to the BSC on quarterly basis.



GRM facilitates risk management sessions to identify and assess risks together with its mitigation plans at business unit level and key projects.

When deemed necessary, such as tendering for projects or potential business venture that are material, workshop is held to identify and assess potential risks, impact and its mitigation plans. Relevant functional departments such as human capital, legal, compliance, Information technology as well as health, safety and environment are involved in the risk management process.

The risks identified and assessed are being managed by the respective management personnel, business units and functional departments. GRM conducts itself in reference with ISO 31001 Risk Management guidelines and the risk management framework limiting its roles to facilitation, making no risk management related decision.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Key Risks

The Board recognises the need to effectively manage risk in order to ensure the long-term growth and enhancement of shareholders’ value. The Board has been diligently deliberating the key risks on a timely basis and closely monitoring implementation of mitigation actions. The Board identified **SK433 Petroleum Contract (A)** and **Batang Late Life Asset Production Sharing Contract (B)** as the Group’s key risks as below.

Focus Area A1:

Subsurface and wells i.e., insufficient and uncertainty in volumes, downside in performance and wells control risk.

Mitigation:

Drilled appraisal well and phasing development with more studies and testings conducted. Competent personnel and proper plan and procedures have been put in place to minimise exposure to well control incident. Results from the appraisal wells have been incorporated into the Field Development Plan.

Focus Area A2:

Project management and operations i.e., project delay and major process safety and transportation incidents.

Mitigation:

Robust and proactive stakeholders’ engagement with clients, regulators, authorities, plantation owners and local communities to minimise project delays. In addition, PEB will uphold strictest HSE policies with competency screening, proper training, emergency response plan, consequence management and adequate HSE assurance, amongst others. This risk and its mitigations will remain relevant until the completion of field development phase.

Focus Area A3:

Economics i.e., commercial terms and CAPEX.

Mitigation:

Develop a clear and transparent project value improvement. PEB is also exploring multiple opportunities, including CAPEX optimisation and early production.

Focus Area A4:

Environment, Social and Governance (ESG) i.e. biodiversity impact, community concerns on climate change, safety risks or excessive noise during gas flaring or seismic acquisition.

Mitigation:

Carried out Environmental Impact Assessment (EIA) study to confirm technical feasibility to reinject associated gas during extended well testing or from early oil production instead of flaring. PEB has put in place a comprehensive and proactive Stakeholder Engagement Plan in response to address concerns on safety and noise.

Focus Area B1:

Production risks related to Batang late life asset and risks associated to MOPU dry-docking activity.

Mitigation:

Exploring opportunities for potential production enhancement studies and recommendations, as well as reviewing the topside processing system. Close site monitoring on planned offshore concurrent activities and simultaneous operations, performed MOPU and underwater inspection, as well as testing on MOPU jacking system prior to mobilisation of manpower and marine asset for execution during dry-docking activity.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL SYSTEM



Organisational Structure

The Group maintains a well-structured organisation aligned with its business and operational needs. Each business unit or function is led by a responsible leader with clear reporting lines in ensuring seamless accountability and effective governance across the Group.



Code of Ethics

The Code of Conduct and Ethics (The Code) sets clear guidelines for the ethical conduct of directors and employees, ensuring adherence to the highest standards of integrity and professionalism. It defines expected values and behaviours, including honesty, accountability, punctuality, attendance and professional appearance, while strictly prohibiting alcohol and drug abuse as well as sexual harassment. The Code also covers issues pertaining to directors and employees' commitment, confidentiality, insubordination, making public statements and conflicts of interest.



Policies and Procedures

The Group has established a comprehensive framework of formalised policies and procedures to strengthen internal controls and ensure compliance with relevant laws and regulations. For key business operations and processes, these policies and procedures are certified under the ISO 9001:2015 Quality Management System. All policies and procedures are centrally stored in the Group centralised platform for easy access to all employees.



Enterprise Resource Planning (ERP) System

The Group has embarked on a comprehensive digital transformation journey, harnessing technology to drive efficiency, optimise operations and enhance decision-making. As a key milestone in this initiative, SAP HANA has been implemented to automate processes, minimise errors, strengthen internal controls and mitigate risks in critical functions such as accounting and procurement.

To ensure seamless implementation, effective governance and continuous system enhancements, the SAP HANA Steering Committee was established. This Committee plays a pivotal role in aligning the ERP system with business objectives, monitoring performance and driving strategic improvements to maximise the system's value across the Group.



Group Limits of Authority (LOA)

The Group LOA, approved by the Board, establishes a clear governance framework by defining the levels of authority for making operational and commercial business decisions at both the Board and various management levels. Where feasible, these authority limits are seamlessly integrated into the computerised ERP system, ensuring automated enforcement, enhanced control and compliance with corporate governance standards.



The Business Plan and Budget

Goals and targets are established as part of the annual business planning and budgeting process which is subject to review and approval by the Board. To ensure financial discipline and strategic alignment, both the Board and Management actively monitor financial performance through periodic reports, financial forecasts and variance analyses.

In addition, project performance is closely tracked with Management conducting regular reviews of actual project expenditures against approved budgets. This oversight helps identify potential deviations early, allowing for timely corrective actions to keep projects on track and ensure they meet profitability and financial sustainability targets.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL



Projects Performance Management

In addition to a team of highly skilled project management professionals, the Cost Control Department and Contract Administration Department play pivotal roles in monitoring, analysing and supporting project performance. Furthermore, Management actively oversees project progress and the Group's key support functions through Operation Meetings. These Operations Meetings embed the practices of the Project Excellent Council to serve as a platform to review critical project issues, address operational challenges and improve the effectiveness of support functions that contribute to successful project execution and overall business performance.



Human Capital Management

The Group adopted a structured and systematic approach to manage personnel productivity, performance, growth and succession planning, ensuring a future-ready and resilient workforce. Performance appraisals are conducted periodically against Key Performance Indicators which is strategically aligned with the Group's long-term objectives. As part of the Talent Management Framework, the Group has established a Succession Planning Framework to identify, develop and retain high-potential leaders for a seamless transition into critical roles.

To further strengthen leadership capabilities and workforce competitiveness, the Group invests in employee growth by providing personal and professional development programmes, leadership coaching and cross-functional training to nurture well-rounded professionals. The Group also fosters an engaging work environment by creating a culture where employees feel motivated, valued and connected ultimately driving productivity and job satisfaction.



Physical Safeguards and Insurance

Physical safeguards serve as a fundamental control measure to protect the Group's assets from potential risks and threats. To prevent unauthorised use or theft, the Group implements strict access controls, regular asset verification and continuous monitoring through surveillance systems. Additionally, comprehensive insurance coverage is maintained, periodically reviewed and adjusted to ensure assets remain adequately protected against unforeseen incidents, losses or damages.

Other internal controls include limiting access to critical assets to authorised personnel only, ensuring that asset management responsibilities are clearly divided to minimise the risk of fraud or mismanagement and conducting internal and external audits to verify asset conditions and compliance with policies and procedures. Routine checks are also carried out to ensure assets are accounted for and properly maintained. Furthermore, response plans are established for incidents such as floods, fires, thefts or system failures to mitigate disruptions.



Health, Safety and Environment

In line with the Group's strong commitment to HSE excellence, robust policies and procedures have been established to ensure that these principles remain at the core of business operations. The Group adheres to the highest standards by maintaining compliance with ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System.

To embed a culture of continuous improvement, the Group conducts ongoing training and awareness programmes throughout the year and across every project lifecycle, reinforcing proactive HSE engagement at all levels.

Beyond compliance, the Group is dedicated to achieve a Generative Culture, the highest level of the HSE Culture Ladder where safety and environmental responsibility are not just rules to follow but deeply ingrained values. This commitment is reflected in leadership accountability, open communication and collective ownership of HSE outcomes. Employees at all levels are empowered to identify risks, propose improvements and drive innovation in safety practices.

By nurturing and continuously strengthening generative culture behaviours, the Group fosters an environment where HSE is not just managed but actively enhanced, ensuring a workplace that prioritises wellbeing, sustainability and operational excellence.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL



Anti-Bribery and Anti-Corruption

The Group has zero tolerance against any form of bribery and corruption. The Group has established, implemented and maintained the Anti-Bribery Management System manual and related policies and procedures in accordance to the requirement of ISO 37001:2016 Anti-Bribery Management System standard to achieve the highest level of integrity among its directors and employees. Compliance Department has been tasked to ensure adherence to external regulatory requirements and internal controls of the required management system. Additionally, all directors, employees and business associates have signed the Integrity Pledge and Conflict of Interest Declaration promoting a culture of integrity in every phase.



Whistleblowing Policy

The Group has established a comprehensive Whistleblowing Policy to promote transparency, accountability and ethical business practices. This policy clearly defines whistleblowers' responsibilities, the reporting process and the measures in place to ensure confidentiality and protection. The policy is publicly accessible on the Group's website and is strictly adhered to by all subsidiaries. It provides a secure and anonymous reporting channel for employees, business partners and external parties to report instances of unethical behaviour, fraud, dishonesty, bribery, corruption, or violations of the Group's Code of Conduct and Ethics. The Group will not tolerate any irresponsible, corrupt or unethical behaviour that would jeopardise its good standing and reputation.



Information and Communication

Communication and information flow across the Group are facilitated through structured reporting lines, ensuring transparency and accountability at all levels. The Board receives timely and accurate inputs from the Group Chief Executive Officer (Group CEO), Group CFO and is further supported by Board Committees, external and internal auditors.

The Group is ISO 27001:2013 Information Security Management System (ISMS) certified, demonstrating its commitment to ISMS standards. This certification ensures that critical business information is managed securely, maintaining its confidentiality, integrity and availability while mitigating security risks. With ISMS in place, the Group continuously monitors, audits and enhances its security measures to align with evolving cybersecurity risks and regulatory requirements, ensuring a resilient and secure business environment.

The Board remains proactive and inquisitive about the Group's state of affairs, seeking deeper insights where necessary. When required, the Board requests additional information or clarifications to enhance decision-making and ensure comprehensive oversight of risks, controls and overall corporate governance.



Internal Audit

The Group Internal Audit (GIA) serves as an independent and objective assurance function tasked with evaluating the adequacy, effectiveness and integrity of the Group's internal control systems, risk management and governance processes. GIA operates in alignment with audit standards, ensuring its methodologies and practices adhere to internationally recognised frameworks such as the International Standards for the Professional Practice of Internal Auditing and Global Internal Audit Standards. This commitment enhances the quality, consistency and credibility of its audit processes.

To uphold its independence, GIA reports directly to the Board's Audit Committee, ensuring unbiased assessments and recommendations. Administratively, GIA is accountable to the Group CEO, facilitating seamless coordination while maintaining oversight, for further details on the scope, responsibilities and activities of the internal audit function, please refer to the Statement on Internal Audit Function within the Audit Committee Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL



External Audit Function

The External Auditor’s annual audit strategy, audit plan and scope of work for the financial year in relation to the audit services on the Group’s financial statements as well as non-audit services, if any, are reviewed and approved by the Board Audit Committee. As required by Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditor have reviewed this Statement on Risk Management and Internal Control based on the limited assurance engagement in accordance with Audit and Assurance Practice Guide (AAPG) 3 issued by the Malaysian Institute of Accountants.

In addition, the Group and certain subsidiaries, which are accredited with various quality, health, safety and environment and other certifications, undergo scheduled on-site audits by auditors of the relevant industry certification bodies. The results of these audits are reported to the Management.



Board Committees

The Board, through its Audit Committee and Sustainability Committee reviewed the internal control and risk management system during their periodic meetings based on the reports received from Management and with the support of internal and external auditors. The Board deliberates thoroughly on issues of concern while members of Management have been earnest in addressing any gap to strengthen and optimise the system.



Associated Company

There is no associated company with material transactions during the financial year.

CONCLUSION

The Board has received an assurance from the Group CEO and Group CFO of PEB that the risk management framework and internal control system are operating adequately and effective, in all material aspects.

The Board is of the opinion that the Group’s Risk Management Framework and Internal Control System are adequate and functioning effectively to manage all identified risks to an acceptable level that is in line with its long-term goals and objective. The Board will continue to monitor and ensure that the risk management framework and internal control system continue to function effectively in the changing and challenging business environment.

This statement was approved by the Board on **27 March 2025**.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of PETRA Energy Berhad (the Company or PEB) (the Board) recognises the importance of practising high standards and excellence in corporate governance (CG) in the best interest of PEB and for all its stakeholders, and to protect and enhance shareholders' value and the performance of the Company and its subsidiaries (the Group). The Board understands that this is not just through achieving the desired financial performance but also through being ethical and sustainable.

The Board of PEB is pleased to present this CG Overview Statement (the Statement) to provide shareholders and investors an overview of the CG practices adopted by the Company in achieving the intended outcomes as set out in the new Malaysian Code on Corporate Governance (MCCG) with reference to the following three (3) key principles, under the stewardship of the Board:-

Principle A	Board Leadership and Effectiveness	<ul style="list-style-type: none"> • Board responsibilities • Board composition • Remuneration
Principle B	Effective Audit and Risk Management	<ul style="list-style-type: none"> • Audit committee • Risk management and internal control
Principle C	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders	<ul style="list-style-type: none"> • Engagement with stakeholders • Conduct of general meetings

This Statement also serves as a compliance with Paragraph 15.25(1) of Bursa Malaysia Securities Berhad (Bursa Securities) Main Market Listing Requirements (MainLR) and should be read together with the CG Report of the Company for the financial year ended 31 December 2024 (FY2024) published on the Company's website at <https://www.petraenergy.com.my/investor-relation/reports/>.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Intended Outcome 1.0

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

- 1.1 The Board is focused on the Group's overall governance in order to meet its Company's strategic aims. The Board relies on the reports provided by the Group Chief Executive Officer (GCEO) who oversees the entire business and operations of the Group.

At each Board and Board Committee Meeting, and as and when the need arises, the GCEO together with the Executive Directors (where necessary) briefed the Directors on the current operations, plans and issues encountered by the Group to keep the Board abreast on the Company's current state of affairs. This would help in formulation of the Company's overall strategies, both short-term and long-term.

As part of the Group efforts to ensure the effective discharge of its duties, the Board has delegated specific duties and responsibilities to three (3) other Board Committees namely:-

- (i) Audit Committee (AC)
- (ii) Nomination and Remuneration Committee (NRC)
- (iii) Board Sustainability Committee (BSC)

Each committee is to assist the Board in overseeing the Company's affairs and in deliberation of issues within their respective functions and Terms of Reference. The Chairperson of each Committee will report to the Board on the deliberations and outcome of the Committee's meetings, which includes the key issues deliberated at the Committee's meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company during the FY2024, the Board had, amongst others:-

- (a) reviewed, challenged and decided on Management's proposals and monitored the implementation by Management;
- (b) promoted good governance culture within the Company;
- (c) ensured that the strategic plan of the Company supports long-term value creation and sustainability;
- (d) supervised and assessed Management performance;
- (e) ensured there is a sound framework for internal controls and risk management;
- (f) understood the principal risks surrounding the Group's business, set the risk appetite and group compliance to ensure the risks are properly managed;
- (g) ensured the integrity of the Company's financial and non-financial reporting; and
- (h) ensured that the Company has in place procedures to enable effective communication with stakeholders.

1.2 The Chairman of the Board has:-

- (a) led Board meetings and discussions in a manner that encouraged constructive discussions and effective contribution from each Director;
- (b) provided leadership to the Board without limiting the principle of collective responsibility for the Board decisions;
- (c) reviewed the minutes of the Board meetings to ensure that the minutes accurately reflect the Board's deliberations, and matters arising from the minutes have been addressed;
- (d) led the Board in establishing and monitoring good CG practices in the Company;
- (e) ensured appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and
- (f) performed other responsibilities assigned by the Board from time to time.

Tan Sri Datuk Seri Panglima Sulong bin Matjeraie (Tan Sri Sulong) resigned from his position as Chairman/Independent Non-Executive Director of the Company on 31 August 2024 due to other personal commitments.

1.3 The positions of the Chairman of the Board and GCEO have always been held by two (2) different individuals and each has a clear accepted division of responsibilities between two (2) roles to ensure a balance of power and authority, such that no one individual has unfettered powers of decision making.

1.4 The Chairman of the Board is a member of the NRC and AC and the Board is of the opinion that the experience and qualification of Tan Sri Sulong is imperative for the NRC and AC in forming opinions and deciding on recommendations to be submitted to the Board. To attenuate the potential situation of self-review, conclusion and recommendations made by the AC are largely decided by the other three (3) members of the AC. In addition, during the FY2024, all the five (5) AC meetings were attended by the three (3) AC members.

1.5 The Company is supported by two (2) suitably qualified and competent Company Secretaries.

The Company Secretaries are the external Company Secretaries from Securities Services (Holdings) Sdn. Bhd. with vast knowledge and experience from being in public practice and are supported by a dedicated team of company secretarial personnel.

