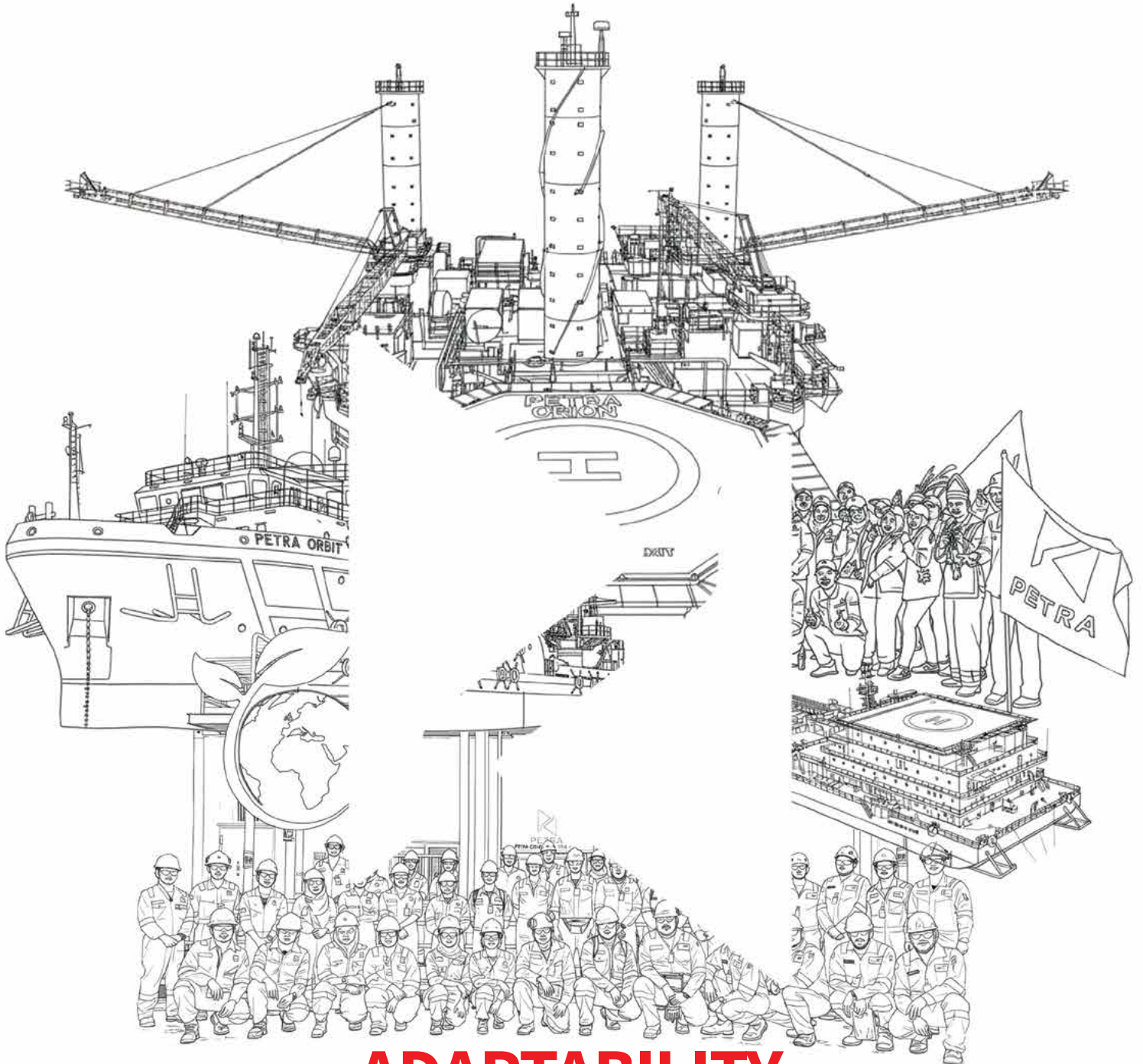




PETRA



ADAPTABILITY AND RESILIENCE

PETRA ENERGY BERHAD
ANNUAL REPORT 2025

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COVER RATIONALE

ADAPTABILITY AND RESILIENCE

Adaptability and resilience define PETRA Energy's approach in a dynamic energy landscape. Our strength lies in our ability to respond with agility, supported by strong partnerships, disciplined execution, and operational depth.

The cover reflects this interconnected ecosystem where our people, partnerships, assets and operations come together to navigate change, manage uncertainty, and deliver long-term value.



Welcome to **PETRA Energy Berhad's** Annual Report for the Financial Year 2025. You can access the report by scanning the QR code or by visiting <https://www.petraenergy.com.my/>

ABOUT THIS REPORT

This Annual Report presents a comprehensive overview of PETRA Energy Berhad's ("PETRA Energy" or "the Group") financial and operational performance for the financial year ended 31 December 2025. It provides stakeholders with a clear and balanced account of the Group's activities, performance outcomes, governance practices, and future direction.

This report has been prepared in accordance with the requirements of Bursa Malaysia Securities Berhad, the Malaysian Companies Act 2016, and applicable financial and non-financial reporting standards. In line with evolving reporting expectations, this Annual Report integrates financial and non-financial information to provide a holistic view of how PETRA Energy creates and sustains value over time.

The report reflects the Group's commitment to transparency, accountability, and effective stakeholder communication. It outlines PETRA Energy's strategy, business model, and operational performance, while highlighting the key drivers that underpin long-term resilience and sustainable growth.



PETRA ENERGY AT A GLANCE

With a strong track record in offshore project execution and growing upstream participation, PETRA Energy continues to strengthen its position as a trusted partner within the energy ecosystem, anchored in its brand promise of *Synergising Partnerships*. Supported by disciplined operational execution, technical expertise, and a resilient business model, the Group remains focused on delivering sustainable long-term value.

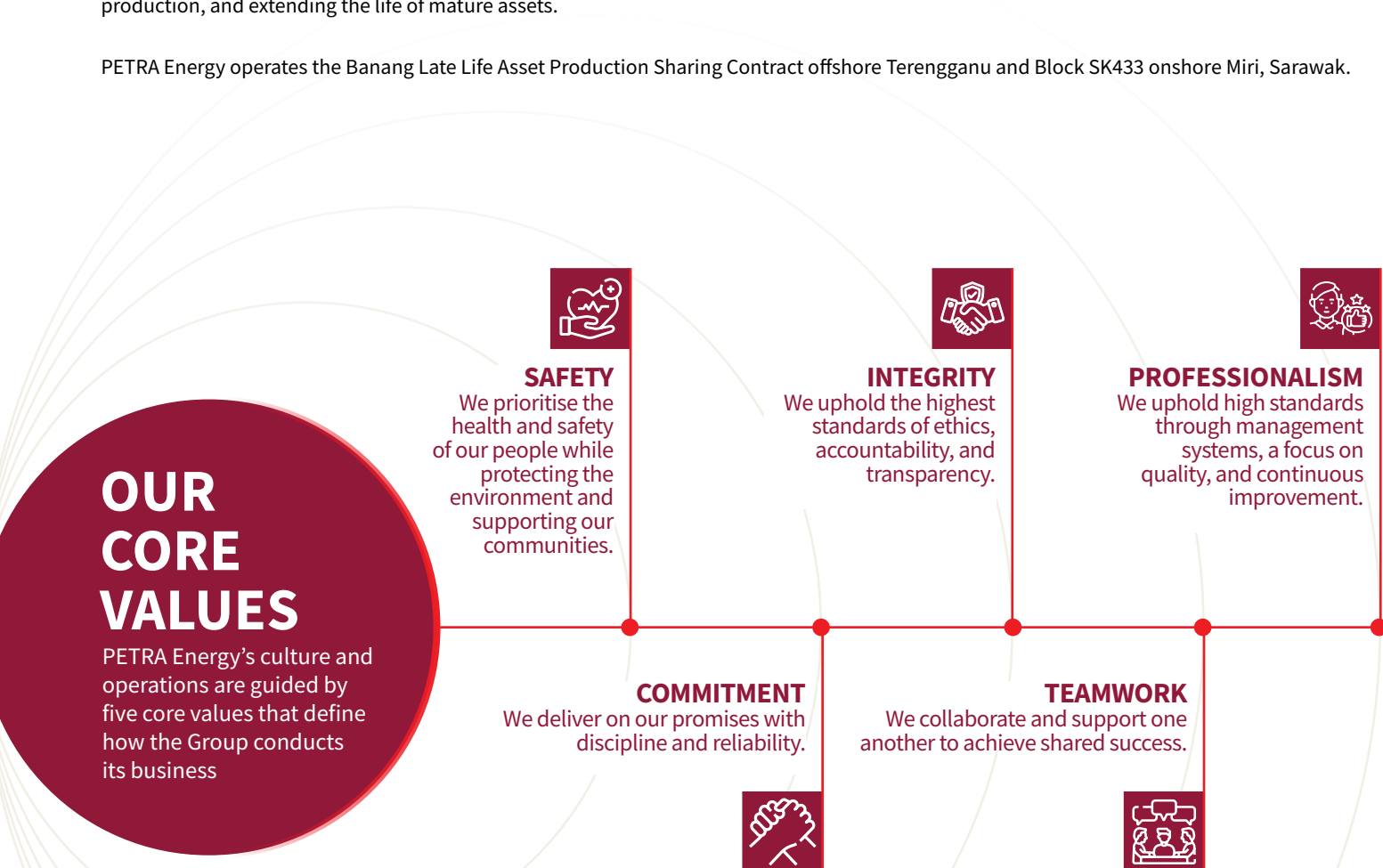
OUR IDENTITY & VALUES

WHO WE ARE

PETRA Energy Berhad is an upstream development and production company, complemented by integrated energy services capabilities across the upstream oil and gas value chain. Established in 1988 in Miri, Sarawak, the Group has evolved from its technical services foundation into an operator, while building strong expertise in brownfield engineering, offshore marine support, and field operations and maintenance.

With over three decades of experience, PETRA Energy brings a differentiated perspective as both asset owner and technical partner, enabling safe and reliable upstream operations with a focus on efficiency. The Group plays a key role in maintaining operational integrity, optimising production, and extending the life of mature assets.


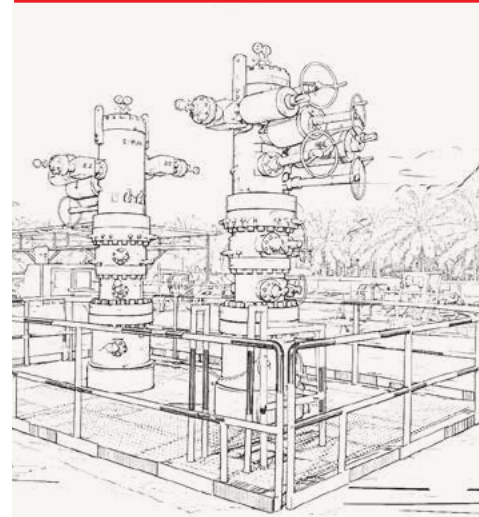

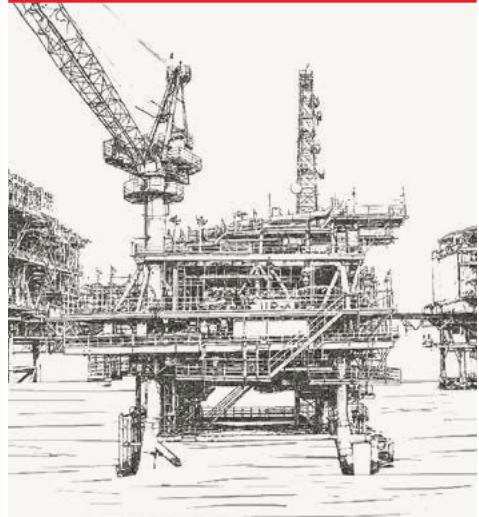

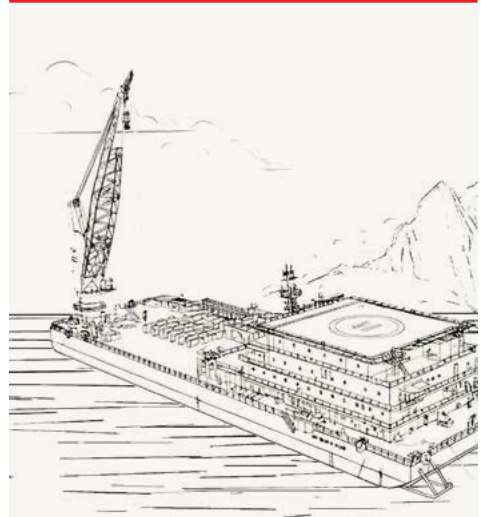
PETRA Energy operates the Banang Late Life Asset Production Sharing Contract offshore Terengganu and Block SK433 onshore Miri, Sarawak.



OUR VISION IS TO BE A SUSTAINABLE ENERGY COMPANY

BUSINESS OVERVIEW

PETRA Energy operates an integrated business model spanning three core segments, enabling the Group to participate across multiple stages of the upstream energy value chain.

UPSTREAM	SERVICES	MARINE ASSETS
<p>PETRA Energy has participating interests in and is operator for the Banang Late Life Asset, offshore Terengganu and Block SK433 Onshore Miri, Sarawak. Complemented by its operations and maintenance capabilities, the Group is able to support the full upstream lifecycle with a focus on safe, efficient and reliable asset performance.</p>  	<p>PETRA Energy provides integrated brownfield engineering services, including hook-up and commissioning, maintenance, construction and modification, engineering, and offshore operational support. This includes field operations management services strengthening its role in supporting asset reliability and optimising production performance.</p>  	<p>The Group owns and operates a fleet of marine vessels and offshore production assets that provide offshore logistics, accommodation, and production support services. These vessels are chartered to operators across Malaysia and the region, while also supporting the Group's own upstream operational requirements.</p>  

OUR ISO CERTIFICATIONS

 ISO/IEC 27001:2022 Information Security Management System	 ISO 14001:2015 Environmental Management Systems	 ISO 9001:2015 Quality Management Systems	 ISO 45001:2018 Occupational Health & Safety Management System	 ISO 37001:2016 Anti Bribery Management Systems
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NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting (“**AGM**”) of PETRA Energy Berhad (“**the Company**”) will be held at Jasmine Junior Ballroom, Level C, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor Darul Ehsan on Friday, 5 June 2026 at 10:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 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 RM672,000.00 from 6 June 2026 until the next AGM of the Company. **(Resolution 1)**
3. To approve the payment of Directors’ benefits up to an amount of RM133,250.00 from 6 June 2026 until the next AGM of the Company. **(Resolution 2)**
4. 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’ Anthony @ Firdaus bin Bujang; and **(Resolution 3)**
 - (b) Mr. Gian Carlo Maccagno. **(Resolution 4)**
5. 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 5)**

AS SPECIAL BUSINESS

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

6. **ORDINARY RESOLUTION NO. 1** **(Resolution 6)**
- 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 AGM of the Company.”