During the FY2024, the Company Secretaries had discharged their duties and responsibilities accordingly, and had and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, CG and other pertinent matters, and with changes in the regulatory environment through continuous training and industry updates.

The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging their functions, duties and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- 1.6 The Notice of the Board Meeting is served to the Directors at least seven (7) days prior to the Board Meeting unless there is an exceptional case.

During the FY2024, all meeting materials are circulated the Directors at least three (3) days in electronic form prior to the Board Meeting, to allow ample time for Directors to consider the relevant information.

The Management takes cognisance of the importance of providing complete and adequate information to the Directors on a timely basis to enable them to make informed decisions to discharge their duties and responsibilities. They will continue to strive in ensuring that the complete meeting materials are circulated at least five (5) business days in advance of the meetings.

Intended Outcome 2.0

There is demarcation of responsibilities between the Board, Board Committees and Management.

There is clarity in the authority of the Board, its Committees and individual Directors.

- 2.1 The Board has published the latest Board Charter on the Company's website at www.petraenergy.com.my, which was reviewed, updated and approved by the Board on 22 August 2024. The respective roles and responsibilities of the Board, Board Committees, Executive Directors/CGEO, Independent Directors (IDs) and Management are clearly set out in the Board Charter as guidance and clarity to enable them to effectively discharge their duties.

The Board keeps itself abreast of the responsibilities delegated to each Board Committee, and matters deliberated at each Board Committee meeting through the minutes of the Board Committee meetings and reports from the respective Board Committee chairpersons, which are presented to the Board during Board meetings at the appropriate regular intervals.

Activities of the NRC

During the FY2024, the NRC held three (3) meetings to undertake the following activities in the discharge of its duties and responsibilities:-

- (i) reviewed and confirmed the Minutes of the NRC meetings held;
- (ii) examined the composition of the Board;
- (iii) reviewed the required mix of skills, experience and other qualities of the Board;
- (iv) reviewed the contribution and performance of each individual director to assess the character, experience, integrity and competence to effectively discharge their role as a Director through a comprehensive assessment system;
- (v) conducted evaluation to assess the effectiveness of the Board as a whole and the Board Committees;
- (vi) reviewed the term of office of the AC and assessed its effectiveness as a whole;
- (vii) reviewed the independence of the IDs and assessed their ability to bring independent and objective judgement to Board deliberations; and
- (viii) recommended the re-election of the directors who are to retire by rotation at the 18th Annual General Meeting (AGM).

During the FY2024, the Board had convened a total of five (5) Board of Directors' Meetings for the purposes of deliberating on the Company's quarterly financial results and discussing other strategic and important matters. During the Board of Directors' Meetings, the Board reviewed the operations and performance of the Group and other strategic issues that may affect the Group's business. Relevant Senior Management members were invited to attend some of the Board of Directors' Meetings to provide the Board with their views and clarifications on issues raised by the Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The NRC has reviewed the attendance of the Directors at Board and/or Board Committee Meetings, and noted the Directors, to the best of their ability, have devoted sufficient time and effort to attend the Board and/or Board Committee meetings held in the FY2024.

The attendance of Directors who are members of Board committees during the FY2024 is set out below:-

Directors	Directorship	Board	AC	BSC	NRC
Tan Sri Datuk Seri Panglima Sulong bin Matjeraie (resigned on 31 August 2024)	Independent Non-Executive Director (INED)	4/4	4/4	3/3	2/2
Ng Ing Peng	INED	5/5	5/5	4/4	3/3
Gian Carlo Maccagno	Non-Independent Non-Executive Director (NINED)	5/5	5/5	4/4	3/3
Zuhaida binti Zukifli	INED	5/5	5/5	4/4	3/3
Dato' Anthony @ Firdaus bin Bujang	Executive Director (ED)/Group Chief Executive Director	5/5	Not member	Not member	Not member
Dato Ahmadi bin Yusoff	ED	5/5	Not member	Not member	Not member
Simon Ong	ED	5/5	Not member	Not member	Not member

In order for the Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board.

The Board has cultivated the following best practices:-

- All newly appointed Directors are to attend the Mandatory Accreditation Programme as prescribed by the MainLR within the stipulated timeframe;
- All Directors are encouraged to attend talks, training programmes and seminars to update their knowledge on the latest regulatory and business environment; and
- The Directors are briefed by the Company Secretaries on updates by Bursa Securities periodically.

Upon assessing the training needs of the Directors, the Board recognised that continuing education would be the way forward in ensuring its members are continually equipped with the necessary skills and knowledge to meet the challenges ahead.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the FY2024, the Board members had participated in the following trainings and/or courses:-

Name of Directors	Date	Description of Training Programmes
Tan Sri Datuk Seri Panglima Sulong bin Matjeraie	1. 20 February 2024 2. 5-6 June 2024 3. 18 December 2024	1. Program Borneo Leadership Talk Series 1/2024 2. Mandatory Accreditation Programme Part II, Leading for Impact (LIP) 3. Seminar Empowering Digitalisation: Inspiring Connections Through AI & Citizen Science
Ng Ing Peng	1. 7 March 2024 2. 12-13 June 2024 3. 1-4 July 2024 (Module A) 5-8 August 2024 (Module B) 4. 13 August 2024 5. 27 August 2024 6. 11 September 2024	1. Conflict of Interest (COI) and What Can Go Wrong – Unpacking Its Implications to Listed Issuers and their Directors 2. Islamic Finance for Board of Directors Programme 3. Financial Institutions Directors' Education Programme 4. Competition Law in Malaysia 5. COI and Governance of COI by Mr Khoo Guan Huat 6. KPMG Board Leadership Center Exclusive - Cybersecurity Oversight
Gian Carlo Maccagno	1. 23 January 2024 2. 13-14 May 2024 3. 24 October 2024	1. UBS year ahead 2024 2. Mandatory Accreditation Programme Part II: LIP 3. Awareness Training on the MACC Act's Section 17A & Anti-Money Laundering
Zuhaida binti Zulkifli	1. 6 February 2024 2. 6-7 March 2024 3. 24 April 2024 4. 28-29 May 2024 5. 18 June 2024 6. 10-12 September 2024 7. 7-8 October 2024	1. Fireside Chat with the Former Governors by Asia School of Business 2. MAP II ICDM: LIP 3. FIDE FORUM Engagement: Responsibility Mapping with Directors of Fis 4. Global Forum On Islamic Economics and Finance (GFIEF) 5. Sharing Session on The Future of Cybersecurity with AI by Asia School of Business 6. National Climate Governance Summit (NCGS) 7. Khazanah Mega Trends Forum
Dato' Anthony Firdaus bin Bujang	1. 24 June 2024 2. 7-8 October 2024 3. 10 October 2024	1. PD&T & Partners HSE Conference 2. Khazanah Megatrends Forum 3. Sarawak Future Forum 2024
Dato Ahmadi bin Yusoff	1. 6 March 2024 2. 6 May 2024 3. 14 June 2024 4. 24 June 2024 5. 1 August 2024 6. 10 September 2024	1. Generative HSE Culture Network of Excellence (GC NeXT) 2. 6th Project Leadership Alignment (PLA) Offshore 3. Generative Culture (GC) NeXT 4. PD&T & Partners HSE Conference 5. MPC (Leadership conversation) 6. Generative HSE Culture Community of Practice (GC CoP)
Simon Ong	1. 3-4 September 2024	1. SPE Symposium and Exhibition: Production Enhancement and Cost Optimisation

The Board, with the assistance of the NRC would determine a continuous education programme for Board members to upgrade their skills in enhancing their effective contribution.

CORPORATE GOVERNANCE
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<p>Intended Outcome 3.0</p> <p>The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.</p> <p>The Board, Management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the Company.</p>

3.1 The Company had established its own Code of Conduct and Ethics and adopted the Code of Ethics issued by the Companies Commission of Malaysia that are applicable to all Directors of the Group. Both Codes provide guidance for proper standards of conduct with sound and prudent practices as well as standards of ethical and behaviour for director, in line with the Company’s core values which emphasise on behavioural ethics when dealing with third parties and employees. Directors are expected to conduct themselves with the highest ethical standards and CG.

The Company had also adopted the Code of Conduct, which governs the professional conduct of its employees and outlines their responsibilities to the Group in performing their duties.

3.2 The Board has in place the Whistleblowing Policy to facilitate whistleblowing or disclosure through established channels about instances of unethical behaviours, actual or suspected fraud, dishonesty, violations or wrongdoings without fear of retaliation should they act in good faith when reporting such concerns.

The Whistleblower Policy is available on the Company’s website at www.petraenergy.com.my and would be reviewed by the Board as and when necessary to ensure relevance and effectiveness.

<p>Intended Outcome 4.0</p> <p>The Company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.</p>
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4.1 The Board has taken responsibility over the governance of sustainability in the Company with the formalisation of a Sustainability Framework to provide steer, foresight and stewardship in achieving the Environmental, Social and Governance (ESG) targets.

4.2 The Board believes that engagement, consultation and seeking regular feedback are key steps in driving sustainability at the Company. The collective views, opinions and insight from the stakeholders help the Board make informed decision, while aligning the stakeholders’ expectation with the Company sustainability priorities and business approach.

4.3 The Board through the NRC assesses the training programmes attended by each Director during the financial year to ensure they are kept abreast with the latest development in industry as well as the sustainability issues relevant to the Group.

4.4 The Board and Senior Management have carried out a number of measures targeted at mitigating the risks inherent to the operating model, based on the analysis of material aspects during the financial year including the fluidity of capital market dynamics, regulatory space and the global economic landscape, as well as issues that are important to the stakeholders.

4.5 The Board has identified Head of Group Compliance as a designated person to address sustainability risks and opportunities strategically.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

II. BOARD COMPOSITION

Intended Outcome 5.0

Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights.

- 5.1 The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board's various committees will be assessed on an annual basis while the annual re-election of retiring Directors has been contingent on satisfactory evaluation of the retiring Directors' performance and contribution to the Board.
- 5.2 The current Board composition includes three (3) INEDs, one (1) NINED and three (3) Eds, collectively representing 42% IDs. Even though it is less than half (50%), the Board views the number of its INEDs as adequate to provide the necessary check and balance to the Board's decision-making process. Further, as the Chairman of the Board who is independent, has been providing strong leadership necessary to marshal the Board's priorities objectively.
- 5.3 The tenure of an ID shall not exceed a cumulative term of nine (9) years as disclosed in the Board Charter. However, upon completion of the nine (9) years, the ID may continue to serve on the Board subject to his redesignation as Non-Independent Director. In the event the Director is to remain designated as an ID, the Board shall first justify and obtain shareholders' approval for such retention through a two-tier voting process.
- 5.4 The Board has no policy to limit the tenure of its IDs to nine (9) years without further extension.
- 5.5 In pursuit of the Diversity Policy, the NRC is mindful of its responsibilities to conduct all Board appointments through various approaches and sources in a manner that promotes diversity in the Board which can offer greater depth and breadth in Board discussions. Other factors taken into consideration include suitability for the role, Board balance and composition, the required mix of skills, the candidate's background, knowledge, integrity, competency, experience and potential contribution to the Group, and additionally, in the case of the candidate proposed for appointment as ID, the candidate's independence based on the criteria stipulated in the MainLR.
- 5.6 The Board is aware of the guidance to utilise independent sources for future appointments and to disclose how a Board member is sourced in the Company's annual report.
- 5.7 The performance of retiring Directors who are recommended for re-election at the forthcoming AGM would be assessed through the Board annual evaluation (including the independence of INED).
- 5.8 The NRC is chaired by a INED. Madam Ng Ing Peng (Madam Ng) had led the annual review of Board effectiveness, ensuring that the performance of each individual director is independently assessed and will lead the appointment of future Board members, including the future Chairman and GCEO.
- 5.9 The Board currently comprises seven (7) Directors, two (2) of whom are women, equivalent to 29.0% female representation at the Board level. The Company sees diversity at the Board as an essential element in supporting the attainment of its strategic objectives and sustainable development. This includes having woman on the Board. Whenever there is an opening for new Director in the future, the Board will ensure that women are sought and included among candidates to be considered for appointment.
- 5.10 Currently, the Board does not have any formalised Board Diversity Policy or Gender Diversity Policy.

However, more women representation on the Board and in Senior Management will be taken into consideration when vacancies arise, underpinned by the overriding primary aims of selecting the best candidate to support the achievement of the Company's strategic objectives.

CORPORATE GOVERNANCE
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Intended Outcome 6.0
Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual Directors.

- 6.1 During the FY2024, the Board, through the NRC, has conducted the following annual assessments to determine the effectiveness of the Board, its Committees and each individual Director:-
- (i) Directors’ self-assessment;
 - (ii) Evaluation on the effectiveness of the Board as a whole and Board Committees;
 - (iii) Assessment of IDs; and
 - (iv) Review of the term of office and performance of the AC and each of its members.

Based on the aforesaid evaluations conducted for the FY2024, the NRC and the Board were satisfied with the performance of the Board as a whole, AC, NRC and individual Board member.

III. REMUNERATION

Intended Outcome 7.0
The level and composition of remuneration of Directors and Senior Management take into account the Company’s desire to attract and retain the right talent in the Board and Senior Management to drive the Company’s long-term objectives.
Remuneration policies and decisions are made through a transparent and independent process.

- 7.1 The determination of the remuneration of Directors and Senior Management is guided by the Remuneration Policy of the Company. All Directors will abstain from deliberation and voting on fixing their remuneration package or Directors’ fee at the NRC Meeting (where relevant) and the Board Meeting.
- 7.2 The Board has a NRC that assists the Board in reviewing and recommending the proposed remuneration package of the EDs including Directors of subsidiary companies, and Senior Management to ensure that the EDs and Senior Management are fairly rewarded for their contribution to overall performance and that the compensation is reasonable in light of the Group’s objectives, which rewards contribution to the long-term success of the Company in promoting business stability and growth.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Intended Outcome 8.0

Stakeholders are able to assess whether the remuneration of Directors and Senior Management is commensurate with their individual performance, taking into consideration the Company's performance.

8.1 The breakdown of the remuneration of each individual Director for the FY2024 is as follows:-

(i) Company Level

Name of Director	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments
EDs						
Dato' Anthony @ Firdauz bin Bujang	-	-	1,396,500.00	630,000.00	-	234,500.00
Dato Ahmadi bin Yusoff	-	-	812,763.00	366,660.00	-	60,555.00
Simon Ong	-	-	812,763.00	366,660.00	-	210,903.29
Total	-	-	3,022,026.00	1,363,320.00	-	505,958.29
Non-EDs						
Tan Sri Datuk Seri Panglima Sulong bin Matjeraie	104,000.00	-	-	-	-	-
Gian Carlo Maccagno	96,000.00	14,400.00	-	-	-	-
Ng Ing Peng	132,000.00	14,400.00	-	-	-	-
Zuhaida binti Zukifli	114,000.00	14,400.00	-	-	-	-
Total	446,000.00	43,200.00	-	-	-	-

(ii) Group Level

Name of Director	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments
EDs						
Dato' Anthony @ Firdauz bin Bujang	-	-	1,396,500.00	630,000.00	-	234,500.00
Dato Ahmadi bin Yusoff	-	-	812,763.00	366,660.00	-	60,555.00
Simon Ong	-	-	812,763.00	366,660.00	-	210,903.29
Total	-	-	3,022,026.00	1,363,320.00	-	505,958.29
Non-EDs						
Tan Sri Datuk Seri Panglima Sulong bin Matjeraie	104,000.00	-	-	-	-	-
Gian Carlo Maccagno	96,000.00	14,400.00	-	-	-	-
Ng Ing Peng	132,000.00	14,400.00	-	-	-	-
Zuhaida binti Zukifli	114,000.00	14,400.00	-	-	-	-
Total	446,000.00	43,200.00	-	-	-	-

CORPORATE GOVERNANCE
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8.2 The Board is of the view that it is inappropriate to disclose the remuneration of Senior Management staff on a named basis, for the best interest of the Group in mind, and taking into consideration the sensitivity, security and issue of staff morale.

The top eight (8) Senior Management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.00, are as follows:-

Range Remuneration per annum	Number of Senior Management
RM750,001-RM800,000	2
RM550,001-RM600,000	1
RM500,001-RM550,000	1
RM350,001-RM400,000	4

8.3 The detailed remuneration of each member of Senior Management on a named basis will not be disclosed for confidentiality purposes.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Intended Outcome 9.0

There is an effective and independent AC.

The Board is able to objectively review the AC’s findings and recommendations. The Company’s financial statement is a reliable source of information.

9.1 The AC is chaired by Madam Ng, the INED, which is a separate person from the chair of the Board. She is responsible to ensure the overall effectiveness and independence of the AC.

9.2 The AC has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. None of the AC members was former key audit partners and the Board has no intention to appoint any former key audit partner as a member of the AC or Board.

- 9.3 The AC recommended Messrs. PricewaterhouseCoopers PLT (PwC) to be re-appointed in FY2024 based on PwC’s:-
- Active communication with the AC.
 - Presentation of a comprehensive audit plan and audit findings.
 - Provision of the necessary quality of services required.
 - Sufficient resources to carry out the audit.
 - Declaration of independence in accordance with the By-Laws of the Malaysian Institute of Accountants (on Professional Ethics, Conduct and Practice) are in order.

The Board noted PwC’s willingness to continue in office for the ensuring year and having reviewed the justifications provided by the AC, the Board has in turn, recommended the same for shareholders’ approval at the 19th AGM of the Company.

9.4 The AC comprises only a majority of IDs, which is in compliance with the MainLR.

9.5 The Board ensured that the AC as a whole is financially literate and are able to understand the Company’s business and matters under the purview of the AC including the financial reporting process. They have continuously applied a critical and probing view on the

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Company's financial reporting process, transactions and other financial information, and effectively challenged Management's assertions on the Company's financials. Any inconsistencies or irregularities in the financial and operational reports would be questioned to ascertain that the Quarterly Report and the annual Audited Financial Statements taken as a whole provide a true and fair view of the Company's financial position and performance.

All members of the AC have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Intended Outcome 10.0

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the Company's objectives is mitigated and managed.

- 10.1 The Board is committed to maintaining sound, effective and efficient internal control system and risk management framework that provide reasonable assurance to safeguard the Group's assets and shareholders' interests. This includes ensuring operational effectiveness and efficiency, financial reporting reliability and compliance with applicable laws and regulations.

The Board recognises the limitations inherent in any risk management framework and internal control system, hence seeks to mitigate rather than eliminate risk of failure to achieve business objectives. In the pursuit of the Group's strategies and business objectives, the risk management framework and internal control system established manage the material risks within the Group's risk appetite. Accordingly, the systems provide reasonable and not absolute assurance against material error, misstatement or loss.

The Board confirms that the risk management framework and internal control system have been in place during the financial year.

- 10.2 Features of risk management and internal control framework have been disclosed in the Statement on Risk Management and Internal Control in the 2024 Annual Report.

- 10.3 The BSC comprised a majority of IDs, to oversee the Company's risk management framework and policies and to fulfil its CG, risk management and statutory responsibilities in order to manage the overall risk exposure.

Intended Outcome 11.0

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

- 11.1 The Group Internal Audit Department (GIA) is an in-house function that carries out its activities in accordance with the Internal Audit Charter which defines the scope, authority, roles and responsibilities of internal audit function. It is an independent function that reports directly to the AC and administratively to the GCEO. In ensuring the GIA is able to function effectively and independently, the AC meets the acting Head of GIA and reviewed the internal audit reports on a quarterly basis. The AC also review the status of corrective actions taken by the Management as reported by GIA.

During the FY2024, the AC had reviewed and assessed the adequacy of the scope, functions, competency and resources of the GIA in the financial year ended 31 December 2023 and that they have the necessary authority to carry out their work.

- 11.2 Encik Noor Ahmad bin Mohamad Basir currently leads GIA, having been appointed as its acting head in 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The acting Head of GIA maintains regular and direct communication with the AC and unrestricted access to the EDs and Group Chief Financial Officer. Directly reporting to the acting Head of GIA are one (1) manager and one (1) executive, both holding bachelor’s degrees.

All members of GIA have signed a written confirmation that they comply with the code of conduct of the Group and are free from any form of conflicts of interest which could impair their objectivity.

Based on the internal audit plan approved by the AC, GIA performs independent assessment on the adequacy and effectiveness of the Group’s system of internal control. GIA is guided by the International Professional Practice Framework (IPPF) in their works and the approach is risk based.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

<p>Intended Outcome 12.0</p> <p>There is continuous communication between the Company and stakeholder to facilitate mutual understanding of each other’s objectives and expectations.</p> <p>Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.</p>
--

12.1 The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value. The Board, in its best efforts, always keeps the shareholders and various stakeholders informed of the Group’s business, operations and financial performance and ensure that the communication with them is accurate, timely, factual, informative, consistent, transparent and timely.

The Board ensures that there is effective, transparent and regular communication with its stakeholders through a variety of communication channels as follows:-

(a) Announcements to Bursa Securities

Material information, updates and periodic financial reports are published on a timely basis through announcements to Bursa Securities.

Shareholders and Investors can obtain the Company’s latest announcements such as quarterly financial results in the dedicated website of Bursa Securities at www.petraenergy.com.my.

(b) Annual reports

The Company’s annual reports to the shareholders remain the central means of communicating to the shareholders, amongst others, the Company’s operations, activities and performance for the past financial year end as well as the status of compliance with applicable rules and regulations.

(c) AGM/general meetings

The AGM/general meetings which are used as the main forum of dialogue for shareholders to raise any issues pertaining to the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(d) Corporate website

The Company's corporate website provides a myriad of relevant information on the Company and is accessible by the public.

(e) Investor Relations

Shareholders and other interested parties are welcome to contact the Company should they have any comments, questions or concerns, by writing in, via telephone or facsimile to the Company's general email address.

12.2 The Company is not categorised as a "Large Company" and hence, has not adopted integrated reporting based on a globally recognised framework.

II. CONDUCT OF GENERAL MEETINGS

Intended Outcome 13.0

Shareholders are able to participate, engage the Board and Senior Management effectively and make informed voting decisions at general meetings.

13.1 The Annual Report, which contains the Notice of 18th AGM, was sent to shareholders at least 28 days prior to the date of the meeting to give sufficient time to shareholders to consider the resolutions that will be discussed and decided at the AGM. The Notice of AGM, which sets out the businesses to be transacted at the AGM, was also published in a major local newspaper.

The notes to the Notice of AGM also provide detailed explanation for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights.

13.2 All the Directors of the Company attended the 18th AGM of the Company held on 23 May 2024.

All the Directors of the Company will endeavour to attend all future General Meetings and the Chair of the AC, NRC and BSC will provide meaningful responses to questions addressed to them.

13.3 The Company had organised the 18th AGM by way of virtual basis on 23 May 2024 and hence, shareholders and proxies were able to participate and vote remotely. This facilitated greater shareholders participation at general meetings.

13.4 Shareholders were provided with ample time to ask questions or seek clarifications from the Directors in relation to the Company's businesses and results.

13.5 The Company leveraged technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on all resolutions via remote participation and voting facilities. The questions posed by the shareholders were answered by the Directors but the questions posed were not displayed to the participants of the 17th AGM.

13.6 Questions or comments raised at the 18th AGM were duly answered and clarified by Directors, and they can be found in the Minutes of 18th AGM which was posted on the Company's website at <http://www.petraenergy.com.my>.

The CG Overview Statement and the CG Report are made in accordance with a resolution of the Board of Directors passed on 27 March 2025.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS

No proceeds were raised by the Company from any corporate proposal during the financial year ended 31 December 2024.

AUDIT AND NON-AUDIT FEES

For the financial year ended 31 December 2024, the amounts of audit and non-audit fees paid or payable by the Company and the Group to the external auditors are as follows:-

Item	Company (RM'000)	Group (RM'000)
Statutory Audit services rendered	208	896
Other audit related services rendered	14	74
Non-audit services rendered		
1. Consultancy and professional services rendered such as taxation and financial reporting consultancies.	12	161
Total	234	1,131

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts of the Company and its subsidiaries involving Directors' and major shareholders' interests, either still subsisting as the end of the financial year ended 31 December 2024, or entered into since the end of the previous financial year ended 31 December 2023.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

This statement is prepared as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are required to take reasonable steps in ensuring that the financial statements of the Group are properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016, so as to give a true and fair view of the state of affairs of the Group as at the end of the financial year and of its results and the cash flows of the Group for the year then ended.

The Directors consider that in preparing the financial statements for the financial year ended 31 December 2024:-

- the Group has used appropriate accounting policies and are consistently applied;
- reasonable and prudent judgements and estimates have been made;
- all applicable approved accounting standards in Malaysia have been followed; and
- the financial statements have been prepared on a going concern basis.

The Directors are also responsible for ensuring that the Group and the Company maintain accounting records that disclose with reasonable accuracy at any time of the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016 in Malaysia. The Statement by the Directors pursuant to Section 251(2) of the Companies Act 2016 is set out in the section headed "Statement by Directors" of the Directors' Report enclosed with the Group's consolidated audited financial statements for the financial year ended 31 December 2024.

The Directors have ensured that the quarterly reports and annual audited financial statements of the Group are released to Bursa Malaysia Securities Berhad in a timely manner in order to keep our investing public informed of the Group's latest performance and developments.

The Directors also have general responsibilities for taking such steps that appropriate systems are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities and material misstatements. Such systems, by their nature, can only provide reasonable and not absolute assurance against material misstatement, loss or fraud.



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DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Directors hereby submit their annual report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group are principally engages in the exploration, development and production of crude oil and petroleum resources, provision of integrated brownfield services for the upstream oil and gas industry, ownership and supply of vessels.

The principal activities of the subsidiaries are disclosed in Note 20 to the financial statements.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	70,586	35,449

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Dato' Anthony @ Firdauz Bin Bujang
 Dato Ahmadi Bin Yusoff
 Gian Carlo Maccagno
 Ng Ing Peng
 Simon Ong
 Zuhaida Binti Zulkifli
 Tan Sri Ahmad Nizam Bin Saleh (appointed on 3rd March 2025)
 Tan Sri Datuk Seri Panglima Sulong Bin Matjeraie (retired on 31st August 2024)

LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office since the beginning of the financial year to the date of the Report is as follows:

Mohamad Subky Bin Bustari
 Khairul Anwar Bin Mohamad
 Sonny Bin Kushairi

DIRECTORS’ REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

DIRECTORS’ BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the benefits shown under Directors’ Remuneration) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company or any of its subsidiaries a party to any arrangements whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The Directors and Officers of the Company are covered by Directors and Officers liability insurance amounted to RM10,000,000 for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium amounted to RM45,011 paid during the financial year was fully borne by the Company.

DIRECTORS’ INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors’ Shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any shares or debentures in the Company or its subsidiaries or its holding company or subsidiaries of the holding company during the financial year.

DIVIDENDS

The amount of dividends paid or declared by the Company since the end of previous financial year was as follows:

	RM’000
Interim tax exempt (single-tier) dividends of 3.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2023, declared on 24 November 2023 and paid on 19 January 2024	9,629
Special tax exempt (single-tier) dividends of 4.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2023, declared on 15 December 2023 and paid on 14 February 2024	12,838
Interim tax exempt (single-tier) dividends of 4.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2023, declared on 22 February 2024 and paid on 29 March 2024	12,838
Interim tax exempt (single-tier) dividends of 3.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2024, declared on 22 August 2024 and paid on 18 October 2024	9,629
Interim tax exempt (single-tier) dividends of 4.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2024, declared on 21 November 2024 and paid on 17 January 2025	12,838

On 19 February 2025, the Directors declared a single tier interim dividends of 4.0 sen per ordinary shares of 50 sen each for the financial year ended 31 December 2024 amounting to RM12,838,000 and paid on 27 March 2025.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

DIRECTORS' REMUNERATION

The details of remuneration received and receivable by Directors of the Company during the financial year are as follows:

	Company 2024 RM'000
Executive:	
Salaries, allowances and compensation	4,385
Defined contribution plan	734
Other emoluments	506
Total Executive Directors' remuneration	5,625
Non-Executive:	
Fees and emoluments	489
Total Directors' remuneration	6,114

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

DIRECTORS’ REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

OTHER STATUTORY INFORMATION (CONTINUED)

- (c) At the date of this report:
- (i) there are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year which secures the liabilities of any other person; and
 - (ii) there are no contingent liabilities in the Group and in the Company which have arisen since the end of the financial year.
- (d) No contingent or other liability of any company in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company and its subsidiaries to meet their obligations when they fall due.
- (e) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the respective financial statements misleading.
- (f) In the opinion of the Directors:
- (i) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (ii) there has no arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or Company for the financial year in which this report is made.

SUBSIDIARIES

Details of subsidiaries are set out in Note 20 to the financial statements.

AUDITORS’ REMUNERATION

Details of auditors’ remuneration in respect of the statutory audit and other audit related services, as well as the total fees for non-audit related services paid/payable by the Group and the Company to the auditors are as follows:

	Group RM’000	Company RM’000
Audit and other audit related services	970	222
Non-audit services	161	12
	1,131	234

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 27 March 2025. Signed on behalf of the Board of Directors:

DATO' ANTHONY @ FIRDAUZ BIN BUJANG
DIRECTOR

NG ING PENG
DIRECTOR

Kuala Lumpur

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Dato’ Anthony @ Firdauz Bin Bujang and Ng Ing Peng, two of the Directors of Petra Energy Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 123 to 180 are drawn up so as to give a true and fair view of the financial position of the Group and Company as at 31 December 2024 and financial performance of the Group and of the Company for the financial year ended 31 December 2024 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with their resolution dated 27 March 2025.

DATO’ ANTHONY @ FIRDAUZ BIN BUJANG
DIRECTOR

NG ING PENG
DIRECTOR

Kuala Lumpur

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, Khairul Anwar Bin Mohamad, being the officer primarily responsible for the financial management of Petra Energy Berhad, do solemnly and sincerely declare that the financial statements set out on pages 123 to 180 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

KHAIRUL ANWAR BIN MOHAMAD
(MIA No.: 40303)

Subscribed and solemnly declared by the above named Khairul Anwar Bin Mohamad, at Kuala Lumpur in Malaysia on 27 March 2025, before me.

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PETRA ENERGY BERHAD (INCORPORATED IN MALAYSIA)

REGISTRATION NO. 200501036241 (718388-H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Petra Energy Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 123 to 180.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PETRA ENERGY BERHAD (INCORPORATED IN MALAYSIA)
REGISTRATION NO. 200501036241 (718388-H) (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Risk of fraud in revenue recognition of lump sum contracts and accuracy of year end accruals and estimated cost to completion (Work Order A)</p> <p>The revenue arising from lump sum contracts represents RM142 million of the Group's total revenue as at 31 December 2024. We focused on this area due to the significant management judgment and complexities involved in deriving the revenue to be recognised during the year as disclosed in Note 4.1(a) and 5 in the financial statements:</p> <p>(i) Significant management judgement is applied in identifying the distinct performance obligations within a contract given the multiple deliverables in Hook-up, Commissioning and Engineering contracts and in Maintenance, Construction and Modifications Services ("MCM") contracts, the satisfaction of performance obligations as either point in time or over time and the treatment of contract modifications. Given the unique nature of each work order within a contract, each work order was reviewed to determine the applicable accounting for revenues from projects under MFRS 15 "Revenue from Contract with Customers" ("MFRS 15").</p> <p>(ii) Services rendered under the Hook-up, Commissioning and Engineering and MCM projects are complex, involving significant management estimates in using the input method of determining the measure of progress towards complete satisfaction of performance obligations including the assessment of remaining risks and contingencies. The key estimates involved in estimating costs to complete are man days, materials cost and marine workboat days. Any significant changes to the estimated costs to complete due to delays, re-work and service quality issues will materially impact the estimated cost to complete and therefore the revenue recognised for the year.</p>	<p>We have performed the following audit procedures:</p> <ul style="list-style-type: none">- Obtained management's assessment on the identification of separate performance obligations over material customer contracts with bundling arrangements and work orders and we have validated the assessment to the customer contracts and work order proposals on sampling basis as a test of control;- Reviewed management's analysis in determining satisfaction of performance obligation as over time or point in time. We have checked and vouched to underlying documents, such as service delivery notes and job completion tickets as to whether the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs (over time) or whether the control has been transferred to the customer of the promised asset at point in time (point in time); and- In addition, we reviewed modifications of contracts such as change orders received or revised work orders entered between the Group and its customers. <p>Our audit procedures to address the risk of material misstatement relating to the input method of measuring progress include:</p> <ul style="list-style-type: none">- Testing the effectiveness of management's internal controls over the approval of contracts, contract budgets, year end project accruals and reperformance on the computation of revenue based on the input method of measuring progress to complete satisfaction of performance obligation;- We examined project documentation and forecasts of cost to complete with the Group's respective project managers. We corroborated the outcome of these discussions by performing procedures such as evaluation of forecasts and recalculation of the progress towards complete satisfaction of the performance obligation;- We also performed test of details over cost incurred to date, such as vouching of invoices, hire certificates for the vessels, service orders, goods received notes and timesheets on the hours incurred; and- We examined non-standard journal entries and other material adjustments related to revenue accounts. <p>We did not identify any material exception from performing the procedures above.</p>

We have determined that there are no key audit matters to report for the Company.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PETRA ENERGY BERHAD (INCORPORATED IN MALAYSIA)
REGISTRATION NO. 200501036241 (718388-H) (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Statement on Risk Management and Internal Control, Audit Committee Report, Corporate Governance Overview Statement and Financial Highlights, Sustainability Report, Analysis of Shareholdings, Chairman's Statement and Management Discussion and Analysis, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PETRA ENERGY BERHAD (INCORPORATED IN MALAYSIA)

REGISTRATION NO. 200501036241 (718388-H) (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