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

7. **ORDINARY RESOLUTION NO. 2** **(Resolution 7)**
- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

“**THAT** subject always to the Act, the Constitution of the Company and Bursa Securities’ Main Market Listing Requirements (“**Main LR**”), 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 Part A of Section 2.5 of the Circular/ Statement to Shareholders dated 30 April 2026, 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 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.”

8. **ORDINARY RESOLUTION NO. 3** **(Resolution 8)**
- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

“**THAT** subject to the Act, Bursa Securities’ Main LR, 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 (“**Company Shares**”) as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:

- a) the aggregate number of ordinary shares to be purchased and/or held by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company including the shares previously purchased and retained as treasury shares (if any); and

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

- 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 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 abovementioned purchase of Company Shares 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.”

9. 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
30 April 2026

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

Explanatory Notes to Special Business:

1. Authority to Issue Shares pursuant to the Act

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 Act at the Twentieth 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 26 May 2025 (hereinafter referred to as the “**Previous Mandate**”). As at the date of this notice of Twentieth 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 7 is intended to enable 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 30 April 2026, for more information.

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

The Proposed Resolution 8 is intended to allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company at any time within the time period stipulated in Bursa Securities’ Main LR.

Please refer to the Circular/Statement to Shareholders dated 30 April 2026, for more information.

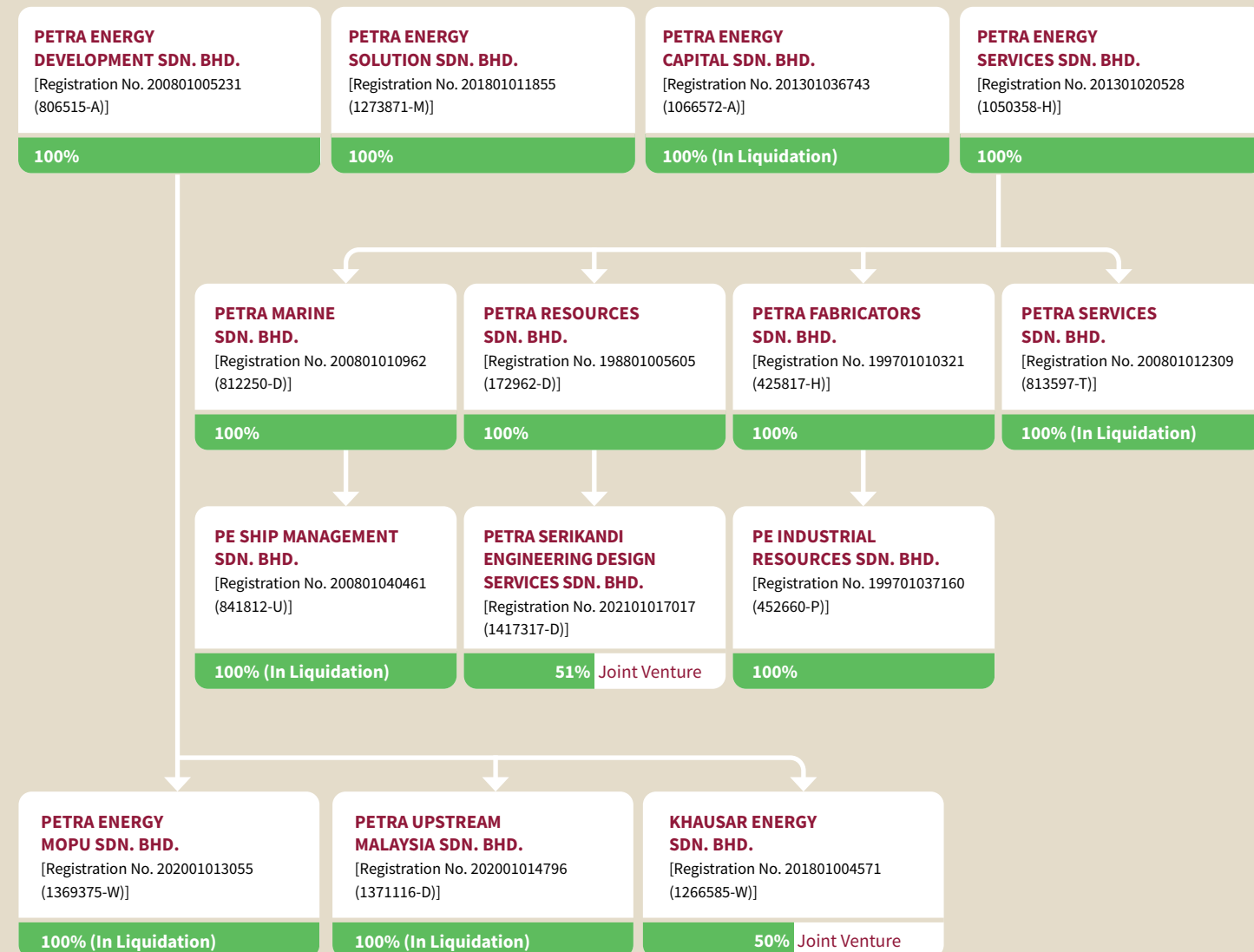
Notes:

1. This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act 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 28 May 2026 shall be eligible to attend, speak 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@sshb.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 Wednesday, 3 June 2026 at 10:00 a.m.). The lodging of the Form of Proxy will not preclude any member from participating and voting at the Meeting should any member subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time for holding the Meeting or any adjourned thereof.

CORPORATE STRUCTURE



PETRA ENERGY BHD.
[Registration No. 200501036241
(718388-H)]



CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Ahmad Nizam bin Salleh
(Chairman/Independent Non-Executive Director)

Ng Ing Peng
(Independent Non-Executive Director)

Gian Carlo Maccagno
(Non-Independent Non-Executive Director)

Zuhaida binti Zulkifli
(Independent Non-Executive Director)

Dato' Anthony @ Firdaus bin Bujang
(Executive Director/Group Chief Executive Officer)

Dato Ahmadi bin Yusoff
(Executive Director)

Simon Ong
(Executive Director)

AUDIT COMMITTEE

Ng Ing Peng (Chairperson)

Gian Carlo Maccagno

Zuhaida binti Zulkifli

NOMINATION AND REMUNERATION COMMITTEE

Ng Ing Peng (Chairperson)

Gian Carlo Maccagno

Zuhaida binti Zulkifli

BOARD SUSTAINABILITY COMMITTEE

Zuhaida binti Zulkifli (Chairperson)

Ng Ing Peng

Gian Carlo Maccagno

COMPANY SECRETARIES

Chua Siew Chuan
(MAICSA 0777689/SSM PC NO. 201908002648)

Lim Lih Chau
(LS0010105/SSM PC NO. 201908001454)

AUDITORS

PricewaterhouseCoopers PLT
(LLP0014401-LCA & AF 1146)
Chartered Accountants
Level 10, Menara TH 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
[Registration No. 196001000142
(3813-K)]
- United Overseas Bank (Malaysia) Berhad [Registration No. 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)]
- RHB Islamic Bank Berhad [Registration No. 200501003283 (680329-V)]





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:
70
-  Nationality:
Malaysian

**LENGTH OF SERVICE AS INDEPENDENT
DIRECTOR SINCE APPOINTMENT
(AS AT 29 APRIL 2026):**
1 year 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

**NUMBER OF BOARD MEETINGS
ATTENDED IN THE FINANCIAL YEAR END:**
Tan Sri Ahmad Nizam attended all five (5) Board Meetings held in the financial year ended 31 December 2025 since his appointment as a Director on 3 March 2025

WORKING EXPERIENCE:

- 2021 - 2024 : Chairman of Pelaburan Hartanah Berhad
- 2018 - 2024 : Chairman of KLCC Property Holdings Berhad
- 2018 - 2024 : Chairman of KLCC Holdings Berhad
- 2018 - 2024 : 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
- 1997 - 2002 : Senior General Manager Crude Oil Group, 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

BOARD OF DIRECTORS' PROFILE

NG ING PENG
Independent Non-Executive Director



-  Date of appointment as Director:
14 May 2015
-  Gender:
Female
-  Age:
69
-  Nationality:
Malaysian

**LENGTH OF SERVICE AS INDEPENDENT
DIRECTOR SINCE APPOINTMENT
(AS AT 29 APRIL 2026):**
7 years 3 months

BOARD COMMITTEE(S) SERVED ON:

- 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, University Malaya
- Member of Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants

**NUMBER OF BOARD MEETINGS
ATTENDED IN THE FINANCIAL YEAR END:**
Madam Ng attended all six (6) Board Meetings held in the financial year ended 31 December 2025

WORKING EXPERIENCE:

- Executive Director and Group Chief Financial Officer of PETRA Energy Berhad ("PEB")
- 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:

- MR D.I.Y. Group (M) Berhad
- HSBC Amanah Malaysia Berhad
- Wasco Greenergy 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

BOARD OF DIRECTORS' PROFILE

**ZUHaida BINTI
ZULKIFLI***Independent Non-Executive Director*

-  Date of appointment as Director:
1 September 2023
-  Gender:
Female
-  Age:
50
-  Nationality:
Malaysian

**LENGTH OF SERVICE AS INDEPENDENT
DIRECTOR SINCE APPOINTMENT
(AS AT 29 APRIL 2026):**

2 years 7 months

BOARD COMMITTEE(S) SERVED ON:

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

**ACADEMIC/PROFESSIONAL
QUALIFICATION(S)/RECOGNITION:**

- Fellow member of Chartered Accountants Australia and New Zealand (CAANZ)
- Member of the Malaysian Institute of Accountants (MIA)
- Bachelor of Business (Accounting), Monash University, Australia
- Master of Strategic Communication, University of Western Australia

NUMBER OF BOARD MEETINGS**ATTENDED IN THE FINANCIAL YEAR END:**

Puan Zuhaida attended all six (6) Board Meetings held in the financial year ended 31 December 2025

WORKING EXPERIENCE:

- Senior General Manager, Strategy, Finance and Risk for Downstream Business, PETRONAS
- Senior General Manager, Governance and Strategic Relations for Malaysia Petroleum Management, PETRONAS
- General Manager, Business Planning and Performance Reporting for Upstream Business, PETRONAS
- Head of Finance, PETRONAS Australia Pty. Ltd.
- Senior Manager, Accounts and Budget, PETRONAS International Corp. Ltd.
- Manager, Group Accounts and Policies, PETRONAS
- Senior Finance Executive, PETRONAS Dagangan Berhad
- Audit Senior, KPMG Malaysia

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

- CIMB Islamic Bank Berhad
- Orkim 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

BOARD OF DIRECTORS' PROFILE

**GIAN CARLO
MACCAGNO***Non-Independent Non-Executive Director*

-  Date of appointment as Director:
18 September 2012
-  Gender:
Male
-  Age:
62
-  Nationality:
Italian

**LENGTH OF SERVICE AS DIRECTOR
SINCE APPOINTMENT
(AS AT 29 APRIL 2026):**

13 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

NUMBER OF BOARD MEETINGS**ATTENDED IN THE FINANCIAL YEAR END:**

Mr. Maccagno attended all six (6) Board Meetings held in the financial year ended 31 December 2025

WORKING EXPERIENCE:

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

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

BOARD OF DIRECTORS' PROFILE

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

-  Date of appointment as Director:
18 September 2012
-  Gender:
Male
-  Age:
66
-  Nationality:
Malaysian



**LENGTH OF SERVICE AS DIRECTOR
SINCE APPOINTMENT
(AS AT 29 APRIL 2026):**
13 years 7 months

BOARD COMMITTEE(S) SERVED ON:
Nil

**ACADEMIC/PROFESSIONAL
QUALIFICATION(S)/RECOGNITION:**

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

**NUMBER OF BOARD MEETINGS
ATTENDED IN THE FINANCIAL YEAR END:**
Dato' Anthony attended all six (6) Board Meetings held in the financial year ended 31 December 2025

WORKING EXPERIENCE:

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

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

BOARD OF DIRECTORS' PROFILE

**DATO AHMADI
BIN YUSOFF**
Executive Director

-  Date of appointment as Director:
18 February 2010
-  Gender:
Male
-  Age:
66
-  Nationality:
Malaysian



**LENGTH OF SERVICE AS DIRECTOR
SINCE APPOINTMENT
(AS AT 29 APRIL 2026):**
16 years 2 months

BOARD COMMITTEE(S) SERVED ON:
Nil

**ACADEMIC/PROFESSIONAL
QUALIFICATION(S)/RECOGNITION:**
Bachelor of Arts (Honours), Universiti Sains Malaysia

**NUMBER OF BOARD MEETINGS
ATTENDED IN THE FINANCIAL YEAR END:**
Dato Ahmadi attended all six (6) Board Meetings held in the financial year ended 31 December 2025

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:
Nil

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

BOARD OF DIRECTORS' PROFILE

SIMON ONG
Executive Director

-  Date of appointment as Director:
22 February 2018
-  Gender:
Male
-  Age:
72
-  Nationality:
Malaysian

LENGTH OF SERVICE AS DIRECTOR SINCE APPOINTMENT (AS AT 29 APRIL 2026):
8 years 2 months

BOARD COMMITTEE(S) SERVED ON:
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)/RECOGNITION:

- Bachelor in Chemical Engineering (Hons), University of Malaya
- Master in Business Administration, 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 the development of 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

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR END:
Mr. Simon Ong attended all six (6) Board Meetings held in the financial year ended 31 December 2025

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 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:
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



PROFILE OF KEY SENIOR MANAGEMENT

KHAIRUL ANWAR BIN MOHAMAD
Group Chief Financial Officer

Date first appointed to the Key Senior Management Position:
1 January 2017

-  Gender: **Male**
-  Age: **44**
-  Nationality: **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
- 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:

- 2017 - present : Group Chief Financial Officer, PETRA Energy Berhad ("PEB")
- 2013 : Joined 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

-  Gender: **Male**
-  Age: **42**
-  Nationality: **Malaysian**

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

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

WORKING EXPERIENCE:

- 2018 - present : Chief Executive Officer, PETRA Resources Sdn. Bhd. ("PRSB")
- 2017 : Appointed as Director of Business Development, 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.

Date first appointed to the Key Senior Management Position:
1 January 2017

Gender: **Male** | Age: **47** | Nationality: **Malaysian**

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Master Mariner Certificate of Competency Class 1, Jabatan Laut Malaysia
- Professional Master In Business Administration (Leadership and Management – UTM SPACE (School of Professional and Continuing Education – Universiti Teknologi 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:

Capt. 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



DATIN PADUKA BADARIAH ABDUL JALIL
Director, Group
Human Capital

Date first appointed to the Key Senior Management Position:
1 July 2025

Gender: **Female** | Age: **65** | Nationality: **Malaysian**

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

Master in Business Admin major in Human Resources Development, University of Hull, United Kingdom

WORKING EXPERIENCE:

- 2025 - Present : Director (Group Human Capital), PEB
- 2012 - 2020 : Director (Group Human Capital), PEB
- 2009 - 2012 : Director (Group Human Capital), The NSTP (M) Berhad
- 2002 - 2009 : General Manager (Human Resources (“HR”) and Corporate Affairs), Media Prima Berhad
- 2001 - 2002 : Vice President (Corporate HR), Celcom
- 1999 - 2001 : Principal Consultant, PricewaterhouseCoopers
- 1989 - 1999 : Vice President (Corporate HR), Celcom

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

Datin Paduka Badariah appointed as Board of Trustee for Lembaga Zakat Selangor which was made effective from January 2018 until to date serving her third term. In addition, Datin Paduka Badariah has been serving as a member of the Board Nomination and Remuneration Committee (BNRC) of Menteri Besar Incorporated (MBI) since February 2025. Other than that, she 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



BORHAN BIN OSMAN
Head, Business
Unit (SK433),
PETRA Energy
Development
Sdn Bhd

Date first appointed to the Key Senior Management Position:
14 February 2022

Gender: **Male** | Age: **63** | Nationality: **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:

- 2022 - Present : Head of Business Unit for SK433, PETRA Energy Development Sdn. Bhd. (“PEDSB”)
- 2021 - 2022 : Business Opportunity Manager, PEDSB
- 2011 - 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:

Encik Borhan 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



NOR ASLINA BINTI ISMAIL
Head, Business
Services

Date first appointed to the Key Senior Management Position:
1 June 2019

Gender: **Female** | Age: **50** | Nationality: **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:

- 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:

Puan Nor 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



YAHYA BIN JADI
Head, Group HSSE, Management System and Special Projects

Date first appointed to the Key Senior Management Position:
1 October 2017

Gender: **Male** | Age: **61** | Nationality: **Malaysian**

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- BSc in Aeronautical Engineering, Wichita State University
- Bachelor of Business Administration, University Kebangsaan Malaysia
- Master in Business Administration, Open University Malaysia
- Business Sustainability Management – Cambridge Institute for Sustainability Leadership (CISL) – Short Online Training

WORKING EXPERIENCE:

- 2025 - Present : Head of HSSE, Management System and Special Projects
- 2021 - 2025 : Head of Group Compliance
- 2017 - 2021 : Head of HSSE
- 2011 - 2016 : Project HSSE Management – Shell P&T Malaysia
- 1992 - 2011 : Project Management/ Mechanical Static Engineering – Sarawak Shell Berhad
- 1989 - 1992 : Quality Management – Airod Sdn. Bhd.

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

Encik Yahya Jadi 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



MALCOLM GEORGE WILLIAM CHAPMAN
Head, Group Internal Audit

Date first appointed to the Key Senior Management Position:
1 July 2025

Gender: **Male** | Age: **52** | Nationality: **Malaysian**

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Commerce and Administration (Hons)
- Member of Malaysian Institute of Accountants
- Member of Chartered Accountants Australia and New Zealand
- Member of Institute of Internal Auditors

WORKING EXPERIENCE:

25 years in the oil and gas industry, predominantly in Shell and PETROS across finance, governance and Internal Audit roles

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

Mr. Chapman 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



ALICIA ANN BHAGWANDAS
Head, Corporate Communications and Branding

Date first appointed to the Key Senior Management Position:
1 June 2019

Gender: **Female** | Age: **46** | Nationality: **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:

- 2019 - Present : Head, Group Corporate Communications and Branding, PEB
- 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



SYAHREZAD BINTI AMIR SHARIFUDDIN
Head, Sustainability, Risk Management, Compliance and Integrity

Date first appointed to the Key Senior Management Position:
1 May 2025

Gender: **Female** | Age: **42** | Nationality: **Malaysian**

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Building Economics and Quantity Surveying, Heriot-Watt University (Imperial College)
- Diploma of Building Technology (Architecture), Taylor's College
- Accredited as Certified Integrity Officer (CeIO) since 2024 (Malaysia Anti-Corruption Agency)
- ISO 37001 Lead Auditor (SIRIM)

WORKING EXPERIENCE:

- 2025 - Present : Head of Sustainability, Risk Management, Compliance and Integrity. PEB
- 2011 : Joined PEB as Executive (Group Supply Chain) and has held various positions within the Group, the last being Manager, of Group Risk and Compliance
- 2007 : Contract Executive, KH Alliance Quantity Surveyors Sdn Bhd

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

Puan Syahrezad 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

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
INCOME STATEMENT					
Revenue	282,331	499,415	553,532	370,724	322,342
EBITDA*	4,294	139,512	150,133	61,004	83,917
(Loss)/Profit Before Tax (PBT)	(75,607)	75,232	64,773	10,109	22,569
(Loss)/Profit After Tax (PAT)	(80,027)	70,586	52,722	13,076	15,941
(L)/PATAMI (attributable to enquiry holders)	(80,027)	70,586	52,722	13,076	15,941
BALANCE SHEET					
Total assets	877,060	835,967	676,366	630,007	551,188
Total shareholders' equity	347,161	443,235	407,954	387,328	387,090
Total liabilities	529,899	392,732	268,412	242,679	164,098
Total borrowings	189,151	92,207	25,529	36,860	32,837
Dividend/share (sen)	1.0	11.0	11.0	5.0	4.0
Share price at the end of each financial year (RM per share)	0.56	1.32	0.95	0.86	0.77
(Loss)/Earnings per share (sen)	(24.94)	21.99	16.43	4.07	4.97
Net assets/share (RM)	1.08	1.38	1.27	1.20	1.20
Total cash balances (RM Million)	127,615	188,108	224,973	184,824	143,050
Net gearing ratio (Net D/E)	0.18	(0.22)	(0.49)	(0.38)	(0.28)

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

CALENDAR OF EVENTS 2025



9 JANUARY 2025

PETRA Resources Sdn. Bhd. ("PRSB") supported recycling efforts through its participation in the 'EcoBrick Project', organised by Persatuan Peniaga Sekendhend dan Kitar Semula Miri.



3-5 FEBRUARY 2025

The 9th Fast Track Engineer ("FTE") programme in Miri. The FTE programme is a comprehensive one-year social impact initiative designed to provide fresh engineering graduates with exposure to various facets of the oil and gas industry through hands-on experience and mentorship from experienced teams. This programme represents an ongoing impact investment initiative.



8 FEBRUARY 2025

PETRA Energy's Miri team came together in solidarity to support communities affected by the floods, mobilising relief efforts to provide assistance to those in need.



17 FEBRUARY 2025

PETRA Energy received the Commemorative Award for the Banang Late Life Asset ("LLA") Production Sharing Contract ("PSC"), presented in conjunction with the launch of the Malaysia Bid Round 2025.

CALENDAR OF EVENTS 2025



23 FEBRUARY 2025

PETRA Energy's Miri team organised a beach clean-up at Bukit Lereng, coming together to care for the environment and to give back to the community.



27 FEBRUARY 2025

A Corporate Social Responsibility ("CSR") outreach to Program Pemulihan Dalam Komuniti ("PDK") Damansara Damia, a community rehabilitation centre dedicated to supporting special children on the autism spectrum from challenging backgrounds.

CALENDAR OF EVENTS 2025

Tan Sri Ahmad Nizam Formerly At Petronas, Appointed Petra Energy Chairman

Petra Energy has announced the appointment of Tan Sri Ahmad Nizam formerly from PETRONAS, as the group's new Chairman effective today.

His last posting was as Chairman of PHE and KLCCP Holdings Berhad after leaving PETRONAS.

3 MARCH 2025

Yang Berbahagia Tan Sri Ahmad Nizam bin Salleh appointed as PETRA Energy Chairman.



6 MARCH 2025

Majlis Berbuka Puasa was held Group-wide across all locations, sharing the blessings of Ramadan with children from challenging backgrounds.



21 APRIL 2025

PETRA Energy, together with industry partners, at the MoU handover ceremony with PETRONAS for the Skilled Trade Champion Programme, advancing the development of skilled talent for the energy sector.



17 MAY 2025

PETRA Energy's Miri team joined hands with the Miri City Council to organise a beach clean-up.



26 MAY 2025

PETRA Energy's 19th Annual General Meeting.

CALENDAR OF EVENTS 2025



5-6 JULY 2025

PETRA Energy participated in the Sarawak Career & Training ("SCaT") Fair in Kuching, engaging with job seekers and showcasing career opportunities within the company, in support of industry development initiatives.



22 JULY 2025

Courtesy visit to Malaysian Anti-Corruption Commission ("MACC")'s Community Education Division, Putrajaya to discuss the collaboration plan for 2025 & 2026.



26-30 JULY 2025

PETRA Energy at the Borneo Flora Festival 2025 in Labuan, showcasing the Group's sustainability initiatives and community engagement through interactive activities, including Environment, Social, and Governance ("ESG") talks on sustainability, renewable energy and conservation, a DIY Upcycling Workshop, and "A Pledge for Nature" to encourage eco-friendly practices.



12 AUGUST 2025

PETRA Energy and PETRONAS MPM visited the MMHE yard during the dry docking of the Mobile Offshore Production Unit ("MOPU") PETRA Orion.



23 AUGUST 2025

In conjunction with the Baram Regatta sponsorship, PETRA Energy engaged with Jabatan Daerah Marudi, upholding its commitment in supporting cultural heritage and communities.



9 SEPTEMBER 2025

Engagement session & operational visit by Dato' Anthony Bujang, Group Chief Executive Officer of PETRA Energy, to the MMHE Yard during the dry docking of PETRA Orion.

CALENDAR OF EVENTS 2025



9 SEPTEMBER 2025

ENEOS and PETRA Energy held a strategic Health, Safety, and Environment engagement at Kuala Lumpur, marking the successful completion of the ENEOS Xplora Malaysia Contractor HSE Audit at the B7 Miri Project Office and PETRA Yard 1 Labuan.



10 SEPTEMBER 2025

PETRA Energy signed a Strategic Collaboration Agreement with Schlumberger WTA (Malaysia) Sdn Bhd.

CALENDAR OF EVENTS 2025



19 SEPTEMBER 2025

SK433 Adong Kechil West Project CEO Forum, bringing together leaders from PETRA Energy and its business partners.



30 SEPTEMBER 2025

Encik Syamsul Hafzan, Project Manager representing PETRA Resources Sdn. Bhd. shared insights on "Return of Experience: May & July Turnarounds" at TotalEnergies Suppliers Day 2025. PETRA Resources Sdn. Bhd. was also recognised for the successful execution of the Jerun and B15 Platform Shutdown Campaign.



7 OCTOBER 2025

Educational visit to MACC Kuala Lumpur office.



8 OCTOBER 2025

An Integrity Pledge signing and panel session sharing held in collaboration with MACC, promoting ethical practices and open dialogue on integrity within the organisation at PETRA Energy's corporate office in Selangor.



25 OCTOBER 2025

PETRA Energy participated in *Lan Berambeh* 2025 at the Malaysia International Trade and Exhibition Centre ("MITEC"), connecting with Sarawakian students and the wider community while sharing career opportunities and supporting an event that fosters unity and community bonding.

CALENDAR OF EVENTS 2025



1-2 NOVEMBER 2025

PETRA Energy supported the Sarawak Regatta 2025 as a flagship CSR and social initiative to promote the preservation of culture and heritage.



7 NOVEMBER 2025

PRSB was recognised by PETRONAS Project and Technology HSE for the safe, LTI-free execution of HUC services under the Pan Malaysia Offshore MCM and HUC Services C3 Contract, covering the PC4 and M3 projects in FY2025.

CALENDAR OF EVENTS 2025



20-21 NOVEMBER 2025

The SK407 Integrated Workshop brought together the SK407 team, addressing operational needs and challenges while aligning with the aspirations of PETRA Energy's Leadership Team.



2 DECEMBER 2025

The Generative Culture ("GC") Sharing Session, held during the Generative Culture Beyond HSE Programme, enabled employees to share experiences and assess GC in daily operations. The session was followed by the Thrive @ Work Recognition 2025, celebrating employees who completed the employee well-being and lifestyle programme and supporting their wellbeing and growth.



6 DECEMBER 2025

Guided by the #PETRACares culture, our team-driven Christmas outreach to Pusat Pemulihan Dalam Komuniti ("PPDK") Eda Beran, Long Laput Baram longhouse reflects our commitment to local communities through meaningful engagement and shared moments.



8 DECEMBER 2025

Educational visit to the MACC Selangor office with Vendors.

CALENDAR OF EVENTS 2025



8 DECEMBER 2025

Stakeholder engagement with BOMBA at its headquarters in Putrajaya, in relation to project updates.