SUBATHRA A/P GANESAN
03020/08/2024 J
Chartered Accountant

Kuala Lumpur
27 March 2025

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Revenue	5	499,415	553,532	9,851	9,891
Cost of sales		(381,772)	(442,249)	(9,194)	(9,201)
Gross profit		117,643	111,283	657	690
Dividend income		–	–	60,000	60,000
Administrative expenses		(37,657)	(30,952)	(18,614)	(14,710)
Impairment loss on property, plant and equipment		–	(13,895)	–	–
Impairment loss on investment in subsidiaries		–	–	(250)	(11,027)
Impairment loss on amount due from subsidiaries		–	–	(5,024)	–
Other losses	6	(928)	(1,539)	–	–
Other income	6	2,017	3,520	9	886
Profit from operations		81,075	68,417	36,778	35,839
Finance income	7	5,679	3,097	291	171
Finance costs	7	(11,522)	(6,733)	(110)	(126)
Share of results in associate	21	–	(8)	–	–
Profit before tax		75,232	64,773	36,959	35,884
Income tax (expense)/credit	11	(4,646)	(12,051)	(1,510)	3,882
Profit for the financial year representing total comprehensive income for the financial year		70,586	52,722	35,449	39,766
Earnings per share attributable to the Owners of the Company (sen per share)					
Basic/Diluted	12	21.99	16.43		

The notes set out on pages 132 to 180 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	193,133	147,613	860	831
Exploration and evaluation assets	14	150,082	70,497	–	–
Right-of-use assets	15	22,486	44,072	1,238	1,628
Long term receivables	16	66,441	–	–	–
Investments in subsidiaries	20	–	–	304,691	304,941
Investment in an associate	21	–	473	–	–
Investment in a joint venture	22	–	–	–	–
Amount due from subsidiaries	18	–	–	–	–
Deferred tax asset	23	14,732	9,827	2,372	3,882
		446,874	272,482	309,161	311,282
CURRENT ASSETS					
Inventories	24	56,834	4,777	–	–
Trade and other receivables	17	39,327	58,586	1,234	1,721
Amount due from subsidiaries	18	–	–	33,865	43,257
Amount due from JV partners	14	4,290	24,642	–	–
Contract assets	19	90,629	85,690	–	–
Tax recoverable		9,905	5,216	–	–
Cash and bank balances	25	188,108	224,973	12,287	13,565
		389,093	403,884	47,386	58,543
Total assets		835,967	676,366	356,547	369,825
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	26	299,809	299,809	299,809	299,809
Treasury shares	27	(840)	(840)	(840)	(840)
Merger reserve	28	(31,000)	(31,000)	–	–
Currency translation reserve		10,027	10,027	–	–
Retained earnings		165,239	129,958	17,371	17,227
Total equity		443,235	407,954	316,340	316,196

The notes set out on pages 132 to 180 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024 (CONTINUED)

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
NON-CURRENT LIABILITIES					
Lease liabilities	30	5,103	5,397	912	1,311
Borrowings	29	643	–	–	–
Asset retirement obligation	31	111,659	–	–	–
		117,405	5,397	912	1,311
CURRENT LIABILITIES					
Lease liabilities	30	2,984	26,585	424	397
Borrowings	29	91,564	25,529	–	–
Trade and other payables	32	164,567	183,151	7,380	6,850
Amount due to subsidiaries	18	–	–	18,619	22,570
Contract liabilities	19	3,240	2,373	–	–
Tax payable		134	2,910	34	34
Dividend payable		12,838	22,467	12,838	22,467
		275,327	263,015	39,295	52,318
Total liabilities		392,732	268,412	40,207	53,629
Total equity and liabilities		835,967	676,366	356,547	369,825

The notes set out on pages 132 to 180 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Attributable to Owners of the Company						
Note	Share capital	Merger reserve	Treasury shares	Currency translation reserve	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024						
At 1 January 2024	299,809	(31,000)	(840)	10,027	129,958	407,954
Profit for the financial year representing total comprehensive income for the financial year						
	–	–	–	–	70,586	70,586
	–	–	–	–	70,586	70,586
Transactions with owners:						
Interim dividends in respect of the financial year ended 31 December 2023	39	–	–	–	(12,838)	(12,838)
Interim dividends in respect of the financial year ended 31 December 2024	39	–	–	–	(9,629)	(9,629)
Interim dividends in respect of the financial year ended 31 December 2024	39	–	–	–	(12,838)	(12,838)
At 31 December 2024	299,809	(31,000)	(840)	10,027	165,239	443,235

The notes set out on pages 132 to 180 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Attributable to Owners of the Company						
Note	Share capital	Merger reserve	Treasury shares	Currency translation reserve	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>2023</u>						
At 1 January 2023	299,809	(31,000)	(840)	10,027	109,332	387,328
Profit for the financial year representing total comprehensive income for the financial year						
	–	–	–	–	52,722	52,722
	–	–	–	–	52,722	52,722
Transactions with owners:						
Interim dividends in respect of the financial year ended 31 December 2022	39	–	–	–	(9,629)	(9,629)
Interim dividends in respect of the financial year ended 31 December 2023	39	–	–	–	(9,629)	(9,629)
Special dividends in respect of the financial year ended 31 December 2023	39	–	–	–	(12,838)	(12,838)
At 31 December 2023	299,809	(31,000)	(840)	10,027	129,958	407,954

The notes set out on pages 132 to 180 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share capital RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000	Total equity RM'000
2024					
At 1 January 2024		299,809	(840)	17,227	316,196
Total comprehensive income for the financial year		–	–	35,449	35,449
Transactions with owners:					
Interim dividends in respect of the financial year ended 31 December 2023	39	–	–	(12,838)	(12,838)
Interim dividends in respect of the financial year ended 31 December 2024	39	–	–	(9,629)	(9,629)
Interim dividends in respect of the financial year ended 31 December 2024	39	–	–	(12,838)	(12,838)
At 31 December 2024		299,809	(840)	17,371	316,340
2023					
At 1 January 2023		299,809	(840)	9,557	308,526
Total comprehensive income for the financial year		–	–	39,766	39,766
Transactions with owners:					
Interim dividends in respect of the financial year ended 31 December 2022	39	–	–	(9,629)	(9,629)
Interim dividends in respect of the financial year ended 31 December 2023	39	–	–	(9,629)	(9,629)
Special dividends in respect of the financial year ended 31 December 2023	39	–	–	(12,838)	(12,838)
At 31 December 2023		299,809	(840)	17,227	316,196

The notes set out on pages 132 to 180 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		75,232	64,773	36,959	35,884
Adjustments for:					
Finance income	7	(5,679)	(3,097)	(291)	(171)
Finance costs	7	11,522	6,733	110	126
Unrealised foreign exchange (gain)/loss	6	(7)	216	–	–
Property, plant and equipment:					
- Depreciation charge	8	26,860	24,807	216	118
- Impairment loss	8	–	13,895	–	–
- (Gain)/loss on disposal	8	(83)	567	–	–
Right-of-use assets:					
- Depreciation charge	8	25,717	39,926	417	417
(Reversal of)/allowance for impairment of trade and other receivables		(959)	163	–	–
Allowance for impairment of contract assets		1,147	–	–	–
Impairment loss on investment in subsidiaries		–	–	250	11,027
Impairment loss on amount due from subsidiaries		–	–	5,024	–
Share of results of an associate		–	8	–	–
Write off of investment in an associate		223	–	–	–
Write off of tax recoverable		559	–	–	–
Waiver of amount due to a subsidiary		–	–	–	(886)
		134,532	147,991	42,685	46,515
Changes in working capital:					
Inventories		(52,057)	2,405	–	–
Trade and other receivables		20,218	(33,367)	487	(215)
Amount due from joint venture partners		20,352	(21,235)	–	–
Contract assets		(6,086)	28,451	–	–
Contract liabilities		867	1,465	–	–
Trade and other payables		(30,592)	49,679	530	4,348
Amount due from associate		–	60	–	60
Amount due to subsidiaries		–	–	417	(25,021)
		87,234	175,449	44,119	25,687
Tax refund		–	1,688	–	–
Tax paid		(17,575)	(7,583)	–	–
Contribution to abandonment cess fund		(6,703)	–	–	–
Net cash flows generated from operating activities		62,956	169,554	44,119	25,687

The notes set out on pages 132 to 180 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(19,667)	(17,488)	(245)	(833)
Additions of exploration and evaluation assets		(73,278)	(62,984)	-	-
Proceeds from disposal of property, plant and equipment		489	18,787	-	-
Distribution as a return of capital from associate		250	2,850	-	-
Interest received		4,579	3,097	291	171
Net cash flows (used in)/generated from investing activities		(87,627)	(55,738)	46	(662)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid on ordinary shares		(44,934)	(16,048)	(44,934)	(16,048)
Repayments of borrowings		(103,101)	(80,278)	-	-
Proceeds from borrowings		168,505	68,947	-	-
Repayments of lease liabilities		(28,026)	(42,454)	(493)	(492)
Repayment lease interest		(923)	-	-	-
Interest paid on borrowings	7	(1,927)	(2,414)	-	-
Other finance charges	7	(1,788)	(1,404)	(16)	(12)
Net movement in debt reserve accounts		23,797	(393)	-	-
Net cash flows generated from/(used in) financing activities		11,603	(74,044)	(45,443)	(16,552)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(13,068)	39,772	(1,278)	8,473
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		187,990	148,234	13,565	5,092
EFFECTS OF EXCHANGE RATE CHANGES		(1)	(16)	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	25	174,921	187,990	12,287	13,565

The notes set out on pages 132 to 180 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

The following principal non-cash transaction during the financial year have been set-off against the balances with subsidiaries:

	Company	
	2024	2023
	RM'000	RM'000
Dividend received as non cash transactions	60,000	60,000
Management fee	9,851	9,891

Changes in liabilities arising from financing activities:

Group

	At 1.1.2024	Cash flows	Additions	Interest	At 31.12.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Borrowings	25,529	63,477	–	3,201	92,207
Lease liabilities	31,982	(28,949)	4,131	923	8,087
	57,511	34,528	4,131	4,124	100,294

	At 1.1.2023	Cash flows	Additions	Interest	At 31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Borrowings	36,860	(13,745)	–	2,414	25,529
Lease liabilities	68,413	(42,454)	3,108	2,915	31,982
	105,273	(56,199)	3,108	5,329	57,511

Company

	At 1.1.2024	Cash flows	Additions	Interest	At 31.12.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Lease liabilities	1,708	(493)	27	94	1,336

	At 1.1.2023	Cash flows	Additions	Interest	At 31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Lease liabilities	1,893	(492)	193	114	1,708

The notes set out on pages 132 to 180 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1 GENERAL INFORMATION

The principal activity of the Company is investment holding. The Group are principally engages in the exploration, development and production of crude oil and petroleum resources, provision of integrated brownfield services for the upstream oil and gas industry, ownership and supply of vessels.

Petra Energy Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The registered office and the principal place of business of the Company is located at Suite 13.02, Level 13, Menara OBYU, No. 4, Jalan PJU8/8A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan.

These financial statements were authorised for issue by the Board of Directors in accordance with their resolution dated on 27 March 2025.

2 BASIS OF PREPARATION

The financial statements of the Group and Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The financial statements have been prepared under the historical cost convention except as disclosed in the material accounting policies in the respective notes to the financial statements.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group and Company’s accounting policies. Although these estimates and judgement are based on the Directors’ best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

3 NEW STANDARDS AND AMENDMENT TO PUBLISH STANDARDS

- (a) Standards, amendments to published standards that are effective and applicable for the Group and Company for financial year beginning on 1 January 2024
 - Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’ and ‘Non-current Liabilities with Covenants’
 - Amendments to MFRS 16 ‘Lease Liability in a Sale and Leaseback’
 - Amendment to MFRS 107 and MFRS 7 ‘Supplier Finance Arrangements’

The new standards and amendments to published standards listed above did not have any significant impact on the financial statements of the Group and Company in the current period and prior periods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 NEW STANDARDS AND AMENDMENT TO PUBLISH STANDARDS (CONTINUED)

- (b) New amendments to the published standards that are applicable to the Group and the Company but not yet effective
- i) Financial year beginning on or after 1 January 2026
 - Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments'
 - ii) Financial year beginning on or after 1 January 2027
 - MFRS 18 'Presentation and Disclosure in Financial Statements'
 - iii) The effective date has been deferred to a date to be determined by Malaysian Accounting Standards Board
 - Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 "Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

Management is currently assessing the impact on adoption of these amendments to published standards on its respective effective date.

There are no other standards, amendments and improvements to published standards and interpretations to existing standards that are not effective that would be expected to have a material impact on the Group and the Company.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statement at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability.

4.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing an adjustment to the carrying amounts of assets and liabilities are discussed below:

(a) Revenue from contracts with customers

Significant management judgement is applied in:

- (i) Identifying the distinct performance obligations within a contract given the multiple deliverables in Hook-up, Commissioning and Engineering contracts and in Maintenance, Construction and Modifications Services ("MCM") contracts the satisfaction of performance obligations as either point in time or over time and the treatment of contract modifications. under MFRS 15 "Revenue from Contract with Customers" ("MFRS 15").
- (ii) Determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total costs using the input method. The key estimates involved in estimating costs to complete are man days, materials cost and marine workboat days. Any significant changes to the estimated costs to complete due to delays, re-work and service quality issues will materially impact the estimated cost to complete and therefore the revenue recognised for the year. In making these judgements, management relies on past experience.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

4.1 Key sources of estimation uncertainty (continued)

(a) Revenue from contracts with customers (continued)

The Group recognised revenue from construction projects is RM163.0 million (2023: RM112.2 million) for the financial year ended 31 December 2024. Refer to Note 5 for further details.

(b) Impairment review of property, plants and equipment

Carrying amount of the Group's asset are assessed for indicators of impairment and reviewed for possible impairment when indicators of impairment exist. The assets are grouped at the lowest level at ("CGU") for which there is a separately identifiable cash from available. The recoverable amounts of the assets are determined based on the value in use.

The Group reviews periodically whether there is any indication of impairment for the assets. No impairment charge on assets in the current financial year. The impairment charge on vessels in the previous financial year is as disclosed in Note 13.

(c) Estimation of provision for decommissioning costs

Provisions are made for the future decommissioning and restoration of oil and gas assets at the end of their contract period. Amounts used in recording a provision for asset retirement obligations are estimates based on current legal and constructive requirements and current technology and price levels for the removal of facilities and decommissioning. Due to changes in relation to these items, the future actual cash outflows in relation to the site decommissioning and restoration can be different. To reflect the effects due to changes in legislation, requirements and technology and price levels, the carrying amounts of asset retirement obligations provisions are reviewed on a regular basis. The carrying amount of the provision, together with the discount rate used in discounting the cash flows and inflation rate are regularly reviewed and adjusted to account for such changes.

(d) Estimation of oil and gas reserves

Estimates of recoverable quantities of proven and probable oil and gas reserves reported include judgemental assumptions regarding commodity prices, exchange rates, discount rates and production and transportation costs affect future cash flows. Interpretation of complex and difficult geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs, and their anticipated recoveries. The economic, geological and technical factors used to estimate oil and gas reserves may change from period to period. Changes in oil and gas reserves can impact asset carrying values and the recognition of deferred tax assets, due to changes in expected future cash flows.

The decrease of the reserves estimate by 10% will increase the depreciation, depletion and amortisation by RM456,000 for the financial year ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

5 REVENUE

Revenue from contract with customers

(a) Sale of goods

The Group sells a range of equipment to its customers in the oil and gas market. Sales are recognised when control of the equipment has transferred, being when the equipment are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the equipment. Delivery occurs when the equipment have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the equipment in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales are recognised based on the price specified in the contract. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

(b) Hook-up, commissioning and maintenance

The Group renders hook-up, commissioning and maintenance as well as engineering services. Revenue from providing these services is recognised over the period in which the services are rendered. For lump-sum contracts, revenue is recognised by measuring progress towards completion of services. Progress is measured using the input method based on the actual costs relative to the total costs of the contract.

The contracts include multiple deliverables such as the provision for manpower, tools, equipment, consumables, engineering, project materials, marine spread, specialized services and final documentation for offshore hook-up and commissioning for the project and all technical clarification for onshore and offshore work. In most cases, the multiple deliverables are integrated service which will be performed by one party and therefore accounted for as a single integrated performance obligation.

In terms of marine spread and procurement of tools and equipment and reimbursables which are engaged by customers independently as an individual work order, these are accounted for as one separate performance obligation by itself. In this case, the transaction price will be allocated based on work orders issued as it approximates the stand-alone selling prices. Revenue from such services are recognised over time over the contract period.

Due to the nature of the services performed, variation orders and claims are commonly billed to clients in the normal course of business. The variation orders and claims are modifications of contracts that are usually not distinct and are therefore normally considered as part of the existing performance obligation. The Group recognises revenue related to the variation orders and claims only once they are formally approved in writing.