13 DECEMBER 2025

As part of its continuous commitment to sustainability, PETRA Energy organised a CSR initiative with Zoo Negara Malaysia, where employees volunteered to 'Green and Groom' Zoo Negara showing care for animal welfare and the environment.

CHAIRMAN'S STATEMENT

DEAR VALUED SHAREHOLDERS,

On behalf of the Board, I am pleased to present PETRA Energy Berhad's Annual Report for the financial year ended 31 December 2025.

The global energy landscape in 2025 was shaped by moderate demand growth, disciplined capital allocation and continued energy transition priorities, resulting in selective investment activities. Across Southeast Asia, evolving sustainability commitments and shifting portfolio strategies influenced project timing and development.

In Malaysia, upstream portfolio rationalisation and a growing focus on mature and late-life assets, together with evolving dynamics within the domestic energy landscape, have altered the operating environment, contributing to lower activity levels across offshore services, marine support and production-related activities. Despite a competitive and fragmented market, these structural shifts are creating opportunities for technically capable operators with proven execution.

PETRA Energy's performance during the year reflected these broader conditions, with lower vessel utilisation in the Marine Assets segment and reduced work orders in the Services segment, further impacted by the mandatory dry docking of our Mobile Offshore Production Unit ("MOPU"), causing a temporary suspension of production at the Banang field, offshore Terengganu.



CHAIRMAN'S STATEMENT

Defend, Excel and Grow Strategy



DEFEND

Strengthen and defend the Group's leadership position in brownfield services and offshore engineering, maintaining operational excellence and client trust.



EXCEL

Enhance operational efficiency, expand service offerings, and deepen technical capabilities to strengthen competitiveness and execution excellence.



GROW

Expand upstream operatorship and asset ownership, building a sustainable earnings base through strategic investment in mature and late life assets.

Notwithstanding these challenges, the Group remained resilient. In 2025, the Board, together with Management, established the Defend, Excel, and Grow strategy to guide PETRA Energy's transition pivoting towards upstream operatorship. This gained traction and was actualised, as evidenced by the recent award of the SK407 Field Operations Management Services Contract. This serves as a launching pad for the Group's expansion in operations and maintenance, anchoring its upstream aspirations, particularly in the mature and late-life asset space.

Additionally the resumption of production at the Banang field (April 2026), augurs well for the Group's earnings visibility.

As part of its Defend and Excel trajectory, the Group was recently awarded a major work order by PETRONAS Carigali Sdn Bhd for the provision of Hook up and commissioning services for the Bintulu Integrated Facilities ("BIF") Rejuvenation Project Phase 2, an onshore facility. This reinforces the Group's core capabilities in integrated brownfield services.

FINANCIAL PERFORMANCE

The Group's financial performance in 2025 reflected lower activity levels across the offshore oil and gas value chain. Revenue stood at RM282.3 million (2024: RM499.4 million), with a loss before tax of RM75.6 million (2024: profit of RM75.2 million) and a loss after tax of RM80.0 million (2024: profit of RM70.6 million).

Despite this, PETRA Energy maintained a strong balance sheet, with total assets of RM877.1 million. Liquidity remains healthy, supported by disciplined capital management.

For the financial year ended 31 December 2025, the Group declared a total dividend of one (1) sen per ordinary share (FY2024: 11 sen per ordinary share), reflecting a prudent approach to preserving financial flexibility while balancing shareholder returns given the Group's overall performance during the year.

While the financial performance in 2025 was affected by cyclical industry conditions, the Group made meaningful progress in strengthening its upstream capability, preserving financial resilience, and expanding its services segment to onshore scopes, marked by the recent award of the Hook-Up and Commissioning work orders for the BIF Rejuvenation Project.



HEALTH, SAFETY, SECURITY, AND ENVIRONMENT PERFORMANCE REVIEW

Health, Safety, Security, and Environment ("HSSE") remain a core priority across PETRA Energy's operations, underpinned by our Generative Health, Safety, and Environment ("HSE") culture journey and unwavering commitment to safeguarding our people, operations and the environment. In 2025, the Group recorded 2.97 million total manhours worked, with a Lost Time Injury Frequency ("LTIF")* of 0.33 and a Total Recordable Incident Rate ("TRIR")** of 0.6, reflecting our continued focus on proactive risk management and safe work practices.

Through ongoing leadership engagements, HSE programmes, and targeted training initiatives, we continue to strengthen our HSSE performance while embedding a culture of accountability and continuous improvement across the organisation. Complementing these efforts, the Group implemented a range of health programmes

throughout the year to support employee wellbeing and promote a safe and healthy workplace.

In early 2026, the Group elevated Safety to a core value, reaffirming its commitment to operating responsibly and protecting all those connected to our activities. Further details on the Group's occupational safety and health initiatives are set out in the Sustainability Report on pages 59 to 63 of this Annual Report.

OUTLOOK

The energy industry continues to operate amid heightened uncertainty, driven by evolving geopolitical dynamics, particularly in the Middle East, alongside ongoing price volatility and shifting investment cycles. These factors continue to influence market conditions, capital allocation decisions and the pace of upstream and services activities across the sector.

* LTIF measures the number of lost time injuries per one million manhours worked.

** TRIR is calculated as the total number of recordable work-related injuries multiplied by 200,000, divided by total manhours worked.

Our dual presence across energy services and upstream operations remains a key differentiator, enabling us to capture value across the asset lifecycle.

In this environment, resilience, agility, and disciplined execution remain critical. PETRA Energy's integrated capabilities and strong operational track record positions the Group to navigate near-term volatility while remaining responsive to emerging opportunities.

Our view is that while the global energy sector continues to undergo transition, oil and gas will remain an important component of the energy mix, particularly in supporting energy security and meeting sustained demand.

We are confident that PETRA Energy's established capabilities in mature and late-life assets provide a distinct advantage in extending field life, enhancing recovery, and delivering efficient value from existing resources.

The Group's upstream prospects continue to strengthen, underpinned by a clear focus on value creation. The SK407 Field Operations Management Services ("FOMS") scope offshore Miri positions PETRA Energy within a cluster of adjacent fields, enabling the Group to leverage potential opportunities through operational synergies and optimise asset performance. Continued progress at the SK433 block, onshore Miri further supports the development of a more stable and sustainable production and earnings base. This is further complemented by potential activities in the surrounding areas of the Banang field, offshore Terengganu, presenting additional avenues for integration and shared efficiencies across assets.

The Services segment remained focused on defending its core position while enhancing execution and expanding offerings. The Marine segment experienced lower utilisation, prompting cost optimisation and a strategic review to align with long-term priorities.

PETRA Energy is well positioned to benefit from the:

- Execution of deferred work programmes
- Sustained demand for brownfield services
- Resumption of upstream production

The Group will continue to:

- Strengthen its Services segment
- Scale integrated field operations and maintenance
- Grow its upstream business
- Optimise asset portfolio and capital allocation

ACKNOWLEDGEMENTS

On behalf of the Board, I extend our sincere appreciation to our shareholders, clients, partners and stakeholders for their continued trust and support.

I would also like to thank my fellow Board members for their guidance, stewardship and steadfast commitment throughout the year.

My appreciation also goes to our management team, employees, and crew for their dedication and professionalism in navigating a challenging year while strengthening our foundation for future growth.

The Board remains committed to advancing PETRA Energy as a sustainable energy company and delivering long-term value.

Thank you.

TAN SRI AHMAD NIZAM BIN SALLEH

Chairman

28 April 2026

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

OVERVIEW OF OUR BUSINESS AND OPERATIONS

PETRA Energy's business and operations remain anchored in disciplined execution, strong operational fundamentals and an unwavering commitment to safety. In a year characterised by evolving industry dynamics and low activity levels, we remained focused on preserving our core capabilities, maintaining operational readiness, and delivering reliably across our portfolio. This section provides an overview of our operational performance, key developments across segments, and the key considerations that shape how we manage and position the business for sustainable growth.

SEGMENTAL PERFORMANCE REVIEW

PETRA Energy's diversified business model, spanning Upstream, Services, and Marine Assets, enables the Group to participate across multiple stages of the offshore energy value chain. While activity levels were low during the year and in preparation to capitalise on opportunities when activity levels pick up, the Group continued to advance key operational priorities, support ongoing work programmes, and progress its upstream portfolio in line with its defend, excel, and grow strategy.

UPSTREAM SEGMENT

The Upstream segment represents PETRA Energy's expansion into upstream operatorship and asset participation, strengthening the Group's ability to generate sustainable long-term earnings while enhancing its presence across the upstream value chain. Through this segment, the Group undertakes field development, production activities, as well as operations and maintenance of upstream assets. This integrated positioning reinforces PETRA Energy's ability to deliver safe, efficient, and reliable operations, while extending the economic life of mature fields in a disciplined and sustainable manner.

This segment includes the Group's operatorship at:

- The Banang Late Life Asset Production Sharing Contract, offshore Terengganu
- The Adong Kechil West Petroleum Contract Block SK433, onshore Miri

For the financial year ended 31 December 2025, the Upstream segment recorded revenue of RM81.8 million and segment loss of RM44.2 million. This was primarily due to the mandatory dry docking of the Mobile Offshore Production Unit ("MOPU") resulting in to a temporary suspension of production at the Banang Field. At the time of writing, the MOPU at the Banang field has resumed operations. The asset is now back on stream and production has began since April 2026, marking a steady return to production and reaffirming the Group's ability to restore operations safely and efficiently in line with its operational plans.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Our Assets:

Jurisdiction	Malaysia	
Fiscal System	Production Sharing Contract	Petroleum Contract
License Name	Banang Late Life Asset	SK433
Fields	Banang Small Field, Offshore Terengganu	Adong Kechil West, Onshore Miri
License Tenure	2034	July 2050
Direct Interest	100%	50%
Operatorship	Operated	Operated
Asset Type	Production	Development Stage (Adong Kechil West)
Facilities /Infrastructure	<ul style="list-style-type: none"> • 1 Wellhead Support Structure ("WSS") • 1 Mobile Offshore Production Unit ("MOPU"), PETRA Orion • 1 Storage Tanker, Duta Pacific • 4 Wells 	<ul style="list-style-type: none"> • 2 Development Wells • Production Facilities under construction
Net Oil Reserves and Resources (MMbbl)	<ul style="list-style-type: none"> • 2P Reserves: 3.99 MMstb • 2C Resources: 2.17 MMstb 	<ul style="list-style-type: none"> • 2P Reserves: Oil 0.2 MMstb; Gas 64.31 Bscf • 2C Resources: <ul style="list-style-type: none"> - Oil 0.1 MMstb - Gas 0.23 Bscf

Segmental Operational Performance:

	Unit	Banang	SK433 Adong Kechil West
Average uptime <i>(From 1/1/2025 to non-production period)</i>	%	99.95	-
Average gross oil and condensate production <i>(From 1/1/2025 to non-production period)</i>	Bbl/day	1,054	-
Total oil & condensate sold during the year <i>(From 1/1/2025 to non-production period)</i>	Bbl	219,752	-
Total oil price sold per barrel	USD/bbl	83	-

Notes to Segment Operational Performance

1. 2P Reserves and 2C Resources are based on internal and external consultant estimates
2. Total Banang production in 2024, including pre LLA period, was 493,523 bbls
3. Total Banang production as at 23 April 2026 is 31,199 bbls (production resumed on 1 April 2026 from the previous shut down since 31 January 2025)
4. Figures are subject to rounding
5. Conversation rate of 6,000 standard cubic feet (scf) per boe

Legend:

bbl: Barrels
 Boe - bbl of oil equivalent
 Mscf - Thousand scf
 MMscf - Million scf
 MMstb: Million stock tank barrels
 Bscf: Billion standard cubic feet
 2P Reserves: Proven and probable oil reserves
 2C Resources: Best estimate contingent oil resources

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Key achievements in the segment are marked by the following highlights:

DEVELOPMENT PROGRESS FOR THE SK433 PROJECT

Strategic Contract Awards and Project Mobilisation

The Build, Own, and Operate ("BOO") contract was awarded, with the formal kick-off meeting held on 24 June 2025, marking the commencement of detailed project execution planning and collaboration. Fabrication works for key production facility components were also awarded in November 2025 and are progressing in line with the project schedule.

Civil Infrastructure Development

Following the award of the Civil Infrastructure contract, a kick-off meeting was held on 13 August 2025 to establish the framework for site development works, construction sequencing, and coordination protocols.

Regulatory Compliance and Environmental Management

Following the Environmental Impact Assessment ("EIA") approval in December 2024, PEDSB submitted the Environmental Management Plan ("EMP") to the Department of Environment Malaysia on 29 August 2025, which subsequently received formal approval on 3 October 2025, reinforcing the project's commitment to regulatory compliance and environmental stewardship.

Stakeholder Engagement and Inter-Agency Coordination

As part of the project's stakeholder engagement programme, a Townhall Briefing was conducted on 26 August 2025 with local Heads of Government Departments in Miri, providing updates on project scope, timelines, environmental safeguards, and anticipated socio-economic contributions.

This follows a series of engagements with local authorities and community that have been held since the start of the Project.

Commencement of Site Works

The project progressed into the early construction phase in November 2025 with the commencement of site clearing and civil works, marking a significant transition from planning and regulatory approvals into on-ground project implementation.

BANANG LIFE EXTENSION (BALIFEX) PROJECT

During the period the Banang project saw total production of 31,626bbl of oil as production was temporarily paused in January 2025 for the mandatory dry docking of the MOPU.



Key highlights during the period are as follows:

Project Overview and Operational Context

The BALIFEX Project was a key operational milestone for the Group in 2025, undertaken to support the mandatory drydocking of the MOPU PETRA Orion. The scope included WSS reinforcement, well suspension, MOPU detachment, and jack-down, enabling safe transition of the facilities following the temporary pause in production at Banang in January 2025.

Innovative Anchor-Wire Reinforcement System for Freestanding WSS

A rapid deployment anchor-wire reinforcement system was implemented to temporarily qualify the WSS as a freestanding structure. This underscores the Group's strength in delivering adaptive engineering solutions for complex, constrained environments enabling safe operational continuity while optimising costs.

Safe MOPU Jack-Down and Tow Operations

The reinforcement system enabled the safe jack-down of MOPU PETRA Orion in May 2025, allowing the unit to be detached and subsequently towed to the MMHE shipyard in Pasir Gudang, with safe arrival in June 2025 for scheduled drydocking works.

Operational Monitoring and Sustainability Measures

To ensure the WSS continued to operate safely as a freestanding structure during the maintenance period, solar-powered real-time well monitoring systems and navigation lights were installed. These measures support operational safety while aligning with the Group's sustainability initiatives.

Outstanding HSE Performance

The BALIFEX Phase 1 offshore execution campaign recorded outstanding Health, Safety, and Environment ("HSE") performance, achieving zero incidents, 176,244 safe manhours and 132 LTI-free days, reflecting strong safety culture and disciplined execution throughout the project.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

UPSTREAM SEGMENT IN CONCLUSION

The Group continues to strengthen its upstream technical, operational, and subsurface capabilities to support efficient field development, production optimisation, and asset lifecycle management. As a core pillar of PETRA Energy's long-term growth strategy, the Upstream segment drives portfolio expansion through operatorship and strategic participation in mature and late-life assets, while extending into operations and maintenance to deliver sustainable long-term value.

This integrated positioning reinforces PETRA Energy's ability to deliver safe, efficient, and reliable operations, while extending the economic life of mature fields in a disciplined and sustainable manner.

SERVICES SEGMENT

The Services segment remains the cornerstone of PETRA Energy's business, reflecting the Group's long-standing expertise in brownfield engineering, hook-up and commissioning, maintenance, construction and modification, and integrated project delivery. The segment continues to anchor the Group's operational presence, while supporting offshore production reliability and asset optimisation across the energy value chain.

For the financial year ended 31 December 2025, the Services segment recorded revenue of RM145.7 million (2024: RM268.5 million) and segment loss of RM18.4 million. Performance during the year reflected low activity levels and deferment of client work programmes. Notwithstanding this, the Group continued to execute ongoing contracts safely and efficiently while maintaining readiness to support future project execution.

During the year, the segment safely and successfully completed 20 projects, reflecting strong operational performance.

Key highlights within the Services segment are:

HUC work for SK408W for EPCIC of Jerun Development Project

During the year, the Group undertook Hook-Up and Commissioning works on the Central Processing Platform for the SK408W Jerun Development Project, that contributed to the successful achievement of first gas at the Jerun field.

The Jerun field is located in Block SK408W approximately 160 km offshore Sarawak. The Group also completed turnaround activities across the Jerun and B15 platforms, both under TotalEnergies EP Malaysia, between May and July 2025, delivering three turnarounds within a three-month period. All offshore works were completed ahead of schedule with zero safety incidents, reflecting strong execution capability, operational discipline and a steadfast commitment to safety.

Completion of the KSCCS (Kasawari Carbon Capture and Storage) bridge modification tie-in work

During the year, the Group completed the Campaign 2 KSCCS bridge modification tie-in works in support of the Kasawari CCS development, following mobilisation in June 2025. The campaign was completed with full demobilisation on 10 November 2025, spanning 150 offshore days and achieving 320,142 safe manhours. In parallel, execution readiness initiatives for the upcoming campaign ("C4") related to the same project was undertaken in preparation for the next phase in May 2026.

Turnaround works for Eneos Explora Helang Integrated Platform and Layang Wellhead Platform

During the year, the Group completed turnaround ("TA") activities across the Helang and Layang platforms between May and July 2025, covering multiple offshore assets. A major turnaround executed from 14 to 29 July 2025 included valve-to-flange ("V2F") modifications and spool replacement works, with hydrocarbon flow successfully resumed within the same month. This was followed by the successful commissioning of the V2F modifications in August 2025, completed one day ahead of schedule.

The Group was recognised as Best HSE Performance Contractor on 9 September 2025, reflecting its strong safety performance.

Industrial Services and Equipment Support

During the year, the Group continued to strengthen its industrial services and equipment support offering as a complementary extension of its core services segment. Focus remained on enhancing technical capabilities, improving service responsiveness, and supporting offshore operations through equipment refurbishment, industrial system supply, and targeted asset investments.

Key activities included the provision of maintenance, rental, and offshore support services for major clients. The Group also undertook the refurbishment and supply of critical offshore equipment, including watermakers, air compressors, and seawater systems.

This complementary offering reinforces the Group's ability to deliver integrated solutions across the value chain and support its broader growth within the energy sectors.

SERVICES SEGMENT IN CONCLUSION

The Services segment remains central to PETRA Energy's strategy, underpinning efforts to defend and strengthen our core business. Leveraging our technical expertise and established operational track record, the Group is well positioned to capture opportunities as offshore activity levels improve, while progressively expanding its service offerings across the broader energy sector, including into onshore scopes.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

MARINE ASSETS SEGMENT

The Marine Assets segment encompasses the Group's marine fleet operations, vessel management, and chartering services, which provide critical offshore logistics, accommodation, and production support for upstream and offshore operations. This segment plays an important role in supporting both PETRA Energy's upstream activities and client requirements, while contributing to the Group's integrated offshore capabilities.

The Group's marine fleet comprises of:

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

For the financial year ended 31 December 2025, the Marine Assets segment recorded revenue of RM154.9 million (2024: RM446.4 million) and segment loss of RM37.5 million. The segment's performance reflected lower vessel utilisation during the year due to low offshore activity levels and the mandatory dry docking of the MOPU.

Despite these challenges, the Group maintained strong operational discipline and continued to deliver marine support services safely and reliably. PETRA Marine recorded approximately 589,936 manhours without Lost Time Incident ("LTI") during the financial year (2024: 704,108 manhours), bringing cumulative manhours without LTI since February 2020 to approximately 3,954,476 manhours (2024: 3,358,540 manhours). This achievement underscores the Group's continued commitment to operational excellence, safety, and asset integrity.

Vessel utilisation averaged approximately 30% during the year reflecting low offshore activity levels and deferred client work programmes. Notwithstanding this, the Group maintained operational readiness across its fleet and ensured that vessels remained available to support client requirements and future deployments.

During the year, the Marine Assets segment supported PTTEP's operations through the provision of an Anchor Handling Tug Supply ("AHTS") vessel. PETRA Marine was awarded the contract on 26 November 2024 for the provision of one 60MT AHTS vessel to support PTTEP's operations in Sarawak. The contract has a primary duration of three years, with an option for an additional three years.

MARINE ASSETS SEGMENT IN CONCLUSION

Moving forward, the Group continues to assess its marine fleet capabilities and optimise utilisation levels, with a focus on rationalising assets where appropriate, including potential disposals and targeted renewals. This approach allows the Group to reduce costs associated with underutilised assets, including ongoing operational expenditure and future dry docking requirements, while strengthening its capital position.

Proceeds from any divestments are intended to enhance financial flexibility and support the gradual renewal of the fleet with more efficient and environmentally aligned vessels. While demand for certain marine assets has moderated during this transitional period, the Group remains actively positioned in the market and continues to see potential for future charter opportunities across its accommodation workboat, barges and AHTS vessels.

The Group remains disciplined yet optimistic in its outlook, ensuring that its marine fleet is right-sized, cost-efficient, and aligned with evolving market requirements.

SUSTAINABILITY AT PETRA ENERGY

Sustainability remains integral to how PETRA Energy operates and delivers value. Across our business, we continued to embed environmental, social, and governance ("ESG") considerations into our day-to-day activities from maintaining strong safety performance and operational controls, to advancing responsible environmental practices and strengthening governance standards in line with our ISO-certified systems. We remain focused on minimising our environmental footprint, supporting our people and communities, and upholding transparency and accountability, ensuring that as we grow, we do so responsibly and in a manner that is aligned with our long-term strategic priorities and the #PETRACares culture.

In Q2 2026, we will reassess our material ESG priorities to ensure continued alignment with our evolving role as a sustainable energy company.

HEALTH, SAFETY, SECURITY, AND ENVIRONMENT

Safety is a core value at PETRA Energy and is fundamental to how we deliver sustainable performance across our operations. Our Health, Safety, Security, and Environment ("HSSE") approach is anchored in strengthening a generative safety culture, deepening process safety discipline, and ensuring robust operational governance as we expand our operational scope. We continue to embed HSSE considerations into planning and execution, supported by capability development, consistent leadership engagement, and adherence to internationally recognised standards. In 2026, we will further extend these expectations across our value chain, working closely with contractors and partners to align on HSSE standards and drive consistent practices. This positions the Group to manage increasing operational complexity while safeguarding our people, assets, and the environment, and supporting our long-term strategic growth.

SUBSEQUENT EVENTS

Bintulu Integrated Facilities ("BIF") Rejuvenation Project Phase 2

At the time of writing, the Group has been awarded a major work order by PETRONAS Carigali Sdn Bhd for the Provision of HUC Services for the BIF Rejuvenation Project Phase 2, reflecting the Group's progression in expanding its services footprint into onshore energy infrastructure.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)



SK407 Field Operations Management Services Project

The Group was also awarded the Provision of Field Operations Management Services ("FOMS") for the SK407 PSC and Associated Facilities by Vestigo Petroleum Sdn Bhd for the period from 1 April 2026 to 31 March 2028. This follows the Operational Readiness Assurance ("ORA") scope accorded in October 2025 and marks a meaningful milestone in the Group's role in supporting upstream asset operations. Block SK407 is an offshore block located off Miri, Sarawak. The contract consist of five offshore fields; West Lutong, Baram, Tunku, Siwa, and Fairly Baram.

The award of the Field Operations Management Services FOMS for SK407 demonstrates the Group's Defend, Excel, and Grow strategy, marking a continued step forward in our journey and the Group's expanding role in upstream operations.

In this capacity, the Group is responsible for delivering safe, reliable, and efficient field operations across the asset portfolio. The Group's scope encompasses end-to-end operational execution, including production operations, maintenance activities, HSSE compliance, logistics coordination, and asset integrity management. This operating model leverages PETRA Energy's operational capabilities and local execution strength.

The Group is also currently participating in tenders for operations & maintenance of other offshore and onshore assets.

LOOKING AHEAD

As we move into 2026, the Group is seeing an improvement in activity levels, supported by the resumption of production at Banang and the execution of previously deferred work programmes. This momentum is further reinforced by recent contract wins, including the SK407 Field Operations Management Services scope and the BIF Rejuvenation Project Phase 2, strengthening earnings visibility and operational depth.



Amid heightened global uncertainty and geopolitical tensions reshaping the energy landscape, alongside rising costs across logistics and supply chains, PETRA Energy remains focused on ensuring operational readiness underpinned by strong governance and disciplined execution.

Proactive cost management and optimisation efforts remain ongoing, with a particular focus on the Marine Assets segment to enhance utilisation and overall efficiency.

Looking ahead, the Group will continue to prioritise operational stability and consistent delivery across its portfolio, while leveraging its integrated capabilities to capture opportunities as activity levels recover.

APPRECIATION

On behalf of the Management team, I would like to thank all our employees, clients, partners, and stakeholders for their continued trust and support. I would also like to acknowledge the Board for their guidance and stewardship throughout the year. Your confidence allows us to move forward with focus, discipline, and a clear sense of responsibility.

Thank you.

DATO' ANTHONY @ FIRDAUZ BIN BUJANG

Group Chief Executive Officer
PETRA Energy Berhad

#PETRACares

SUSTAINABILITY REPORT

Welcome to PETRA Energy Berhad's Sustainability Report 2025. 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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SUSTAINABILITY REPORT

BASIS OF THIS REPORT

This section presents PETRA Energy Berhad's sustainability disclosures for the financial year ended 31 December 2025 ("FY2025"), covering the period from 1 January 2025 to 31 December 2025.

It outlines the Group's ESG performance, and explains how we manage our material sustainability risks, priorities, and opportunities in a manner that supports long-term economic resilience, environmental stewardship, and social responsibility. Sustainability considerations are embedded within PETRA Energy's broader governance and operational framework, and are reported annually as part of the Annual Report.

This Sustainability section has been prepared in alignment with relevant national and international frameworks and regulatory guidance, including:

- Global Reporting Initiative ("GRI Standards 2021")
- Malaysian Code on Corporate Governance ("MCCG") 2021
- Bursa Malaysia's Sustainability Reporting Guide (3rd Edition)
- United Nations Global Compact ("UNGC") principles
- United Nations Sustainable Development Goals ("SDGs")
- National Sustainability Reporting Framework ("NSRF")

These references guide the scope, structure and disclosure approach adopted in this report.

REPORTING SCOPE AND DATA BOUNDARIES

Unless otherwise stated, references to "PETRA Energy" or "the Group" refer collectively to PETRA Energy Berhad and our operating subsidiaries within the reporting boundary for FY2025.

The information disclosed relates to the Group's operations during the financial year under review. Workforce, environmental, and governance metrics reflect data for the current reporting period unless explicitly indicated otherwise.

Data is compiled in accordance to relevant standards and protocols with limited assurance by independent 3rd party assurer, together with internal controls and processes to support reliability and consistency of disclosures.

This section may contain forward-looking statements reflecting management's current views and expectations. Such statements are subject to business, operational, and regulatory uncertainties, and should not be construed as guarantees of future performance.

RELIABILITY AND OVERSIGHT

Preparation of this Sustainability section forms part of the Group's annual reporting process. The content is reviewed by PETRA Energy's Sustainability Steering Committee and approved by the Board of Directors ("the Board").

To strengthen reporting integrity, Group Internal Audit conducted a review aimed at providing reasonable assurance over the processes and internal controls supporting the compilation of environmental, social, and governance data.

In addition, PETRA Energy has engaged an independent external assurer to provide limited assurance over selected sustainability disclosures in the prior reporting cycle, and continues to enhance the robustness of our reporting processes. The Group's management system certifications, including 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 Systems), further reinforce the reliability of the data and practices presented.

The Board acknowledges the contents of this Sustainability section and believes it presents a fair and factual account of the Group's sustainability performance for FY2025.