Estimates of costs are revised if circumstances change. Any revision resulting increase or decrease in revenue and costs are reflected in the statement of comprehensive income in the period in which the circumstances that give rise to the revision become known by management.

In case of lump-sum contracts, the customer pays the lump-sum amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

A contract asset is the Group's and the Company's right to consideration in exchange for goods or services that the Group and the Company have transferred to the customer. A contract asset becomes a receivable when the Group's and the Company's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

5 REVENUE (CONTINUED)

Revenue from contract with customers (continued)

(b) Hook-up, commissioning and maintenance (continued)

A contract liability is the Group's and the Company's obligation to deliver good or service, not cash or financial liability.

In some cases, the contract includes a fee based on time and materials. Revenue is recognised as the amount to which the Group has a right to invoice based on approved time spent recorded on the timesheet and material acceptance records from the customers. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

(c) Charter hire of vessel

The Group provides vessels on hire, crew services, catering and other services to its customers either individually or as part of other service offerings. Revenue from vessels on hire, crew services and catering are recognized over time as benefits are consumed by customers as and when services are rendered. Revenue from other services such as provision of barge management system and equipments are recognised at point in time upon the acceptance by the customers and the revenue can be measured reliably based on an approved job completion ticket.

(d) Management fees

The Company earns management fees from its subsidiaries. Management fees are recognised over time as benefits are consumed by the subsidiaries as and when services are rendered.

(e) Provision of services under Technical Service Agreement

Revenue from contracts with customers is recognised when or as the Group satisfies a performance obligation by transferring services to a customer, which is when the customer obtains control of the services.

The Group satisfies its performance obligations related to its contracts over time as the Group provides its services on a per billable monthly basis. The right-to-invoice practical expedient can be applied to a performance obligation satisfied over time by recognising revenue in the amount that the Group has a right to invoice the customer, which corresponds directly with the value transferred to the customer for the performance completed to date.

The Group has elected to use the right-to-invoice practical expedient in certain service contracts where the Group invoices its customers on a per month basis that directly corresponds with the value received by the customer. As days are worked on the customer's contract, the Group satisfies its performance obligation to the customer and recognises revenue on a per month basis. When this practical expedient is used, the Group does not estimate variable consideration at the inception of the contract to determine the transaction price or for disclosure purposes.

(f) Sales of crude oil

Proceeds from lifting of crude oil are recognised at the point in time when control of the assets are transferred to the customer. No revenue generated from this contract for year ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

5 REVENUE (CONTINUED)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue from contract with customers	499,415	553,532	–	–
Management fees from subsidiaries	–	–	9,851	9,891
	499,415	553,532	9,851	9,891

	Group		
	Services	Marine assets	Total
	RM'000	RM'000	RM'000
<u>2024</u>			
Sale of goods	24,654	–	24,654
Technical service contract	62,622	–	62,622
Charter hire of vessel	–	247,348	247,348
Hook-up, commissioning and maintenance contracts	164,791	–	164,791
	252,067	247,348	499,415
Timing of revenue recognition			
- at a point in time	45,841	32,730	78,571
- over time	206,226	214,618	420,844
	252,067	247,348	499,415

	Group		
	Services	Marine assets	Total
	RM'000	RM'000	RM'000
<u>2023</u>			
Sale of goods	14,561	–	14,561
Technical service contract	215,094	–	215,094
Charter hire of vessel	–	205,038	205,038
Hook-up, commissioning and maintenance contracts	118,839	–	118,839
	348,494	205,038	553,532
Timing of revenue recognition			
- at a point in time	14,561	36,799	51,360
- over time	333,933	168,239	502,172
	348,494	205,038	553,532

Revenue of the Company relates to management fees received from subsidiaries and is recognised over time.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

6 OTHER INCOME/(LOSSES)

The Group recognises sales commission in respect of the IT software services rendered under sundry income. The commission fee is a fixed consideration based on sales recognised at a point in time when the services are rendered and the amount can be reliably measured.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Other income/(expenses):				
- Sundry income	2,205	3,683	9	-
- Reversal of/(allowance for) impairment of trade and other receivables	959	(163)	-	-
- Allowance for Impairment on contract assets	(1,147)	-	-	-
- Waiver of amount due to a subsidiary	-	-	-	886
Total other income/(expenses)	2,017	3,520	9	886
Other gain/(losses):				
- Realised foreign exchange loss	(1,018)	(756)	-	-
- Unrealised foreign exchange gain/(loss)	7	(216)	-	-
- Gain/(loss) on disposal of property, plan and equipment	83	(567)	-	-
Total other losses	(928)	(1,539)	-	-
	1,089	1,981	9	886

7 FINANCE INCOME AND FINANCE COSTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Finance income from:				
- Short term bank deposits	4,579	3,097	291	171
- Unwinding of discount of abandonment fund contribution by Petronas	1,100	-	-	-
	5,679	3,097	291	171
Interest expense on:				
- Obligations under lease liabilities	(923)	(2,915)	(94)	(114)
- Borrowing	(3,201)	(2,414)	-	-
- Asset retirement obligation accretion	(2,108)	-	-	-
- Amortised discount of abandonment cess fund	(3,502)	-	-	-
Other finance charges	(1,788)	(1,404)	(16)	(12)
Total finance costs	(11,522)	(6,733)	(110)	(126)
Net finance (costs)/income	(5,843)	(3,636)	181	45

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

8 PROFIT FROM OPERATIONS

The following items have been charged/(credited) in arriving at profit from operations:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- statutory audit	896	889	208	83
- audit related services	74	77	14	14
- non-audit fees	161	111	12	11
Other losses/(gains):				
- foreign exchange – unrealised	(7)	216	-	-
- foreign exchange – realised	1,018	756	-	-
Employee costs (Note 9)	180,130	145,593	20,577	18,287
Property, plant and equipment:				
- Depreciation charge	26,860	24,807	216	118
- Impairment loss	-	13,895	-	-
- (Gain)/loss on disposal	(83)	567	-	-
Right-of-use assets:				
- Depreciation charge	25,717	39,926	417	417
(Reversal of)/allowance for impairment of trade and other receivables	(959)	163	-	-
Allowances for impairment of contract assets	1,147	-	-	-
Impairment loss on investment in subsidiaries	-	-	250	11,027
Impairment loss on amount due from subsidiaries	-	-	5,024	-
Waiver of amount due to a subsidiary	-	-	-	(886)
Short term lease contracts and low value assets:				
- Charter hire of vessels	36,646	46,808	-	-
- Rental of equipment and buildings	5,381	3,116	92	21
Geological and Geophysical ("G&G")	1,096	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

9 EMPLOYEE COSTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Wages and salaries	126,660	100,981	9,602	9,436
Social security contributions	1,269	1,045	44	36
Contributions to defined contribution plan	13,282	10,629	1,261	1,057
Other benefits	38,919	32,938	9,670	8,400
	180,130	145,593	20,577	18,929

Included in employee costs of the Group and the Company are Directors' remuneration as disclosed in Note 10 to the financial statements.

10 DIRECTORS' REMUNERATION

The details of remuneration received and receivable by Directors of the Group and the Company during the financial year are as follows:

	Group and Company	
	2024	2023
	RM'000	RM'000
Executive:		
Salaries, allowances and compensation	4,385	3,325
Defined contribution plan	734	523
Other emoluments	506	477
Total Executive Directors' remuneration	5,625	4,325
Non-Executive:		
Fees and emoluments	489	694
Total Directors' remuneration	6,114	5,019

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

11 INCOME TAX EXPENSE/(CREDIT)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current tax				
- Current financial year	9,511	14,843	-	-
- Under/(Over) provision in prior financial year	40	(446)	-	-
	9,551	14,397	-	-
Deferred tax (Note 23)				
- Origination and reversal of temporary differences	(4,905)	(2,346)	1,510	(3,882)
Total income tax expense/(credit)	4,646	12,051	1,510	(3,882)

The explanation of the relationship between income tax credit and profit before taxation is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit before tax	75,232	64,773	36,959	35,884
Tax calculated at the applicable Malaysian tax rate of 24% (2023: 24%)	18,056	15,546	8,870	8,612
Tax effects of:				
- Different tax rate in other jurisdiction	(1,332)	(6)	-	-
- Income not subject to tax	(606)	(13)	(14,400)	(14,400)
- Expenses not deductible for tax purposes	7,421	1,798	7,040	8,927
- Utilisation and recognition of previously unrecognised capital allowances and tax losses	(18,933)	(4,830)	-	(7,021)
- Share of results of an associate	-	2	-	-
- Over provision in prior years	40	(446)	-	-
	4,646	12,051	1,510	(3,882)

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

12 EARNINGS PER SHARE (EPS)

The calculation of basic earnings per ordinary share at 31 December 2024 and 31 December 2023 was based on the profit attributable to owners of the Company and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2024	2023
Profit attributable to owners of the Company (RM'000)	70,586	52,722
Weighted average number of shares in issue ('000)	320,942*	320,942*
Basic/Diluted EPS (sen)	21.99	16.43

The Group has no potential ordinary shares in issue as at reporting date and therefore, diluted earnings per share are the same as basic earnings per share.

* Net of treasury shares

13 PROPERTY, PLANT AND EQUIPMENT

Depreciation is computed on a straight-line basis over the estimated useful lives of the plant and equipment. The estimated useful lives for the current and comparative periods are as follows:

Vessels and other marine assets	4 – 20%
Dry docking	20%
Plant and machinery	10%
Cabin, field and workshop equipment	10 – 20%
Motor vehicles	20%
Furniture, fittings and office equipment	20%
Air conditioner, computer, signboard, renovation and electrical installation	20 – 50%
Asset retirement cost	Unit of production

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Asset under construction	Asset retirement cost	Vessels and dry docking	Other marine assets	Plant and machinery	Cabin, field and workshop equipment	Motor vehicles	Furniture, fittings and office equipment	Air-conditioner, computer, signboard, renovation and electrical installation	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Group</u>										
<u>2024</u>										
Cost	230	52,396	270,773	21,330	1,672	9,525	2,172	2,018	15,912	376,028
Accumulated depreciation and accumulated impairment losses	-	(4,047)	(144,826)	(11,691)	(1,581)	(4,677)	(921)	(1,768)	(13,384)	(182,895)
Net book value	230	48,349	125,947	9,639	91	4,848	1,251	250	2,528	193,133
<u>2023</u>										
Cost	-	-	370,106	19,388	1,668	19,945	1,643	2,965	18,393	434,108
Accumulated depreciation and accumulated impairment losses	-	-	(238,257)	(10,790)	(1,435)	(16,889)	(1,343)	(2,754)	(15,027)	(286,495)
Net book value	-	-	131,849	8,598	233	3,056	300	211	3,366	147,613

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Asset under construction	Asset retirement cost	Vessels and dry docking	Other marine assets	Plant and machinery	Cabin, field and workshop equipment	Motor vehicles	Furniture, fittings and office equipment	Air-conditioner, computer, signboard, renovation and electrical installation	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Net book value</u>										
At 1 January 2024	-	-	131,849	8,598	233	3,056	300	211	3,366	147,613
Additions	230	52,396	10,181	4,954	3	3,195	1,146	129	552	72,786
Depreciation charge	-	(4,047)	(16,083)	(3,507)	(145)	(1,403)	(195)	(90)	(1,390)	(26,860)
Disposal	-	-	-	(406)	-	-	-	-	-	(406)
At 31 December 2024	230	48,349	125,947	9,639	91	4,848	1,251	250	2,528	193,133
<u>Net book value</u>										
At 1 January 2023	340	-	172,791	6,621	377	1,374	390	204	2,792	184,889
Additions	-	-	10,988	4,908	-	2,813	-	105	1,966	20,780
Depreciation charge	-	-	(19,046)	(2,931)	(144)	(1,112)	(85)	(97)	(1,392)	(24,807)
Disposal	(340)	-	(18,989)	-	-	(19)	(5)	(1)	-	(19,354)
Impairment	-	-	(13,895)	-	-	-	-	-	-	(13,895)
At 31 December 2023	-	-	131,849	8,598	233	3,056	300	211	3,366	147,613

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Motor vehicles RM'000	Furniture, fittings and office equipment RM'000	Air conditioner, computer, signboard, renovation and electrical installation RM'000	Total RM'000
<u>Company</u>				
<u>2024</u>				
Cost	5	978	9,357	10,340
Accumulated depreciation	(5)	(957)	(8,518)	(9,480)
Net book value	–	21	839	860
<u>2023</u>				
Cost	5	955	9,134	10,094
Accumulated depreciation	(5)	(954)	(8,304)	(9,263)
Net book value	–	1	830	831
<u>Net book value</u>				
At 1 January 2024	–	1	830	831
Additions	–	22	223	245
Depreciation charge	–	(2)	(214)	(216)
At 31 December 2024	–	21	839	860
<u>Net book value</u>				
At 1 January 2023	–	2	114	116
Additions	–	–	833	833
Depreciation charge	–	(1)	(117)	(118)
At 31 December 2023	–	1	830	831

The Group's vessels with a carrying amount of RM46,654,906 (2023: RM44,195,378) are pledged to secure the Group's borrowings (Note 29).

During the financial year, the Group revised the estimated residual values of vessels due to change in scrap price which changes year on year. The revision in estimate has been applied on a prospective basis from 1 January 2024 and this has resulted in a depreciation savings of RM 6,413,433 (2023: RM2,025,442).

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

* The additions include non-cash transaction of the following:

	Group	
	2024	2023
	RM'000	RM'000
Accruals for dry docking of a vessel	723	3,292
Additions for asset retirement	52,396	–

Impairment testing has been performed on the property and the equipment with carrying amounts of RM135.6 million as at 31 December 2024 (2023: RM140.4 million). The recoverable amount of each vessel, being define as a cash generating unit, have been determined based on value in use (“VIU”). The value in use has been calculated using the cash flow projections for a period of 6 to 12 years depending on the remaining useful lives of each vessel.

Key assumptions used in the VIU calculations are as follows:

	2024/2023
Vessel utilisation rate (average)	48%
Charter hire rate	Based on latest work order
Discount rate	10%

Based on the impairment assessment, no impairment is required for the financial year 31 December 2024. Impairment loss of RM13.9 million was recognised on vessels and other marine assets in the previous financial year ended 31 December 2023 as a result of the new arrangement on vessel chartering by the key customer as compared to a more secured approach of vessel chartering prior to financial year 2023. This change was consistently applied across the industry.

Impairment loss sensitivity analysis

The sensitivity of the decrease in carrying amount (ie. additional impairment loss) to the changes in key assumption with all other variables being held constant is as follows:

	2023
	RM'000
Utilisation rate decreased by 3%	1,450
Charter hire reduced by 5	3,775
Discount rate increased by 1%	958

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

14 EXPLORATION AND EVALUATION ASSETS

The Company together with Petroleum Sarawak Exploration & Production Sdn. Bhd. (“PSEP”) signed a Joint Operating Agreement (“JOA”) with Petroleum Sarawak Berhad (“PETROS”) for exploration and development of Petroleum resources in Block SK433, Onshore Sarawak for a tenure of maximum 29 years. Under the agreement, the Company is the operator with a participating interest of 50% for Block SK433 situated in Miri, Sarawak.

The Group’s exploration and evaluation assets are from the petroleum contract for the exploration, development and production of petroleum in Block SK433, Onshore Sarawak. Cost of exploratory drilling is initially capitalised but will be subsequently expensed if proved reserves are not found. Successful exploratory drilling, development drilling and field development are capitalised until such time when production commences and are then depleted based on barrels of crude oil produced. Geological and geophysical expenses and other exploratory costs are charged to the statement of comprehensive income as incurred.

	RM’000
<u>Group</u>	
<u>2024</u>	
Cost/Net book value	150,082
<u>Net book value</u>	
At 1 January 2024	70,497
Additions	79,585
At 31 December 2024	150,082
<u>2023</u>	
Cost/Net book value	70,497
<u>Net book value</u>	
At 1 January 2023	7,513
Additions	62,984
At 31 December 2023	70,497

* Additions include accruals based on value of work done for drilling campaign activities amounting to RM6,306,768.

AMOUNT DUE FROM JOINT VENTURE PARTNERS

The amount due from joint venture partners of RM4.3 million (2023: RM 24.6 million) is in relation to the oil and gas exploration and development and share of administrative expenses in Block SK433, Onshore Sarawak. The amount are unsecured and to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

15 RIGHT-OF-USE ASSETS

	Vessels and dry docking RM'000	Leasehold land and buildings RM'000	Total RM'000
<u>Group</u>			
<u>2024</u>			
Cost	130,554	43,445	173,999
Accumulated depreciation	(130,554)	(20,959)	(151,513)
Net book value	-	22,456	22,486
<u>Net book value</u>			
At 1 January 2024	21,424	22,648	44,072
Additions	-	4,131	4,131
Depreciation charge	(21,424)	(4,293)	(25,717)
At 31 December 2024	-	22,456	22,486
<u>2023</u>			
Cost	130,554	40,828	171,382
Accumulated depreciation	(109,130)	(18,180)	(127,310)
Net book value	21,424	22,648	44,072
<u>Net book value</u>			
At 1 January 2023	57,850	23,040	80,890
Additions	-	3,108	3,108
Depreciation charge	(36,426)	(3,500)	(39,926)
At 31 December 2023	21,424	22,648	44,072

The Group is in the midst of finalising the lease term to service the LLA PSC which are operated using short term leases during the year. Right-of-use of asset will be recognised upon finalisation of the lease term between the Group and its service providers.