RESTATEMENT OF INFORMATION

Certain ESG data for the financial year ended FY2024 have been restated to reflect improved data collection processes and alignment with reporting metrics. The restatement do not materially affect the overall sustainability performance trends of the Group.












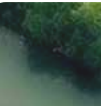




STAKEHOLDER FEEDBACK

PETRA Energy values constructive feedback from stakeholders as part of our continuous improvement process. Comments or enquiries regarding this Sustainability section may be directed to:

PETRA ENERGY BERHAD Sustainability Team

Suite 13.02, Level 13, Menara OBYU
4, Jalan PJU8/8A, Bandar Damansara Perdana
47820, Petaling Jaya, Selangor, Malaysia
e-mail: sustainability@penergy.com.my

SUSTAINABILITY HIGHLIGHTS

 <p>Bursa ESG rating 3-Star</p>		 <p>Economic value distributed RM315.6 million</p>	 <p>Breaches of customer privacy/losses of customer data Zero</p>
 <p>Fatalities Zero</p>	 <p>No. of beneficiaries of CSR 434 (increase)</p>	 <p>Significant oil spill Zero</p>	
 <p>GHG emission intensity 0.0803 (decrease)</p>	 <p>Regulatory non-compliance Zero</p>		
 <p>Total training hours 9,036 hours</p>	 <p>Leadership and Management anti-bribery training attendance 100%</p>	 <p>Spending on local suppliers 92% (increase)</p>	 <p>Energy consumption intensity 0.83 (decrease)</p>

OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The SDGs provide a global framework addressing economic development, environmental protection, and social progress. As an energy services and upstream operator, PETRA Energy contributes to selected SDGs that are most relevant to our operations, governance practices, and stakeholder engagements.

The Group's approach is guided by practicality and alignment to our core business activities. To this end, we focus on areas where our operational capabilities, workforce development initiatives, and governance systems enable measurable and responsible contribution.

The table below outlines how our sustainability pillars align with relevant SDGs throughout FY2025.

	 Environment	 Social	 Governance
	<p>PETRA Energy's Commitment</p> <p>We strive to reduce, manage, and mitigate our environmental footprint in terms of resource consumption, greenhouse gas emissions, and addressing climate change impacts.</p>	<p>PETRA Energy's Commitment</p> <p>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.</p>	<p>PETRA Energy's Commitment</p> <p>We remain committed to generating direct and indirect economic value through our business strategies and operations.</p>
Highlights and Achievements	<ul style="list-style-type: none"> Commence our reporting on Greenhouse Gas ("GHG") Emissions Scope 3 (Employee Commuting and Business Travel) Our headquarters is a certified Green Building Maintained ISO 14001 (Environmental Management System) certification Environmental Impact Assessment ("EIA") study and monitoring for the Development & Production segment 	<ul style="list-style-type: none"> Safe operations Group-wide Continued our commitment to the preservation of culture & heritage and developing communities Maintained ISO 45001 (Occupational Health and Safety Management System) certification Continued developing our competencies & skill sets and workforce diversity 	<ul 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 Maintained ISO 27001 (Information security Management system)
Relevant UNSDGs	  	    	 

SUSTAINABILITY ROADMAP & STRATEGIC PILLARS

Sustainability at PETRA Energy is not a standalone agenda. It is embedded within how the Group governs its business, manages risk, executes operations, and positions itself for long-term resilience. Our vision, to be a sustainable energy company, reflects our commitment to delivering operational excellence today while safeguarding the foundations for future growth.

FY2025 was shaped by lower overall industry activity, the dry-docking of our Mobile Offshore Production Unit ("MOPU"), and reduced utilisation within the Marine Assets segment. These conditions required disciplined cost management, mandatory careful capital allocation and heightened oversight of operational risks.

In such an environment, sustainability priorities centred on strengthening governance controls, preserving safety performance, maintaining regulatory compliance, and managing environmental impacts with precision.

To this end, our sustainability roadmap continues from the 14 material topics identified under our ESG framework. These topics guide how we prioritise resources, monitor risks, and align decision-making.

Sustainability Framework			
Sustainability Vision	TO BE SUSTAINABLE ENERGY COMPANY		
Sustainability Mission	Embracing Strong Corporate Governance	Nurturing and Cultivating the Growth of our People	Preserving the Environment
Sustainability Theme and Value Proposition	To consistently instil and practice good governance principles	To ensure the safety of our people, the community, and improve livelihoods	To foster strong environmental stewardship
14 Identified Material Topics	<ul style="list-style-type: none"> Economic Performance Procurement Practice Anti-Corruption Regulatory Compliance and Risk Management Data Privacy and Security 	<ul style="list-style-type: none"> Corporate Social Responsibility Occupational Health and Safety Training and Education Diversity and Equal Opportunity 	<ul style="list-style-type: none"> GHG Emissions Energy Management Water Consumption Waste Management Ecological Impacts/Biodiversity
Core Values	Safety	Integrity	Professionalism
	Commitment	Teamwork	

LOOKING AHEAD

As activity levels are expected to improve in 2026, our sustainability framework provides the governance structure and operational discipline necessary to support this.

Sustainability at PETRA Energy is therefore not defined by standalone initiatives, but by how effectively we integrate governance, safety, environmental stewardship, and risk management into daily operations. This integration strengthens resilience, protects long-term value, and positions the Group for sustainable growth.

OUR MATERIAL MATTERS

PETRA Energy’s sustainability priorities are guided by 14 material matters identified in 2022 and embedded within the Group’s Sustainability Framework. These matters reflect the environmental, social, and governance topics that are most significant to the Group’s operations and stakeholders.

In FY2025, sustainability data relating to these material matters was compiled and reviewed on a quarterly basis, with progress reported to the BSC. This structured reporting process supports consistent monitoring and enables timely oversight of performance across the Group.

The material matters remain relevant to our business model and operating environment. A reassessment will be undertaken should there be significant changes to the Group’s operations or external conditions. As at FY2025, no such trigger event has occurred.

OUR MATERIALITY PROCESS

The Group’s materiality framework was established through a structured process comprising:

Analysis and Identification

- Desktop research, peer benchmarking, and gap analysis of PETRA Energy’s Sustainability
- Review of industry standards and reporting frameworks, including GRI and SASB

Evaluation and Prioritisation

- Stakeholder engagement to assess the relative significance of identified topics
- Consideration of economic, environmental, and social impacts on the business
- Assessment of influence on stakeholder decisions and expectations

Consolidation and Validation

- Development of a preliminary materiality matrix
- Review and validation by senior leadership
- Finalisation of 14 material matters under the Group’s Sustainability Framework

OUR MATERIALITY OUTCOMES

Governance

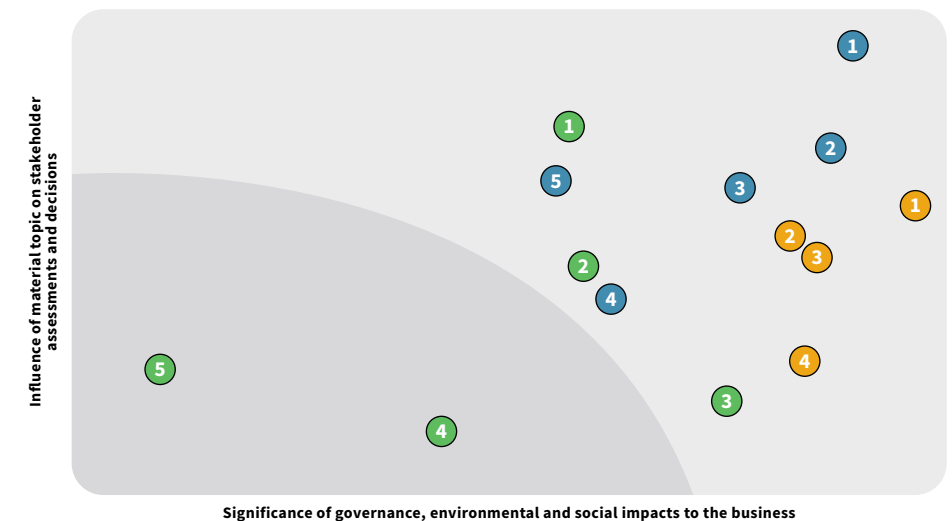
- 1 Anti-Corruption
- 2 Economic Performance
- 3 Regulatory Compliance and Risk Management
- 4 Procurement Practice
- 5 Data Privacy and Security

Social

- 1 Occupational Health & Safety
- 2 Diversity & Equal Opportunity
- 3 Corporate Social Responsibility
- 4 Training & Education

Environment

- 1 GHG Emission
- 2 Waste Management
- 3 Energy Management
- 4 Water Consumption
- 5 Biodiversity



The matrix reflects the relative importance of identified topics from both a business impact and stakeholder perspective. Governance and regulatory-related matters, including anti-corruption and economic performance, continue to rank highly, reflecting the Group’s operating context and risk profile.

SUSTAINABILITY REPORT OUR MATERIAL MATTERS

2025 MATERIAL MATTERS

The Group's sustainability initiatives are structured around three core pillars of Environment, Social, and Governance, and are guided by our values of Safety Integrity, Professionalism, Commitment, and Teamwork, together with the #PETRACares culture. This framework ensures that sustainability considerations remain embedded within operational decision-making and aligned with the Group's long-term strategic direction.



Environment

1 GHG Emissions

Managing the discharge of direct and indirect greenhouse gases 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

2 Waste Management

- Addressing PETRA Energy's management of hazardous and non-hazardous waste produced from our operations in terms of treatment, handling, disposal, and regulatory compliance
- Reducing the harmful effects of waste on the environment

3 Energy Management

- Addressing the environmental impact of energy consumption from sources such as diesel and electricity for the company's operations
- Managing energy efficiency and intensity, energy mix, and grid reliance

4 Water Consumption

- Covering the impact on water resources of the geographical locations the company operates in due to water usage, water consumption, and wastewater generation for operations
- PETRA Energy's management of water efficiency and wastewater treatment (if applicable)

5 Biodiversity

Managing the impacts of the company's operations on ecosystems and biodiversity to protect the local environment of the locations where they operate



Social

1 Occupational Health & Safety

Providing a safe and healthy work environment for employees and contractors by preventing incidents such as injuries, fatalities, and illness by careful planning operations to identify potential hazards and risks

2 Diversity & Equal Opportunity

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

3 Corporate Social Responsibility

Creating opportunities and working closely with communities to make a positive impact on these communities and areas of operations

4 Training & Education

- 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



Governance

1 Anti-Corruption

- 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

2 Economic Performance

Generating sustainable economic value and wealth for stakeholders while managing profitability, stakeholder wealth, profitability, revenue growth, and the company's balance sheet

3 Regulatory Compliance and Risk Management

- 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

4 Procurement Practice

Engaging with suppliers that behave economically, environmentally, and socially responsibly to maintain human rights and sustainability in the supply chain

5 Data Privacy and Security

Provision to safeguards on the Group data and systems in protection against external cyber threats

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

Maintaining constructive relationships with stakeholders is integral to PETRA Energy's operations and long-term resilience. As an offshore services and upstream operator, the Group engages regularly with stakeholders who influence, or are affected by, our activities.



Stakeholder engagement supports informed decision-making, strengthens operational discipline, and reinforces the Group's licence to operate. Engagement is conducted through structured and ongoing channels, enabling us to communicate strategic priorities, understand expectations, and respond appropriately to emerging issues.

Stakeholder feedback also informs the Group's materiality assessment, risk management approach, and sustainability priorities. A summary of key stakeholder groups, engagement channels, and matters discussed during FY2025 is set out below.

Employees

Methods of Engagement

- Employee induction programmes
- Performance appraisals
- Team-building sessions
- Management Health, Safety, and Environment ("HSE") visits
- Employee engagement initiatives
- Sustainability, Integrity and HSE Day
- Ongoing internal communication platforms

Matters Discussed

- Business goals and operational targets
- Transformation initiatives
- Core values and expected behaviours
- Health, Safety, Security, and Environment ("HSSE") plans and performance
- Generative culture initiatives
- ESG-related matters
- Management system certifications
- Staff performance and development

Customers

Methods of Engagement

- Industry events and exhibitions
- Face-to-face meetings
- Formal and informal updates
- Client HSE management visits

Matters Discussed

- Company activities and capabilities
- Operational performance
- HSSE standards and compliance

Investors and Shareholders

Methods of Engagement

- Annual Report
- Annual General Meeting
- Corporate website
- Bursa Announcement
- Quarterly financial announcements to Bursa Malaysia

Matters Discussed

- Financial and operational performance
- Company updates
- Strategic direction

Government and Regulatory Authorities

Methods of Engagement

- Meetings and engagements
- Audit and inspections

Matters Discussed

- Regulatory requirements
- Compliance updates
- Operational audits and plans

Communities and the Public

Methods of Engagement

- Industry exhibitions
- Career fairs
- Corporate Social Responsibility ("CSR") initiatives
- Community engagement programmes

Matters Discussed

- Company activities
- Recruitment opportunities
- Community initiatives

Financial Institutions

Methods of Engagement

- Annual Report
- Engagement with banking partners

Matters Discussed

- Company performance and updates

Vendors and Business Partners

Methods of Engagement

- Integrity and Anti-Bribery awareness sessions
- Meetings and ongoing collaboration

Matters Discussed

- Business objectives
- Corporate liability obligations under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act
- Operational challenges and expectations
- HSE Performance

Clear governance structures and defined responsibilities support PETRA Energy’s sustainability approach. In discharging our oversight role, the Board is supported by a structured sustainability governance framework comprising the Board Sustainability Committee (“BSC”), the Sustainability Steering Committee (“SSC”), and the Sustainability Working Committee (“SWC”).

The BSC provides focused oversight of material sustainability matters and reports to the Board on key developments and progress. The SSC, chaired by the Group Chief Executive Officer (“GCEO”), is responsible for driving sustainability strategy, reviewing performance during the reporting period, and ensuring alignment between sustainability priorities and business objectives. The SWC supports implementation at the operational level, facilitating coordination across functions, and ensuring that policies, processes, and reporting requirements are effectively embedded.

This governance structure enables timely escalation of material issues, structured monitoring of sustainability performance, and consistent communication between the Board, Senior Management, and operational teams. It also supports the Group’s ability to respond proportionately to evolving regulatory expectations and stakeholder requirements.

To remain informed of developments in the sustainability and regulatory landscape, members of the Board and Senior Management participate in relevant training and briefings organised by regulators and professional bodies. This ongoing engagement supports informed oversight and continuous enhancement of governance practices.



ROLE OF THE SUSTAINABILITY GOVERNANCE STRUCTURE

PETRA Energy’s sustainability governance framework is structured to provide clear oversight, defined accountability and effective implementation across the Group. Responsibilities are distributed across the Board and dedicated management committees to ensure that sustainability considerations are integrated into strategy, risk management, and operational decision-making.

BOARD OF DIRECTORS

Composition: Members of the Board of Directors

Role:

The Board retains ultimate accountability for sustainability matters across the Group. It exercises oversight over material ESG topics and ensures that sustainability considerations are appropriately integrated into corporate strategy, governance, and decision-making processes.

The Board also provides strategic guidance on the Company’s sustainability direction and reviews key sustainability developments and risks as part of its broader governance responsibilities.

Meeting Frequency: Quarterly

SUSTAINABILITY STEERING COMMITTEE

Composition: Chaired by the GCEO, comprising members of Senior Management

Role:

The SSC is responsible for driving the implementation of the Group’s sustainability strategy and ensuring alignment with the Group’s vision, mission, and long-term objectives.

The Committee reviews sustainability performance, evaluates policy developments, and regulatory requirements, and recommends sustainability-related strategies and disclosures to the Board. It also monitors stakeholder expectations and ensures that sustainability initiatives remain proportionate to the Group’s operational capacity and priorities.

Meeting Frequency: Quarterly

BOARD SUSTAINABILITY COMMITTEE

Composition: Chaired by an Independent Director, with a majority of Independent Non-Executive Directors

Role:

The BSC supports the Board in fulfilling its governance and oversight responsibilities in relation to sustainability-related laws, regulations, codes, and internal policies.

The Committee oversees the development and implementation of key sustainability frameworks, including anti-bribery and risk management systems, and reviews material ESG matters prior to escalation to the Board.

Meeting Frequency: Quarterly

SUSTAINABILITY WORKING COMMITTEE

Composition: Chaired by the CEOs and Heads of subsidiaries across the sustainability pillars, with the Head of Sustainability / Management Systems serving as secretary. Members include representatives from corporate functions and operating subsidiaries.

Role:

The SWC supports the execution of sustainability strategies at the operational level. It coordinates cross-functional implementation, monitors sustainability-related data and performance indicators, and tracks progress against agreed initiatives and targets.

Meeting Frequency: Half-yearly



OPERATIONAL SITES CERTIFICATION

Across our operational sites, PETRA Energy reinforces sustainability governance through the attainment and maintenance of internationally recognised management system certifications. These certifications provide a structured framework for quality, environmental stewardship, occupational safety, anti-bribery controls, and information security, and support consistent standards across the Group’s Marine Assets, project offices, and Petaling Jaya Headquarters.

The Group’s certified management systems are implemented across relevant entities and locations as follows:

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

These certifications reinforce the Group’s internal control environment and provide assurance that operational processes are aligned with recognised international standards. Regular internal and external audits support ongoing compliance and continuous improvement across the organisation.

In view of evolving regulatory expectations, particularly for oil and gas operators in Sarawak, the Group plans to pursue ISO 29001 (Quality Management System - Oil and Gas) certification in the upcoming reporting cycle. This initiative reflects PETRA Energy’s commitment to strengthening our operational governance framework and maintaining alignment with industry-specific requirements.



SUSTAINABILITY REPORT
GOVERNANCE



ECONOMIC PERFORMANCE

Sustainable economic performance underpins our ability to preserve operational capability, invest in strategic priorities, and deliver long-term value to shareholders. Financial discipline, prudent capital management, and transparency in reporting remain central to the Group's governance framework.

A summary of key economic performance indicators for FY2025 is set out below:

Disclosure Element	2023	2024	2025
Revenue Generated (RM million)	553.5	499.4	282.3
Economic Value Distributed (RM million)	491.3	445.4	315.6
Dividend Distributed (RM million)	35.3	35.3	3.2
Economic value retained/ (distributed) (RM million)	62.2	54.0	(33.3)

Further details on the Group's financial performance are presented in the Financial Statements section of this Annual Report.

The Group in a process of finalising a strategic plan for the next three-year cycle (FY2027–FY2029), providing a structured roadmap for performance improvement and capital discipline. These priorities are aligned with defined key performance indicators and monitored through Board-level oversight.

In anticipation of strengthened sustainability disclosure requirements for Group 2 issuers under Bursa Malaysia, together with the implementation of the NSRF effective 1 January 2027, the Group is progressing its assessment of IFRS S1 and IFRS S2 adoption. These efforts are being structured to ensure timely readiness and alignment with the relevant regulatory timelines.

To reinforce governance oversight, the Board of Directors has undertaken targeted training to enhance their capabilities in reviewing and guiding both financial and sustainability-related disclosures.

Through disciplined financial governance and transparent reporting practices, PETRA Energy continues to safeguard economic resilience while positioning the Group to navigate industry cycles responsibly.

SUSTAINABILITY REPORT
GOVERNANCE

PROCUREMENT PRACTICES

Responsible procurement practices are integral to PETRA Energy's governance framework and operational reliability. The Group manages procurement activities in accordance with our Procurement Management Manual, supported by defined procedures and internal controls. These processes are subject to periodic internal and external review to ensure compliance with contractual obligations, statutory requirements, and recognised industry standards.

The Group's procurement framework incorporates the principles of ISO 20400 (Sustainable Procurement), reinforcing responsible sourcing practices across the supply chain. Vendor selection and evaluation are conducted through structured assessment criteria to ensure alignment with PETRA Energy's operational, safety, and governance standards.

Key considerations in vendor selection include:

- Technical compliance and capability
- HSE performance
- Past performance and delivery track record
- Financial stability
- Local content participation and geographical proximity

Priority is given, where appropriate, to qualified local vendors and service providers. During the reporting period, approximately 91.77% of total procurement expenditure was incurred within Malaysia, reflecting the Group's continued support for local industry participation.



Top-Level Commitment

Leadership and employees reaffirmed their commitment to ethical conduct through integrity pledges and mandatory training programmes.



Risk Assessment

Periodic risk assessments were conducted across operating assets and corporate functions to identify and mitigate corruption-related risks.



Undertake Control Measures

Policies and procedures, particularly within Procurement and Human Resources, were reviewed and strengthened to maintain preventive safeguards.

In addition, we continue to strengthen local vendor capability through the implementation of our Vendor Development Programme ("VDP"), aimed at enhancing technical competencies and operational readiness among vendors in Sarawak, Sabah, and the Federal Territory of Labuan. Through disciplined procurement governance and responsible sourcing practices, we support supply chain integrity while contributing to local economic development and operational resilience.

ANTI-CORRUPTION

PETRA Energy maintains a zero-tolerance approach to bribery and unethical conduct. The Group's Anti-Bribery Management System, certified to ISO 37001 since 2021, forms a key component of our governance framework and internal control environment.

Oversight of anti-corruption matters is exercised through the BSC and supported by structured reporting to the Board. Implementation is coordinated across business units under defined roles and responsibilities, ensuring alignment with the Group's broader governance and risk management processes.

Our anti-bribery framework incorporates the TRUST principles issued by the Prime Minister's Department of Malaysia, aligned with Section 17A of the MACC Act 2009 (Amendment 2018). During FY2025, PETRA Energy's anti-corruption programme was implemented and monitored in accordance with these principles, encompassing:



Systematic Review and Enforcement

Internal audits and independent external audits were conducted to assess the effectiveness of existing controls.



Training and Communication

Mandatory integrity training was delivered to employees, complemented by engagement sessions with vendors and suppliers to reinforce compliance expectations.

SUSTAINABILITY REPORT GOVERNANCE

Throughout the year, we continued to strengthen integrity awareness through structured engagement initiatives, including collaboration with the MACC and Institut Integriti Malaysia. These initiatives included Board-level forums, employee awareness sessions, and role-based training programmes designed to reinforce accountability across operational and corporate functions.

Through structured governance, certification to ISO 37001 and ongoing oversight by the Board, we reinforce our commitment to ethical conduct, regulatory compliance, and supply chain integrity.

REGULATORY COMPLIANCE AND RISK MANAGEMENT

Operating within a regulated oil and gas environment requires structured risk management and disciplined compliance practices. PETRA Energy's risk management framework is embedded within our corporate governance structure and supported by defined oversight at Board and management levels.

The Board retains ultimate responsibility for risk governance and internal control. Risk matters are deliberated regularly at Board meetings, supported by the BSC and Management-led risk committees. The Group's Risk Management Framework operates in reference to recognised standards, including ISO-based guidelines, and is designed to identify, assess, and manage material risks within the Group's defined risk appetite.

A consolidated Group Risk Register is reviewed on a quarterly basis, enabling structured monitoring of key operational, financial, and project-related risks. Where material tenders or business ventures arise, dedicated risk workshops are conducted to evaluate potential exposures and mitigation measures, involving relevant functional departments such as legal, compliance, human capital, information technology, and HSE.

The Group's internal control environment supports regulatory compliance and operational reliability. Formalised Key policies and procedures are centrally maintained and certified under ISO 9001 and the Group is expanding the coverage with the adoption of ISO 29001 where applicable. Key governance tools include:

- Clearly defined Limits of Authority ("LOA") approved by the Board
- Integrated ERP systems to strengthen financial and procurement controls
- Structured budgeting and business planning processes
- Regular internal and external audits
- Independent oversight by the Audit Committee

In addition, physical safeguards, insurance coverage, and asset monitoring procedures are in place to protect the Group's assets and minimise operational disruptions.

The Board recognises that no system of internal control can eliminate risk entirely. Accordingly, our risk management and internal control systems are designed to provide reasonable, rather than absolute, assurance against material misstatement, loss, or failure to achieve business objectives.

Through structured oversight, defined accountability, and continuous monitoring, we maintain a disciplined approach to regulatory compliance and risk management, supporting long-term resilience and sustainable performance.

DATA PRIVACY AND SECURITY

Safeguarding information assets is fundamental to our governance framework and operational continuity. As the Group continues to modernise and digitalise our processes, effective management of cybersecurity and data protection risks remains a key priority.

We maintain certification to ISO/IEC 27001 (Information Security Management System), which provides a structured and systematic approach to protecting the confidentiality, integrity, and availability of information. This certification reinforces the Group's internal control environment and supports consistent monitoring of information security risks.

Increased reliance on digital systems and enterprise platforms enhances operational efficiency but also elevates exposure to cyber threats. Potential breaches could result in operational disruption, financial impact or reputational risk. Accordingly, PETRA implements preventive and detective controls, supported by periodic risk assessments and structured governance oversight.

Employee awareness remains a critical component of cybersecurity resilience. Periodic training and awareness programmes are conducted to ensure that staff remain informed of emerging threats, security updates, and best practices.

There were ZERO reported data privacy or cybersecurity incidents during the reporting period.

Through ISO 27001 certification, structured oversight, and continuous monitoring, we maintain disciplined information security practices to support operational reliability and stakeholder confidence.



SUSTAINABILITY REPORT

OUR PEOPLE AND COMMUNITIES



Social sustainability at PETRA Energy centres on how we protect our people, uphold fair workplace practices, and contribute meaningfully to the communities in which we operate. As an offshore and upstream services provider, our social responsibilities extend from maintaining safe working environments and nurturing employee capability, to sustaining trust with local stakeholders and partners.

In FY2025, the Group operated in low activity environment. During such periods, maintaining workforce engagement, safety discipline, and community support remained key priorities. Our approach focused on preserving organisational capability, reinforcing safe operating practices, and continuing structured community contributions aligned with our #PETRACares ethos.

The Social pillar is structured around four material topics:

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

Together, these areas guide how PETRA Energy manages workforce well-being, develops talent, strengthens inclusion, and delivers social value beyond operational boundaries. The following sections outline our performance and initiatives across each material matter, beginning with CSR.

CORPORATE SOCIAL RESPONSIBILITY

At PETRA Energy, CSR is guided by our core values of Integrity, Professionalism, Commitment, and Teamwork, and reinforced through our #PETRACares ethos. Our sponsorship and donations policy guides the causes we support and get involved in covering the elements of the under privileged in society, preserving culture and heritage, and education, this approach focuses on structured

SUSTAINABILITY REPORT OUR PEOPLE AND COMMUNITIES

community support that aligns with our broader Sustainability framework and social impact objectives.

In FY2025, PETRA Energy invested approximately RM1.12 million in donations and sponsorship initiatives, supporting 434 beneficiaries across education, welfare, cultural preservation, and community well-being. All contributions are governed by a formal Donation and Sponsorship Policy to ensure transparency, accountability, and alignment with strategic priorities.

Community Support and Welfare

PETRA Energy continues to support communities in the regions where we operate through financial contributions, volunteer efforts, and in-kind assistance. Priority is given to initiatives that uplift underserved groups and address essential needs.

In recognition of cultural diversity within our operating communities, PETRA Energy also spearheaded seasonal CSR initiatives during Gawai and Christmas festivities in Miri. These programmes provided essential school supplies and support to children from families facing socio-economic challenges.

Empowering Through Education and Talent Development

Education remains a cornerstone of PETRA Energy's long-term social impact. Our Fast Track Engineer ("FTE") programme, now in its 12th year, continues to develop graduates through structured placement in project management and engineering functions. To date, 118 graduates have been hired under the programme, with five new intakes in FY2025.

The programme reflects PETRA Energy's commitment to nurturing technical talent while creating opportunities for graduates from diverse and challenging backgrounds.

To further strengthen personal development across the organisation, PETRA Energy introduced a Toastmasters Club open to all employees. Conducted monthly, these sessions support communication skills, confidence-building, and constructive feedback culture across teams.

Employee Volunteerism and Community Engagement

Beyond financial contributions, PETRA Energy encourages employee participation in volunteer initiatives that support environmental and community causes.