The Group's leasehold land and buildings with a carrying amount of RM7,472,154 (2023: RM7,662,933) and RM6,062,795 (2023: RM6,213,736) respectively are pledged to secure the Group's borrowings (Note 29).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

15 RIGHT-OF-USE ASSETS (CONTINUED)

	Leasehold land and buildings RM'000
<u>Company</u>	
<u>2024</u>	
Cost	3,826
Accumulated depreciation	(2,588)
Net book value	1,238
<u>Net book value</u>	
At 1 January 2024	1,628
Additions	27
Depreciation charge	(417)
At 31 December 2024	1,238
<u>2023</u>	
Cost	3,799
Accumulated depreciation	(2,171)
Net book value	1,628
<u>Net book value</u>	
At 1 January 2023	1,852
Additions	193
Depreciation charge	(417)
At 31 December 2023	1,628

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

16 LONG TERM RECEIVABLES

The Group contributes to a separate fund established to help fund abandonment obligations which is required in accordance to the LLA PSC. The Group obtains reimbursement of actual abandonment costs from the fund as they are incurred. The Group recognises its interest in the fund separately from the liability to pay the abandonment costs. The amount is discounted at its net present value and the unwinding of the discount is recognised as finance income in the statement of comprehensive income. The Group has no control, joint control or significant influence over the fund and therefore, the right to receive the assets of the funds are accounted as a reimbursement.

The abandonment fund are recognised as long term receivables as follows:

(a) Abandonment cess fund

	Group 2024 RM'000
At 1 January	-
Contribution during the year	11,688*
Amortised discount	(3,502)
At 31 December	8,186

* There was an accrual of RM4,985,083 on the contribution of abandonment cess payment as at 31 December 2024, which has been settled on 21 January 2025.

(b) Abandonment fund contribution by Petronas

	Group 2024 RM'000
At 1 January	-
Contribution agreed as per "PSC"	57,155
Unwinding of discount	1,100
At 31 December	58,255

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

17 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Current</u>				
<u>Trade receivables:</u>				
Third parties	24,244	55,632	-	-
Less: Allowance for impairment loss				
- Third parties	(1,034)	(4,095)	-	-
	23,210	51,537	-	-
<u>Other receivables:</u>				
Deposits	2,088	1,756	766	1,175
Prepayments	4,950	4,486	207	421
Sundry receivables	11,497	5,140	261	125
Gross other receivables	18,535	11,382	1,234	1,721
Less: Allowance for impairment loss				
- sundry receivables	(2,418)	(4,333)	-	-
	16,117	7,049	1,234	1,721
Total current receivables, net	39,327	58,586	1,234	1,721

(a) Trade receivables

Movement in allowance for impairment for trade receivables:

	Group	
	2024	2023
	RM'000	RM'000
At 1 January	4,095	3,961
(Reversal of)/allowances for impairment	(1,117)	134
Write off	(1,944)	-
At 31 December	1,034	4,095

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Other receivables

Other receivables are unsecured and short-term in nature.

At the reporting date, the movement of the provision account used to record the impairment is as follows:

	Group	
	2024	2023
	RM'000	RM'000
As 1 January	4,333	4,304
Allowance for impairment	158	29
Write off	(2,073)	–
At 31 December	2,418	4,333

(c) Impairment for debt instruments

The Group assesses on a forward looking basis the expected credit loss (“ECL”) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group has five types of financial instruments that are subject to the ECL model:

- Trade receivables
- Contract assets
- Other receivables
- Amount due from subsidiaries (applicable to Company)
- Amount due from associate

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group expects to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Impairment for debt instruments (continued)

For trade receivables, the Group applies the simplified approach permitted by MFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, the Group and Company use the three stages approaches to reflect their credit risk and how the loss allowances are determined for each of those stages.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 120 days past due in making a contractual payment. The Group assesses significant increase in credit risk when contractual payments are more than 120 days past due. The 30 days presumption is rebutted based on historical evidence that demonstrates that there is no correlation between significant increase in the risk of a default occurring and financial assets on which payments are more than 30 days past due, but that evidence does identify such a correlation when payments are more than 120 days past due.

Definition of default and credit-impaired financial assets

The Group defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

The Group defines a financial instrument as default, when the counterparty fails to make contractual payment within 180 days of when they fall due.

Qualitative criteria:

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group considers the following instances:

- the debtor is in breach of financial covenants;
- concessions have been made by the lender relating to the debtor's financial difficulty; it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- the debtor is insolvent.

Financial instruments that are credit-impaired are assessed on individual basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

18 AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
<u>Current</u>		
Amounts due from subsidiaries	33,865	45,615
Less: Allowances for impairment loss	-	(2,358)
Total current	33,865	43,257
Amounts due to subsidiaries	(18,619)	(22,570)

The amounts due from/(to) subsidiaries are non-trade in nature, unsecured and interest free.

At the reporting date, the movement of the allowance account used to record the impairment is as follows:

	Company	
	2024	2023
	RM'000	RM'000
At 1 January	2,358	5,346
Write off	(7,382)	(2,988)
Allowance for impairment	5,024	-
At 31 December	-	2,358

19 CONTRACT BALANCES

	Group	
	2024	2023
	RM'000	RM'000
Contract assets	90,629	85,690
The movement of contract assets is as follows:		
At 1 January	85,690	114,141
Transfer to receivables	(84,696)	(107,160)
Increase as a result of changes in the measure of progress	90,782	78,709
	91,776	-
Less : Allowance for impairment	(1,147)	-
At 31 December	90,629	85,690

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

19 CONTRACT BALANCES (CONTINUED)

At the reporting date, the movement of the allowance account used to record the impairment is as follows:

	Group	
	2024	2023
	RM'000	RM'000
At 1 January	–	–
Allowance for impairment	1,147	–
At 31 December	1,147	–
Contract liabilities	3,240	2,373

The movement of contract liabilities is as follows:

	Group	
	2024	2023
	RM'000	RM'000
At 1 January	2,373	908
Revenue recognised that was included in the contract liabilities		
- Rendering of services	(2,373)	(908)
Increases due to cash received, excluding amounts recognised as revenue during the financial year	3,240	2,373
At 31 December	3,240	2,373

Unsatisfied performance obligation

The following table shows unsatisfied performance obligations from long term contracts:

	2024	2023
	RM'000	RM'000
Aggregate amount of the transaction price allocated to long-term contracts that are partially or fully unsatisfied as at 31 December	70,734	134,083

Management expects that most of the transaction price allocated to the unsatisfied contracts as of 31 December 2024 will be recognised as revenue in the following year. The amount disclosed above does not include variable consideration which is constrained.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

20 INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
<u>Unquoted shares, at cost</u>		
Ordinary shares	1,350	1,350
Redeemable Convertible Preference Shares ("RCPS")	171,180	171,180
Advances to subsidiaries treated as quasi-investment	153,726	153,726
Less: Accumulated impairment loss	(21,565)	(21,315)
	304,691	304,941

At the reporting date, the movement of the allowance account used to record the impairment is as follows:

	Company	
	2024	2023
	RM'000	RM'000
At 1 January	21,315	10,288
Charge for the financial year	250	11,027
At 31 December	21,565	21,315

The Company reviewed the recoverability of its underlying interest in subsidiaries using value in use based on net asset method as at 31 December 2024. An impairment in the investment in Petra Energy Solution Sdn Bhd ("PESOL") was recognised for the financial year ended 31 December 2024. The impairment in the investment recognised for financial year ended 31 December 2023 were relating to Petra Fabrications Sdn Bhd ("PFSB") and Petra Service Sdn Bhd ("PSSB")

The Company subscribed RCPS issued by its subsidiaries.

The terms of the RCPS are as follows:

- (a) Dividends on each RCPS shall be paid at the absolute discretion of the subsidiaries.
- (b) In the event of any liquidation, dissolution, winding up or other repayment of capital of the subsidiaries, the assets available for distribution among the members shall be applied in the following:
 - (i) Firstly to the RCPS shareholder, in payment of a sum equivalent to the aggregate of the RCPS issue price.
 - (ii) Then, to the holder of the other shares.
- (c) The RCPS shareholder shall have the right to receive reports and audited accounts and notice of and to attend all general meetings of the subsidiaries.
- (d) The RCPS are convertible into new ordinary shares at the absolute discretion of the subsidiaries.
- (e) The RCPS shall be redeemed at the absolute discretion of the subsidiaries (ie. the issuer).
- (f) The RCPS are non-transferable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

20 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name	Effective interest		Principal activities
	2024	2023	
	%	%	
<u>Incorporated in Malaysia:</u>			
Petra Energy Services Sdn. Bhd.**	100	100	Investment holding
Petra Energy Capital Sdn. Bhd.	100	100	Dormant, under liquidation
Petra Energy Development Sdn. Bhd.	100	100	Principally engages in the exploration, development and production of crude oil and petroleum resources, as well as provision of services to operate and maintain the production, storage and offloading facilities, wells and reservoir surveillance, production planning and forecasting, logistics, inventory and warehousing management for an oil field
Petra Energy Solution Sdn. Bhd.**	100	100	Dormant
<u>Held through Petra Energy Services Sdn. Bhd.:</u>			
Petra Resources Sdn. Bhd.	100	100	Principally engages in provision of services in operations and maintenance, oil field optimisation, retrofits, domestic vessels chartering, geophysical, design and fabrication of process equipment and packaging and supply of engineered equipment for the oil and gas industry
Petra Fabricators Sdn. Bhd.**	100	100	Dormant
Petra Services Sdn. Bhd.	100	100	Dormant, under liquidation
Petra Marine Sdn. Bhd.	100	100	Ownership and supply of vessels
<u>Held through Petra Resources Sdn. Bhd.:</u>			
PE Resources Ltd*	–	100	Liquidated during the year
<u>Held through Petra Fabricators Sdn. Bhd.:</u>			
PE Industrial Resources Sdn. Bhd.**	100	100	Design, fabrication, supply and installation of industrial boilers and ancillary equipment
<u>Held through Petra Marine Sdn. Bhd.:</u>			
PE Ship Management Sdn. Bhd.	100	100	Dormant, under liquidation
<u>Held through Petra Energy Capital Sdn. Bhd.:</u>			
PE Challenger Ltd*	–	100	Liquidated during the year
PE Marine One Ltd*	100	100	Under liquidation
PE Marine Ltd*	–	100	Liquidated during the year

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

20 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name	Effective interest		Principal activities
	2024	2023	
	%	%	
<u>Held through Petra Energy Development Sdn. Bhd.:</u>			
PE Development Ltd*	–	100	Liquidated during the year
Petra Energy Mopu Sdn. Bhd.	100	100	Dormant, under liquidation
Petra Upstream Malaysia Sdn. Bhd.	100	100	Dormant, under liquidation

* These companies which are incorporated in Labuan are not required by their local laws to appoint statutory auditors.

** Audited by a firm other than PricewaterhouseCoopers PLT

21 INVESTMENT IN AN ASSOCIATE

	Group	
	2024 RM'000	2023 RM'000
Unquoted shares at cost	473	3,150
Distribution as a return of capital	(250)	(2,677)
Write-off	(223)	–
Share of net assets	–	473

The details of the associate are as follows:

Name	Country of incorporation	Group's effective interest	
		2024 %	2023 %
Coastal Energy KBM Sdn. Bhd.	Malaysia	–	30

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

21 INVESTMENT IN AN ASSOCIATE (CONTINUED)

- (i) The summarised statement of comprehensive income are as follows:

	CEKSB	
	2024	2023
	RM'000	RM'000
Revenue	-	-
Cost of sales	-	-
Loss before tax	-	(27)
Loss for the financial year	-	(27)
Other comprehensive loss	-	(27)
Total comprehensive loss	-	(27)
Group's share of total comprehensive loss	-	(8)

- (ii) The summarised statement of financial position as at 31 December are as follows:

	CEKSB	
	2024	2023
	RM'000	RM'000
Current assets	-	1,576
Current liabilities	-	-
Net assets	-	1,576
Group's share of net assets	-	473

The liquidation of the associate has been completed in the current financial year.

- (iii) Reconciliation of the summarised financial information presented to the carrying amount of its interest in associate:

	Group	
	2024	2023
	RM'000	RM'000
Opening Group's share of net assets	473	3,331
Share of loss for the financial year	-	(8)
Distribution as a return of capital	(250)	(2,850)
Write-off	(223)	-
Carrying amount	-	473

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

22 INVESTMENT IN A JOINT VENTURE

The Group has a 50% interest in Khausar Energy Sdn. Bhd, a RM2 entity being set up to undertake business development activities focusing on building portfolio of Production & Development segment within the Group. The Group's interest in this joint venture is accounted for using the equity method in the consolidated financial statements.

The Group has not recognised cumulative share of losses from Khausar Energy Sdn. Bhd amounting to RM221,211 in respect of current financial year (2023: RM205,012).

The share of results and net assets of the joint venture are not material to the Group.

23 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relates to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deferred tax assets	43,804	40,876	2,740	3,937
Deferred tax liabilities	(29,072)	(31,049)	(368)	(55)
	14,732	9,827	2,372	3,882
At start of the financial year	9,827	7,481	3,882	-
Credited/(charged) to statement of comprehensive income				
- Property, plant and equipment	3,792	1	(16)	(55)
- Unutilised capital allowances	(14,532)	(4,767)	-	-
- Unutilised tax losses	9,339	3,430	(1,603)	3,776
- Accruals	377	3,332	85	161
- Asset retirement obligation	385	-	-	-
- Advance billings	322	350	-	-
- Right of use of asset	(1,815)	-	(297)	-
- Lease liabilities	1,937	-	321	-
- Long term receivable	1,330	-	-	-
- Inventory	3,770	-	-	-
	4,905	2,346	(1,510)	3,882
At end of the financial year	14,732	9,827	2,372	3,882

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

23 DEFERRED TAXATION (CONTINUED)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deferred tax assets (before offsetting)				
- Accruals	4,881	4,504	246	161
- Unutilised capital allowances	17,496	32,028	-	-
- Unutilised tax losses	13,115	3,776	2,173	3,776
- Advance billings	890	568	-	-
- Asset retirement obligation	385	-	-	-
- Lease liabilities	1,937	-	321	-
- Long term receivables	1,330	-	-	-
- Inventory	3,770	-	-	-
	43,804	40,876	2,740	3,937
Offsetting	(29,072)	(31,049)	(368)	(55)
Deferred tax assets (after offsetting)	14,732	9,827	2,372	3,882
Deferred tax liabilities (before offsetting)				
Property, plant and equipment	(27,257)	(31,049)	(71)	(55)
Right of use of assets	(1,815)	-	(297)	-
	(29,072)	(31,049)	(368)	(55)
Offsetting	29,072	31,049	368	55
Deferred liabilities (after offsetting)	-	-	-	-

The amount of unutilised business losses for which no deferred tax asset is recognised in the statements of financial position due to no foreseeable profit in the near future to be offset against deferred tax asset and its expiry period are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Unutilised tax losses				
- Within 4 years	33,769	97,735	-	-
- Within years	1,041	-	-	-
- Within 7 years	1,346	1,346	-	-
- Within 8 years	924	893	-	-
	37,081	99,974	-	-

Under the Malaysia Finance Act 2018 which was gazetted on 31 December 2021, the existing time limit to carry forward unutilised tax losses has been extended to 10 consecutive years of assessment (ie. From year of assessments 2018). Accordingly, the unutilised tax losses incurred in the financial years 2019 onwards can be carried forward for another 10 consecutive years from each year of assessment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

24 INVENTORIES

	Group	
	2024	2023
	RM'000	RM'000
<u>Cost:</u>		
Crude oil	53,868	–
Consumables	506	3,223
Goods in transit	2,460	1,554
	56,834	4,777

During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group was RM23,954,029 (2023: RM27,761,676).

25 CASH AND BANK BALANCES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Short term deposits with licensed banks	53,293	76,099	–	–
Cash at bank	134,696	148,728	12,278	13,546
Cash on hand	119	146	9	19
	188,108	224,973	12,287	13,565
Less:				
- Restricted cash, held in Debts Service Reserve Account (“DSRA”)	(12,761)	(36,580)	–	–
- Deposits pledged for credit facilities	(425)	(403)	–	–
Net cash and cash equivalents	174,921	187,990	12,287	13,565

Decrease in restricted cash balances as a result of the milestone progress during the year, leading to restricted cash being released back to the projects.

Deposits of the Group and Company at the end of the financial year have a maturity period of 1 to 12 months (2023: 1 month). The weighted average effective interest rates as at 31 December 2024 for the Group was 2.83% (2023: 3.43%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

25 CASH AND BANK BALANCES (CONTINUED)

The credit quality of bank balances can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Counterparties with external credit rating:				
- AAA	144,396	224,827	12,268	13,546
- AA1	43,593	–	10	–
	187,989	224,827	12,278	13,546

The credit quality of the above deposits and bank balances (excluding cash balances) are assessed by reference to RAM Services Berhad.

26 SHARE CAPITAL

	Group and Company			
	Number of shares of RM0.50 each		Amount	
	2024	2023	2024	2023
	Unit'000	Unit'000	RM'000	RM'000
Issued and fully paid:				
At 1 January/31 December	321,750	321,750	299,809	299,809

27 TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance. In previous financial years, the Company acquired 5,000 shares in the Company through purchases on the Bursa Malaysia Securities Berhad. The total paid to acquire the shares was RM4,203 and this was presented as a component within shareholder's equity. For the financial year ended 31 December 2015, the Company repurchased 802,800 of its issued share capital through purchases on the Bursa Malaysia Securities Berhad and total paid to acquire the shares was RM835,912.

The share repurchased are being held as treasury shares as allowed under Section 127 of the Companies Act 2016. The Company has the right to issue these shares at a later date. As treasury shares, the voting rights attached as to voting, dividends and participation in other distribution are suspended. None of the treasury shares purchased had been sold as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

27 TREASURY SHARES (CONTINUED)

	Average price RM	Highest price RM	Lowest price RM	Number of treasury shares	Total consideration paid RM
Purchased date:					
December 2017	0.83	0.83	0.83	5,000	4,203
August 2015	0.95	1.01	0.89	602,800	563,406
September 2015	1.05	1.05	1.04	50,000	52,702
November 2015	1.45	1.47	1.43	150,000	219,804
				807,800	840,115

28 MERGER RESERVE

Merger reserve arose from the acquisition of Petra Resources Sdn. Bhd. and Petra Fabricators Sdn. Bhd. which were previously under the common control of Perdana Petroleum Berhad, and which had ceased to be a substantial shareholder of the Company on 3 September 2012.

29 BORROWINGS

	Group 2024 RM'000	2023 RM'000
<u>Current</u>		
<u>Secured</u>		
Invoice financing	89,297	25,529
Revolving credit	2,007	–
<u>Non-secured</u>		
Hire purchase	260	–
Total current	91,564	25,529
<u>Non-current</u>		
<u>Non-secured</u>		
Hire purchase	643	–

Total available borrowing facilities of the Group amounting to RM385,000,000 out of which RM91,304,000 (2023: RM25,529,000) was utilised as of year end. For the current financial year, the facility bore an effective interest rate ranging from 4.61% to 8.07% per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 BORROWINGS (CONTINUED)

The terms of the borrowings are as follows:

- First ranking statutory mortgages over certain vessels as disclosed in Note 13;
- First party legal charge over properties (leasehold land and buildings) located at Kampung Sg. Keling, Wilayah Persekutuan Labuan as disclosed in Note 15;
- First ranking assignments executed by certain subsidiaries to assign all of the subsidiaries' rights, title, interest and benefits in and to all proceeds arising from the Designated Agreements;
- First ranking Charge and Assignment of DSRA and deposits pledged as disclosed in Note 25; and
- Corporate guarantee to be provided by Petra Energy Berhad amounting to RM165 million.

30 LEASE LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Secured:				
- Current	2,984	26,585	424	397
- Non-current	5,103	5,397	912	1,311
	8,087	31,982	1,336	1,708
Future minimum lease payment				
- Not later than 1 year	3,352	27,388	493	489
- More than 1 year and less than 5 years	5,562	5,886	977	1,443
Total minimum future lease payment	8,914	33,274	1,470	1,932
Less: Future finance charges	(827)	(1,292)	(134)	(224)
Present value of finance lease liabilities	8,087	31,982	1,336	1,708
Analysis of present value of finance lease liabilities:				
- Not later than 1 year	2,984	26,585	424	397
- More than 1 year and less than 5 years	5,103	5,397	912	1,311
	8,087	31,982	1,336	1,708

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

31 ASSET RETIREMENT OBLIGATION

Pursuant to the provisions of the PSC contract, the Group has an obligation to perform decommission work for the abandonment of wells, facilities and installations during the end of tenure of the PSC. Periodic estimates are made for such abandonment costs and the amount is discounted to its present value. An amount equivalent to the discounted initial provision for the decommission cost is capitalised and amortised over the life of underlying asset on a unit of production basis over proven and probable reserves. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the underlying related asset.

	Group 2024 RM'000
At 1 January	–
Obligation agreed as per “PSC”	109,551
Accretion during the year	2,108
At 31 December	111,659

32 TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Current</u>				
<u>Trade payables:</u>				
Third parties	122,719	67,055	–	–
Trade related accruals (Note (i))	16,001	90,396	–	–
	138,720	157,451	–	–
<u>Other payables:</u>				
Other related accruals (Note (ii))	23,293	23,134	7,025	6,504
Statutory liabilities	2,554	2,566	355	346
	25,847	25,700	7,380	6,850
Total trade and other payables	164,567	183,151	7,380	6,850

Trade payables and other payables are non-interest bearing and have credit terms ranging from 30 days to 60 days (2023: 30 days to 60 days).

Note

- (i) Trade related accruals are accrual balances pertaining to project cost accrual such as tools, equipment and consumables provision, logistic related charges, offshore related services (marine, manpower, subcontractor) and others.
- (ii) Included in other related accruals, there was RM0.7 million (2023: Nil) arising from the accruals for purchases of dry docking assets for a vessel.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

33 SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Significant related party transactions

	Type	Place of Incorporation	Ownership 2024	Ownership 2023
Shorefield Resources Sdn Bhd	Affiliate company	Malaysia	29.61%	29.61%

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the financial year:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Transactions with Shorefield Resources Sdn Bhd:				
- Rental paid	(1,330)	(1,285)	(464)	(464)
Dividend income from subsidiaries				
- Petra Energy Development Sdn Bhd	-	-	-	(40,000)
- Petra Resources Sdn Bhd	-	-	(60,000)	(20,000)

(b) Key management compensation

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company either directly or indirectly. The key management personnel of the Group and the Company include all the Directors of the Company and employees of the Group who make certain critical decisions in relation to the strategic direction of the Group consists of Group Chief Financial Officer and respective Head of Departments and subsidiaries.

The details of remuneration received and receivable by key management of the Group and the Company during the financial year are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Wages and salaries	9,608	7,040	7,355	5,267
Defined contribution plan	1,412	1,033	1,120	790
Other employee benefits	971	1,273	774	1,020
Fees and emoluments	489	694	489	694
	12,480	10,040	9,738	7,771

Included in the above is the Executive and Non-Executive Directors' compensation which is disclosed in Note 10 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

34 COMMITMENTS

(a) Capital commitments

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment:				
Approved but not contracted for	86,361	126,400	–	–
Approved and contracted for	70,339	–	–	–
Total	156,700	126,400	–	–

35 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount of current financial assets, non-current financial assets, current financial liabilities and non-current liabilities approximates their fair values, either due to their short term nature or that they are floating rate instruments that are re-priced to market interest rate on or near the reporting date.

36 FINANCIAL INSTRUMENTS BY CATEGORY

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets at amortised cost</u>				
Trade and other receivables (excluding prepayments)	34,377	54,100	1,027	1,300
Amounts due from subsidiaries	–	–	30,229	43,257
Cash and bank balances	188,108	224,973	12,287	13,565
	222,485	279,073	43,543	58,122
<u>Financial liabilities at amortised cost</u>				
Trade and other payables (excluding statutory liabilities)	162,013	180,585	7,025	6,504
Borrowings	92,207	25,529	–	–
Amounts due to subsidiaries	–	–	18,619	22,570
Lease liabilities	8,087	31,982	1,336	1,708
	262,307	238,096	26,980	30,782

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risk, including foreign currency exchange risk, interest rate risk, credit risk, liquidity and cash flow risk arising in the normal course of the Group's businesses. The Directors monitor the Group's financial position closely with an objective to minimise potential adverse effects on the financial performance of the Group.

The Directors review and agree on policies for managing each of these risks and they are summarised below:

(a) Foreign currency exchange risk

The Group and the Company are exposed to foreign exchange currency risk primarily through sales, purchases and advances that are denominated in a currency other than the functional currency of the operations to which they relate. The currency giving rise to this risk are primarily US Dollar ("USD") and Great Britain Pound ("GBP").

The Group and the Company's exposure to foreign currency risk, denominated in USD and GBP, based on carrying amount as at the end of reporting period was:

	Group	
	2024	2023
	RM'000	RM'000
<u>USD</u>		
Trade receivables	2,196	19,287
Other receivables	445	1,282
Cash and cash equivalents	97	59
Trade payable	(308)	(106)
	2,196	20,522
<u>GBP</u>		
Other receivable	–	4,324

With all other variables held constant, the following table demonstrates the sensitivity of the Group and the Company's profit after tax to a reasonably possible change in the GBP exchange rates against the functional currency of the Group and the Company.

	Profit/(Loss) before tax	
	Group	
	2024	2023
	RM'000	RM'000
USD/RM - strengthen 16% (2023: 17%)	389	3,345
- weaken 16% (2023: 17%)	(389)	(3,345)
GBP/RM - strengthen -Nil (2023: 23%)	–	1,005
- weaken - Nil (2023: 23%)	–	(1,005)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Interest rate risk

The Group is exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rate.

The Group's income and operating cash flows' exposure to changes in interest rate risk relates primarily to the Group's bank borrowings, certain payables and deposits placed with licensed banks and financial institutions.

As at reporting date, 100% (2023: 100%) of the Group's borrowings carry floating interest rates. As such, the Group's profit and loss and operating cash flows are therefore influenced by changes in market interest rate.

At the reporting date, if interest rates had been 10 basis points lower/higher, with all variables held constant, the Group's profit after tax would have been -RM38,914 (2023: RM50,752) higher/lower, arising mainly as a result of lower/higher interest expense from floating rate loans.

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

The following table sets out the carrying amounts, the weighted average effective interest rate ("WAEIR") as at the reporting date and the remaining maturities of the Group's financial instruments that are exposed to interest rate risks:

	Note	WAEIR %	1 year or less RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
<u>Group</u>						
<u>At 31 December 2024</u>						
<u>Financial assets</u>						
Short term deposits with licensed banks	25	2.83%	53,293	–	–	53,293
<u>Financial liabilities</u>						
Borrowing	29	5.86%	92,207	–	–	92,207

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Interest rate risk (continued)

	Note	WAEIR %	1 year or less RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
<u>Group</u>						
<u>At 31 December 2023</u>						
<u>Financial assets</u>						
Short term deposits with licensed banks	25	3.43%	76,099	–	–	76,099
<u>Financial liabilities</u>						
Borrowings	29	5.88%	25,529	–	–	25,529

(c) Credit risk

(i) Receivables and other financial assets

The Group seeks to invest cash assets safely and profitably. It also seeks to control credit risks by setting appropriate credit terms and limits for customers and ensuring that sales are made to customers with good credit assessments.

The Group manages its exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group applies the MFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets to measure the expected credit losses ("ECL"), trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The provision for impairment represents the Group's estimate of losses in respect of trade debtors. The allowance related to credit risk for significant trade debtors is built on specific expected loss components that relate to individual exposures. The Group categorises its customers between National and International Oil companies and other private oil and gas customers. The Group uses a historical credit loss experience, coupled with known changes in credit risk to determine an expected credit loss rate to individually large customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(i) Receivables and other financial assets (continued)

On that basis, for the contract assets, the Group assessed that the credit risk exposure is minimal as the contract assets are solely relate to a national oil company, ie. Petronas Carigali Sdn Bhd (“PCSB”) and there has been no history of impairment or contract assets to be written off with PCSB. For trade receivables and amount due from joint venture partner, the loss allowance as at 31 December 2024 and 31 December 2023 was determined as follows:

Trade receivable

	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Expected loss rate %	Net RM'000	Total impaired RM'000
<u>31 December 2024</u>						
<u>Group</u>						
Current	13,766	16	–	–%	13,750	16
31 to 60 days past due	5,629	2	–	–%	5,627	2
61 to 90 days past due	3,080	13	–	–%	3,067	13
91 to 120 days past due	5	1	–	20%	4	1
More than 120 days past due	1,764	1,002	–	57%	762	1,002
	24,244	1,034	–		23,210	1,034

	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Expected loss rate %	Net RM'000	Total impaired RM'000
<u>31 December 2023</u>						
<u>Group</u>						
Current	48,402	683	–	1.4%	47,719	683
31 to 60 days past due	3,150	37	–	1.2%	3,113	37
61 to 90 days past due	590	27	–	4.6%	563	27
91 to 120 days past due	204	62	–	5.0%	142	62
More than 120 days past due	3,286	3,286	–	100%	–	3,286
	55,632	4,095	–		51,537	4,095

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(i) Receivables and other financial assets (continued)

Contract assets

	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Expected loss rate %	Net RM'000	Total impaired RM'000
<u>31 December 2024</u>						
<u>Group</u>						
Current	19,242	–	–	–%	19,242	–
31 to 60 days past due	10,199	–	–	–%	10,199	–
61 to 90 days past due	16,242	–	–	–%	16,242	–
91 to 120 days past due	9,242	–	–	–%	9,242	–
More than 120 days past due	36,851	1,147	–	3.1%	35,704	1,147
	91,776	1,147	–		90,629	1,147

Amount due from JV Partner

	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Expected loss rate %	Net RM'000	Total impaired RM'000
<u>31 December 2024</u>						
<u>Group</u>						
Current	4,290	–	–	–	4,290	–

	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Expected loss rate %	Net RM'000	Total impaired RM'000
<u>31 December 2023</u>						
<u>Group</u>						
Current	24,642	–	–	–	24,642	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

(i) Receivables and other financial assets (continued)

Credit risk concentration

As at 31 December 2024, the Group has significant concentration of credit risk in the form of outstanding balance due from three customers (2023: one) which are major player in the oil and gas industry, representing approximately 94% (2023: 84%) of the Group's total net trade receivables and contract assets.

Financial guarantee contracts

A financial guarantee contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs if a specified debtor fails to make payment when due in accordance with the original or modified term of a debt instrument.

The Company has issued corporate guarantees for trade arrangements with counterparties and banking facilities in its indirect wholly-owned subsidiaries have the financial capacity to meet the contractual cash flow obligations and hence, does not expect significant credit losses arising from these guarantees.

As at the end of the financial year, the exposure to credit risk in relation to the corporate guarantees given by the Company amounted RM91,304,000 (2023: RM25,529,000).

(d) Liquidity and cash flow risk

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating and investing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management, must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

The Group also depends on available credit lines to meet its liquidity requirements while ensuring an effective working capital management as disclosed in Note 28.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity and cash flow risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

		Contractual undiscounted cash flows				
	Note	Carrying value RM'000	Within 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
<u>Group</u>						
<u>At 31 December 2024</u>						
Financial liabilities:						
Trade and other payables (excluding statutory liabilities)	32	162,013	162,013	–	–	162,013
Borrowings	29	92,207	91,550	721	–	92,271
Lease liabilities	30	8,087	3,352	5,562	–	8,914
		262,307	260,773	5,562	–	263,198
<u>At 31 December 2023</u>						
Financial liabilities:						
Trade and other payables (excluding statutory liabilities)	32	180,585	180,585	–	–	180,585
Borrowings	29	25,529	27,943	–	–	27,943
Lease liabilities	30	31,982	27,388	5,886	–	33,274
		238,096	235,916	5,886	–	241,802

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity and cash flow risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

		Contractual undiscounted cash flows				
	Note	Carrying value	Within 1 year	1 to 5 years	More than 5 years	Total
		RM'000	RM'000	RM'000	RM'000	RM'000
<u>Company</u>						
<u>At 31 December 2024</u>						
Financial liabilities						
Trade and other payables (excluding statutory liabilities)	32	7,025	7,025	–	–	7,025
Amount due to subsidiaries	18	18,619	18,619	–	–	18,619
Lease liabilities	30	1,336	493	977	–	1,470
		26,980	26,137	977	–	27,114
<u>At 31 December 2023</u>						
Financial liabilities						
Trade and other payables (excluding statutory liabilities)	32	6,504	6,504	–	–	6,504
Amount due to subsidiaries	18	22,570	22,570	–	–	22,570
Lease liabilities	30	1,336	489	1,443	–	1,932
		30,410	29,563	1,443	–	31,006

(e) Capital management

The Group's and Company's primary objectives in managing capital are to maximise the Group's and the Company's value by optimising their capital structure and enhancing capital efficiency while maintaining a sufficient level of liquidity. In order to maintain the capital structure, the Company may adjust dividends paid to shareholders, issue new shares or sell its assets. The Group and the Company managed shareholders' fund as capital.

As required by the terms of the borrowing by a subsidiary, the Group needs to cap its leverage ratio at or below 1.5 times. Gearing ratio is derived by dividing total debts by total shareholders' fund. Total debts are the sum of all borrowings excluding lease liabilities and the shareholders' fund includes equity attributable to owners of the Group, as disclosed in the consolidated statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Capital management (continued)

The gearing ratio is as follows:

	Group	
	2024	2023
	RM'000	RM'000
Total borrowings (Note 29)	92,207	25,529
Total equity	444,481	407,954
Gearing ratio (times)	0.21	0.06

No changes were made in the objectives, policies or processes in regard to the Group's and Company's management of their capital structure during the financial years ended 31 December 2024 and 31 December 2023.

The borrowings of the Group are subject to the bank's covenants, which include liquidity and solvency ratios, for which the Group have complied with.

38 SEGMENT INFORMATION

Segment information is presented in respect of the Group's segmentation of core activities. The segment information results are prepared based on the Group's management reporting structure.

Definition of the Group's segments are as follows:

(a) Services Segment

Encapsulates the Group's core activities in the area of providing services such as Hook-up Commissioning, Topside Major Maintenance, vessels management and time chartering, fabrication, subsea and underwater, as well as trading and engineering services.

(b) Marine Assets Segment

Comprise of subsidiaries which own the Group's marine assets and hold license to carry on leasing business. Major business activity is bareboat chartering of vessel internally within the Group and to third party vessel management companies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

38 SEGMENT INFORMATION (CONTINUED)

(c) Exploration, Development and Production Segment

The Group has been awarded the Banang Late Life Asset Production Sharing Contract (“LLA PSC”) by Petroliaam Nasional Berhad (“PETRONAS”) effective 1 June 2024 for a tenure of 10 years granting the Group operatorship of the field with 100% participating interest to develop and produce petroleum resources from the Banang field, offshore Peninsular Malaysia.

On 15 June 2021, the Group was awarded with Petroleum Contract relating to Exploration, Development and Production of Petroleum in Block SK433, Onshore Sarawak as the Operator. Total duration of the Contract is twenty-nine (29) years.

	Services RM'000	Marine Assets RM'000	Exploration, Development and Production RM'000	Elimination RM'000	Total RM'000
<u>2024</u>					
Revenue:					
External customers	252,067	247,348	–	–	499,415
Inter-segment	16,401	199,064	–	(215,465)	–
Total revenue	267,468	446,412	–	(215,465)	499,415
Results:					
Finance income	4,381	198	1,100	–	5,679
Depreciation:					
- Property, plant and equipment	(3,200)	(19,613)	(4,047)	–	(22,860)
- Right-of-useful assets	(16,541)	–	(9,176)	–	(25,717)
Finance costs	(5,897)	(15)	(5,610)	–	(11,522)
Segment profit/(loss)	14,252	123,497	(10,608)	(51,909)	75,232
<u>Assets and liabilities</u>					
Additions to non-current assets:					
- Property, plant and equipment	5,227	15,163	52,396	–	72,786
- Right-of-useful assets	4,131	–	–	–	4,131
- Exploration and evaluation assets	–	–	79,585	–	79,585
Segment assets	940,730	323,272	428,313	(856,348)	835,967
Segment liabilities	(331,624)	(58,170)	(297,790)	294,852	(392,732)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

38 SEGMENT INFORMATION (CONTINUED)

	Services RM'000	Marine Assets RM'000	Exploration, Development and Production RM'000	Elimination RM'000	Total RM'000
<u>2023</u>					
Revenue:					
External customers	348,494	205,038	–	–	553,532
Inter-segment	17,552	156,032	–	(173,584)	–
Total revenue	366,046	361,070	–	(173,584)	553,532
Results:					
Finance income	3,031	66	–	–	3,097
Depreciation:					
- Property, plant and equipment	(2,830)	(21,977)	–	–	(24,807)
- Right-of-useful assets	(39,926)	–	–	–	(39,926)
Impairment of property, plant and equipment	–	(13,895)	–	–	(13,895)
Finance costs	(6,718)	(15)	–	–	(6,733)
Share of result of associate	(8)	–	–	–	(8)
Segment profit/(loss)	39,700	48,950	–	(23,877)	64,773
<u>Assets and liabilities</u>					
Investment in an associate/joint venture	473	–	–	–	473
Additions to non-current assets:					
- Property, plant and equipment	4,884	15,896	–	–	20,780
- Right-of-useful assets	3,108	–	–	–	3,108
- Exploration and evaluation assets	–	–	62,984	–	62,984
Segment assets	1,214,822	384,989	70,497	(993,942)	676,366
Segment liabilities	(495,906)	(160,106)	–	387,600	(268,412)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

38 SEGMENT INFORMATION (CONTINUED)

Geographical information

No geographical segmental reporting has been prepared as the Group's activities involve only one geographical segment, i.e. Malaysia.

Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:

	Group	
	2024	2023
	RM'000	RM'000
<u>Services segment</u>		
Customer A	132,975	307,434
Customer B	95,025	–
	228,000	307,434
<u>Marine assets segment</u>		
Customer A	173,347	96,930

39 DIVIDENDS

The amount of dividends paid or declared by the Company since the end of previous financial year was as follows:

	RM'000
Interim tax exempt (single-tier) dividends of 3.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2023, declared on 24 November 2023 and paid on 19 January 2024	9,629
Special tax exempt (single-tier) dividends of 4.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2023, declared on 15 December 2023 and paid on 14 February 2024	12,838
Interim tax exempt (single-tier) dividends of 4.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2023, declared on 22 February 2024 and paid on 29 March 2024	12,838
Interim tax exempt (single-tier) dividends of 3.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2024, declared on 22 August 2024 and paid on 18 October 2024	9,629
Interim tax exempt (single-tier) dividends of 4.0 sen per ordinary share of 50 sen each, on 320,942,200 ordinary shares for the financial year ended 31 December 2024, declared on 21 November 2024 and paid on 17 January 2025	12,838

On 19 February 2025, the Directors declared a single tier interim dividends of 4.0 sen per ordinary shares of 50 sen each for the financial year ended 31 December 2024 amounting to RM12,838,000 and paid on 27 March 2025.

40 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 27 March 2025.

LIST OF PROPERTIES

Address	Description	Status	Remaining Lease Period/ years	Date of Acquisition	Age/Years	NBV (RM'000)
Petra Resources Sdn. Bhd. Lot 2000, Block 4, Miri Concession Land District, Piasau Industrial Estate, 98000 Miri, Sarawak	Workshop	Leasehold	18	18/07/2000	32	871
Petra Resources Sdn. Bhd. Lot 1991, Block 4, Miri Concession Land District, Piasau Industrial Estate, 98000 Miri, Sarawak	Workshop	Leasehold	18	18/07/2000	32	518
Petra Resources Sdn. Bhd. Lot 205312634 and Lot 205312590, at Kampung Sungai Keling, Wilayah Persekutuan Labuan	Fabrication Yard (Approximately 0.2064 and 2.0882 hectares respectively)	Leasehold	962	13/02/2012	32	13,535

ANALYSIS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS AS AT 25 MARCH 2025

Total Number of Issued Shares : 320,942,200 (excluding 807,800 Treasury Shares)
 Class of Securities : Ordinary Share
 Total Number of Holders : 3,787
 Voting Rights : One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
1 - 99	759	20.04	7,376	0.00
100 - 1,000	1,073	28.33	532,781	0.17
1,001 – 10,000	1,398	36.92	6,701,145	2.09
10,001 – 100,000	464	12.25	14,547,649	4.53
100,001 – 16,047,109 (*)	89	2.35	62,446,837	19.46
16,047,110 and above (**)	4	0.11	236,706,412	73.75
TOTAL	3,787	100.00	320,942,200	100.00

Remarks:

* Less than 5% of Issued Shares

** 5% and above of Issued Shares

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The names of the substantial shareholders of Petra Energy Bhd. and their respective shareholdings as at 25 March 2025 are as follows:

Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Shorefield Resources Sdn. Bhd.	96,718,500	30.14	–	–
Wasco Energy Ltd.	86,550,000	26.97	–	–
Dato' Mohamed Nizam bin Abdul Razak	29,250,000	9.11	–	–
Urusharta Jamaah Sdn. Bhd.	24,187,912	7.54	–	–
Shorefield Sdn. Bhd.	–	–	96,718,500 ^(a)	30.14
OBYU Holdings Sdn. Bhd.	–	–	96,718,500 ^(a)	30.14
Tan Sri Bustari bin Yusuf	–	–	96,718,500 ^(a)	30.14
Wasco Berhad	–	–	86,550,000 ^(b)	26.97
Wah Seong (Malaya) Trading Co. Sdn. Bhd.	–	–	86,550,000 ^(c)	26.97
Tan Kim Yeow Sendirian Berhad	–	–	86,550,000 ^(d)	26.97
Tony Tan @ Choon Keat	–	–	86,550,000 ^(d)	26.97
Tan Chin Nam Sdn. Bhd.	–	–	86,550,000 ^(d)	26.97
Midvest Asia Sdn. Bhd.	–	–	86,550,000 ^(d)	26.97
Robert Tan Chung Meng	–	–	86,550,000 ^(d)	26.97

ANALYSIS OF SHAREHOLDINGS

Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Chan Cheu Leong	-	-	86,550,000 ^(d)	26.97
Pauline Tan Suat Ming	-	-	86,550,000 ^(d)	26.97

Notes:

- (a) Deemed interested by virtue of their interests in Shorefield Resources Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 (“Act”).
- (b) Deemed interested by virtue of its direct interest in Wasco Energy Ltd pursuant to Section 8 of the Act.
- (c) Deemed interested by virtue of its direct interest in Wasco Berhad pursuant to Section 8 of the Act.
- (d) Deemed interested by virtue of their respective indirect interests in Wasco Berhad pursuant to Section 8 of the Act.

DIRECTORS’ SHAREHOLDINGS

The Directors’ Shareholdings of Petra Energy Berhad based on the Register of Directors’ Shareholdings of the Company as at 25 March 2025 are as follows:

Directors	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Tan Sri Ahmad Nizam Bin Salleh	-	-	-	-
Ng Ing Peng	-	-	-	-
Gian Carlo Maccagno	-	-	-	-
Dato’ Anthony @ Firdauz bin Bujang	-	-	-	-
Dato Ahmadi bin Yusoff	-	-	-	-
Simon Ong	-	-	-	-
Zuhaida binti Zulkifli	-	-	-	-

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Name of Shareholders	No. of Shares Held	(%)
1.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR SHOREFIELD RESOURCES SDN. BHD.)	96,718,500	30.14
2.	WASCO ENERGY LTD	86,550,000	26.97
3.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. (CIMB FOR MOHAMED NIZAM BIN ABDUL RAZAK)	29,250,000	9.11
4.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. (URUSHARTA JAMAAH SDN. BHD.)	24,187,912	7.54
5.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. (EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED)	9,466,093	2.95
6.	CITIGROUP NOMINEES (ASING) SDN. BHD. (EXEMPT AN FOR CITIBANK NEW YORK)	6,593,600	2.05
7.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR SAFUANI BIN ABDUL HAMID)	4,783,400	1.49
8.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR NG BOON HOCK)	4,023,000	1.25

ANALYSIS OF SHAREHOLDINGS

No.	Name of Shareholders	No. of Shares Held	(%)
9.	YOW KING HONG	3,050,000	0.95
10.	YONG KONG SIM	2,395,000	0.75
11.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR LEE SIE TONG @ LEE AH TONG)	2,346,700	0.73
12.	MAYBANK NOMINEES (TEMPATAN) SDN BHD (EXEMPT AN FOR MAYBANK ISLAMIC ASSET MANAGEMENT SDN BHD.)	2,338,200	0.73
13.	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. (TMF TRUSTEES MALAYSIA BERHAD FOR MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND)	2,134,100	0.66
14.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. (NATIONAL TRUST FUND)	2,002,500	0.62
15.	HSBC NOMINEES (ASING) SDN. BHD. (BNPP SIN/2S FOR MAYBANK ASIAN EQUITY FUND)	1,462,600	0.46
16.	RHB NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR IBRAHIM BIN BAKI)	1,436,100	0.45
17.	MAYBANK NOMINEES (TEMPATAN) SDN BHD (MAYBANK TRUSTEES BERHAD FOR KAF ISLAMIC DIVIDEND INCOME FUND)	1,172,100	0.37
18.	HSBC NOMINEES (ASING) SDN. BHD. (EXEMPT AN FOR BANK JULIUS BAER & CO. LTD.)	825,000	0.26
19.	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR SALBIAH BINTI SHUIB)	800,000	0.25
20.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. (EXEMPT AN FOR PETROLIAM NASIONAL BERHAD)	778,300	0.24
21.	HO FOOK SENG @ HO POCK SENG	768,000	0.24
22.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD (DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG STRATEGIC FUND)	600,000	0.19
23.	KAF TRUSTEE BERHAD (KIFB FOR ALTIMA, INC)	511,600	0.16
24.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (KAF DANA ADIB)	472,000	0.15
25.	AMANAHRAYA TRUSTEES BERHAD (MAYBANK MALAYSIA BALANCED-I FUND)	450,500	0.14
26.	CARTABAN NOMINEES (ASING) SDN. BHD. (THE BANK OF NEW YORK MELLON FOR ACADIAN EMERGING MARKETS MICRO-CAPEQUITY MASTER FUND)	435,000	0.14
27.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR YONG TZEN WAE)	395,100	0.12
28.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. (CIMB FOR SHAHRIL BIN SHAMSUDDIN)	390,000	0.12
29.	KONG KOK CHOY	385,800	0.12
30.	AMANAHRAYA TRUSTEES BERHAD (MAYBANK MALAYSIA GROWTH-I FUND)	378,700	0.12
TOTAL		287,099,805	89.47

FORM OF PROXY

CDS Account No.	
No. of Shares held	
Telephone No.	
Email Address	



PETRA
PETRA ENERGY BHD.

[Registration No. 200501036241 (718388-H)]

(Incorporated in Malaysia)

*I/We (full name), _____

bearing *NRIC No./Passport No./Company No. _____

being a member of Petra Energy Bhd. ("**the Company**") hereby appoint:-

First Proxy "A"

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address			

*and

*Second Proxy "B"

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address			
			100%

* or the Chairman of the Meeting as *my/our proxy, to vote for *me/us on *my/our behalf at the Nineteenth Annual General Meeting ("**AGM**") of the Company, to be held at Jasmine Junior Ballroom, Level C, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor on Monday, 26 May 2025 at 11:00 a.m., and at any adjournment thereof.

Please indicate with an "X" in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

No	Agenda	For	Against
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon.		
2.	To approve the payment of Directors' fees payable to the Non-Executive Directors amounting to RM522,000.00 from 27 May 2025 until the next AGM of the Company. (Resolution 1)		
3.	To approve the payment of Directors' benefits up to an amount of RM117,250.00 from 27 May 2025 until the next AGM of the Company. (Resolution 2)		
4.	To re-elect Tan Sri Ahmad Nizam Bin Salleh, who is due to retire in accordance with Clause 116 of the Company's Constitution and being eligible, had offered himself for re-election. (Resolution 3)		
5(a).	To re-elect Dato Ahmad Bin Yusoff, who is due to retire in accordance with Clause 117 of the Company's Constitution and being eligible, had offered himself for re-election. (Resolution 4)		
5(b).	To re-elect Mr Simon Ong, who is due to retire in accordance with Clause 117 of the Company's Constitution and being eligible, had offered himself for re-election. (Resolution 5)		
6.	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. (Resolution 6)		
Special Business			
7.	Authority to Issue Shares pursuant to the Companies Act 2016. (Resolution 7)		
8.	Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature. (Resolution 8)		
9.	Proposed Renewal of Authority for the Company to Purchase its Own Shares. (Resolution 9)		

* Strike out whichever is not applicable.

Dated this _____ day of _____ 2025

Signature of member

Common Seal to be affixed here if member is a corporation, if applicable

Notes:-

1. This Agenda item is meant for discussion only as Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements and only requires the Audited Financial Statements to be laid at the Meeting. Therefore, this Agenda item is not put forward for voting.
2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 May 2025 shall be eligible to attend and vote at the Meeting.
3. A member entitled to attend and vote at the Meeting of the Company, shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. There shall be no restriction as to the qualification of the proxy. The proxy(ies) appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
4. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
6. Where a member of the Company is an Exempt Authorised Nominee which hold ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account ("**Omnibus Account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
7. The completed instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted via fax at 03-2094 9940 and/or 03-2095 0292 or emailed to info@sshsb.com.my, not less than forty-eight (48) hours before the time for holding the Meeting or any adjourned thereof (**i.e. on or before Saturday, 24 May 2025 at 11:00 a.m.**).

Please fold here

Affix
Stamp
Here

**SHARE REGISTRAR
PETRA ENERGY BHD.
[Company Registration No. 200501036241 (718388-H)]**

c/o Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Malaysia

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