Activities included post-flood clean-up efforts, beach cleaning, and environmental maintenance initiatives. These engagements reinforce PETRA Energy's commitment to active community participation beyond operational activities.

Preserving Culture, Arts and Heritage

PETRA Energy remains committed to preserving and celebrating cultural heritage in the communities we serve.

As part of this commitment, PETRA Energy proudly continues its sponsorship of the Sarawak Regatta, a historic event that celebrates Sarawak's rich traditions and community spirit. FY2025 marks PETRA Energy's 12th consecutive year of sponsorship, reflecting our sustained dedication to cultural preservation and regional engagement. In FY2025, saw PETRA Energy's inaugural sponsorship of the Baram Regatta in Marudi – the origin of where the Regatta began. To learn more about the history of the Regatta, please visit the 'Tok Sarawak' series on the PETRA Energy website at <https://www.petraenergy.com.my/toksarawak/>.



SUSTAINABILITY REPORT OUR PEOPLE AND COMMUNITIES

OCCUPATIONAL HEALTH AND SAFETY

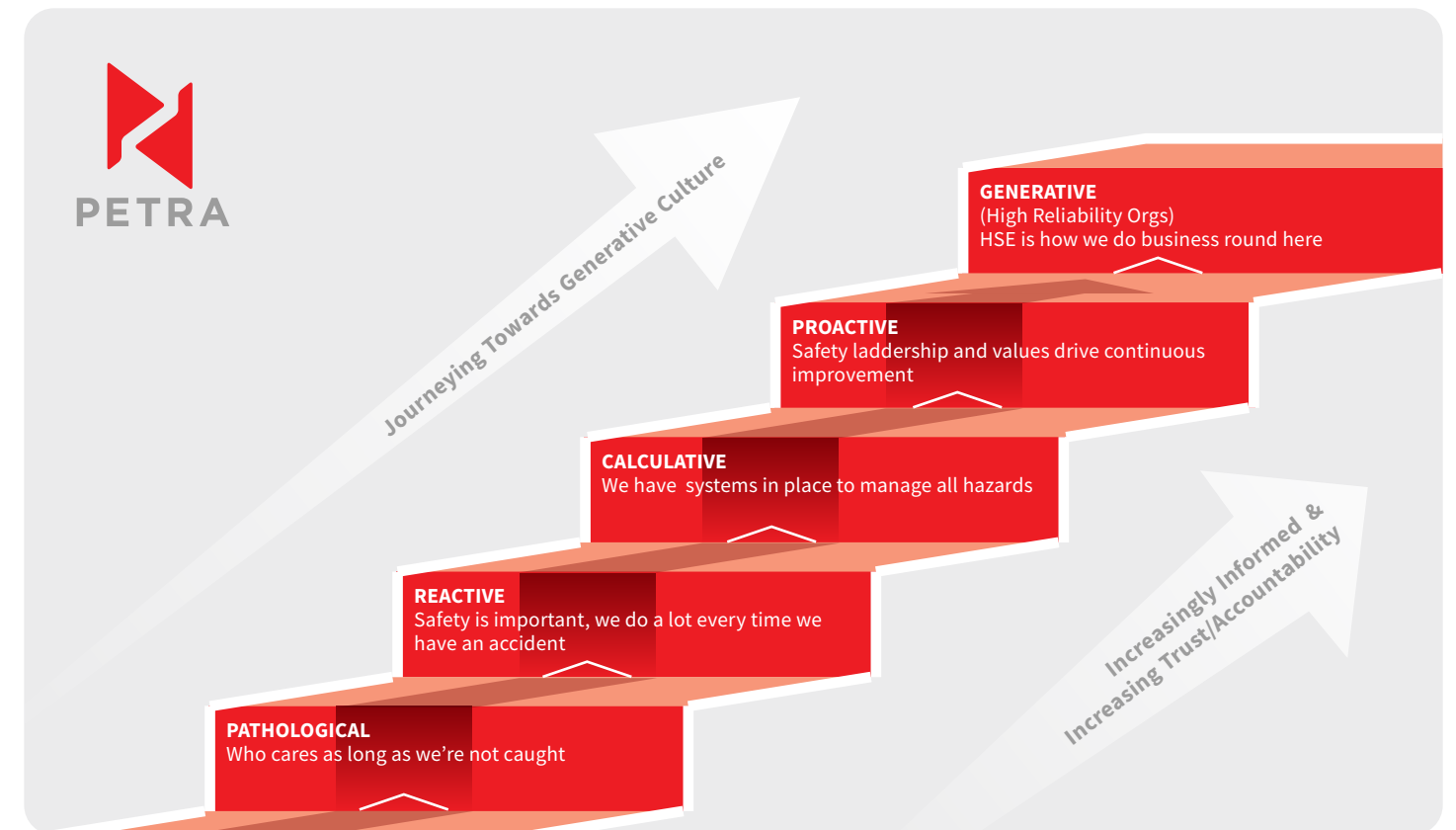
Safety remains a core operational priority at PETRA Energy. As an offshore and upstream services provider, disciplined OHS management is fundamental to maintaining operational continuity, protecting our workforce, and preserving stakeholder confidence.

PETRA Energy has been certified to ISO 45001:2018 (Occupational Health and Safety Management System) since 2021. Our Health, Safety, and Environment Management System ("HSEMS") applies across all operations and extends to employees, contractors, and service providers engaged in our activities.

In FY2025, we continued our commitment in strengthening workplace safety through sustained and enhanced initiatives building upon programs established in previous years.

Safety Culture and Strategic Focus

PETRA Energy remains committed to its Generative Culture journey, aligned with the Energy Institute framework. We continue fostering a safety mindset where everyone is encouraged to "Do the Right Things Right, even when No One is Watching."



Generative Safety Culture ("GC") Programmes to reinforce accountability and peer-to-peer intervention. These initiatives enable teams to reflect, contextualise new insights, and translate learning into practical applications within daily operations.

Learning from Incidents

During the reporting year, PETRA Energy strengthened its Learning from Incidents ("LFI") framework as part of our continued commitment to a Generative Culture and proactive risk management. One Lost Time Injury ("LTI") was recorded at the Kemaman Supply Base site. In response, a comprehensive investigation was conducted to identify immediate and underlying causes, followed by the implementation of enhanced procedural controls and corrective actions.

Lessons learned were systematically communicated across the organisation to reinforce shared accountability, strengthen preventive measures, and drive continual improvement in safety performance. This approach reflects our commitment that safety is not defined by milestones alone, but by the consistent actions we take every day to protect our people.



Safety Campaigns and Awareness

Campaign themes were developed based on risk profiling and operational exposure assessments. These campaigns represent part of a broader, risk-based safety engagement program implemented throughout the year.

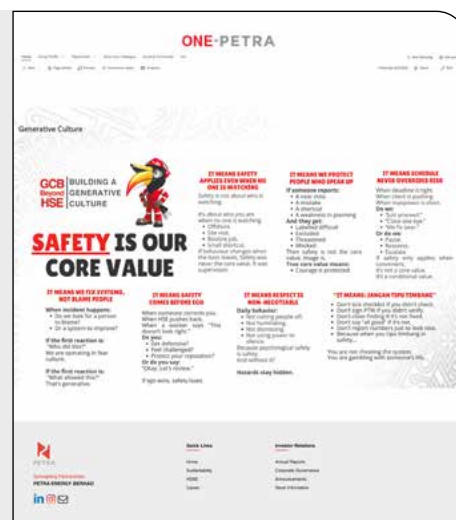
- Hand and Finger Injuries Prevention Campaign
- Effective Toolbox Awareness Program
- Working at Height Campaign
- Noise Conservation Campaign
- Chemical Handling and Management Campaign



Digitalisation of Safety Communication

Safety and health communications were consistently delivered throughout 2025 via structured Employee Information ("EI") channels. In November 2025, PETRA Energy further strengthened its communication platform with the launch of the PETRA Energy Portal, enhancing timely and transparent dissemination of critical safety information.

Communications covered high-risk activity campaigns, HSE performance updates, Generative Culture initiatives, Permit to Work ("PTW") system enhancements, and proactive reporting drives. This integrated communication framework strengthened workforce awareness, reinforced leadership visibility, and supported continual improvement across all operations.



Training and Competency Development Framework

In 2025, PETRA Energy recorded a total of 14,362 HSE training manhours, and continued to strengthen workforce capability through structured HSE training programmes covering regulatory compliance, technical competency, and high-risk activity management. These programmes ensure personnel are equipped with the necessary knowledge, skills, and certifications to perform their duties safely and responsibly.

The key types of training conducted include:

Regulatory & Design-Based Risk Management Training

Construction Design and Management ("CDM") Regulations 2024 Training

To enhance understanding of CDM principles, emphasising risk elimination and control at the design stage. This approach promotes safer project planning, reduces downstream operational risks, and embeds safety considerations into engineering and construction decisions.

Certified Environmental Professionals in Scrubber Operation ("CePSO") Training

Specialised environmental training was provided to ensure competent operation of scrubber systems, supporting regulatory compliance, and minimising environmental emissions impact.

Assistant Medical Review Officer (AMRO - UDAT) Training

AMRO training was conducted to ensure competent management of workplace drug and alcohol testing ("UDAT") programmes. The training strengthens oversight in reviewing test results, ensuring confidentiality, regulatory compliance, and fair assessment procedures.

High-Risk Activity & Operational Safety Training

Structured competency programmes were implemented for critical roles, ensuring personnel are adequately trained, assessed, and certified before performing high-risk activities. Refresher training and continuous assessment support sustained competency and regulatory compliance.

To manage operational hazards effectively, the following competency-based training programmes were implemented:

- **Working at Height Training** – Strengthening fall prevention knowledge and safe use of fall protection systems
- **Permit to Work (PTW) Training** – Reinforcing authorisation, hazard identification, and control measures for high-risk activities
- **Respirator Fit-Test Training** – Ensuring proper selection and effective use of respiratory protective equipment
- **H₂S (OPITO) Basic Awareness Training** – Equipping personnel with awareness of hydrogen sulphide hazards and emergency response requirements

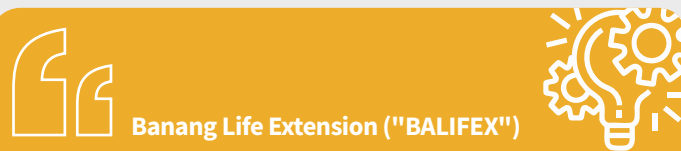




Foundational Safety Awareness

HSE Induction for New Joiners:

All new personnel undergo mandatory HSE induction to ensure understanding of company safety policies, risk management processes, emergency procedures, and behavioral safety expectations before commencing work.



Banang Life Extension ("BALIFEX")

The BALIFEX Phase 1 offshore campaign serves as a demonstration of PETRA Energy's structured OHS execution. The project, initiated as part of the mandatory dry-docking maintenance of MOPU PETRA Orion, involved several high-risk activities including WSS, well suspension, MOPU detachment, and jack-down operations under controlled risk management conditions.

The campaign achieved:

Zero incidents **176,244 safe manhours** **132 LTI-free days**

These outcomes reflect disciplined planning, hazard identification, and implementation of Construction Risk Assessments ("CAR") in collaboration with vendors, given the complexity of simultaneous offshore lifting, structural modification, and marine operations.

Key controls implemented included:

- HSE Case execution
- Journey Management Programme
- Regular emergency drills and exercises
- PTW / JHA / LSR implementation
- Weekly inspections and audits
- Well Management inspection visits
- Monthly QHSE meetings and HSE performance dashboards

A purpose-built reinforcement system enabled safe certification of the WSS as a temporary freestanding structure, supporting the safe jack-down and tow operations to MMHE shipyard.

BALIFEX demonstrates PETRA Energy's capability to execute complex offshore activities while maintaining strong HSE discipline and regulatory alignment.

SK433 (Design & Construction)

In 2025, SK433 Adong Kechil West ("AKW") Phase 2 Development achieved 131,086 man-hours without a LTI. No recordable cases, occupational illnesses, property damage, or environmental spills were reported, reflecting disciplined execution during the project's design and early construction phases.

Risk management was embedded from the outset. Structured safety studies including HAZID, HAZOP, LOPA, and SIL assessments were conducted to ensure risks were identified and reduced to ALARP prior to construction mobilisation. Proactive hazard reporting strengthened throughout the year, demonstrating active workforce engagement in early risk detection.

Construction readiness was supported by structured competency verification, mandatory training completion, and CIDB compliance prior to site execution. Regulatory inspections by Department of Environment ("DEO") and Department of Occupational Safety and Health ("DOSH") recorded zero non-compliance findings.

Overall, SK433 maintained strong OSH governance, proactive risk management, and regulatory alignment during its transition from design to construction phase, establishing a solid safety foundation for continued development.

Kasawari CCS Project

In 2025, the Kasawari CCS Project achieved 1,000,000 man-hours without a LTI, demonstrating strong safety leadership, disciplined execution, and effective risk management. The offshore phase, conducted from June to October 2025, was completed under stringent safety controls and approved work procedures, ensuring high-risk activities were managed responsibly.

Leadership engagement remained a priority, with a Leadership Listening Tour held in September 2025 to reinforce safety expectations and strengthen workforce alignment. One First Aid Case was recorded during the year and was promptly managed with corrective actions implemented.

Overall, the project's safety performance reflects a sustained commitment to operational excellence and continuous improvement, providing a strong foundation for subsequent phases.

ENEOS Xplora – HSE Recognition (B7 Project)

In October 2025, PETRA Resources Sdn Bhd ("PRSB") received special recognition from ENEOS Xplora Malaysia Limited during the SK10 2025 Turnaround Lesson Learnt & Appreciation Dinner. The recognition was

awarded in acknowledgement of PRSB's exceptional performance in safety and quality throughout the SK10 Turnaround Campaign 2025, which was successfully completed without injury.

This follows an earlier milestone in September 2025, where PRSB was presented with the HSE Acknowledgement Award for the B7 Project during the ENEOS Xplora-PETRA Strategic HSE Engagement session in Kuala Lumpur. The award recognised PETRA Energy's consistent commitment to safe and impactful work execution, strengthened health screening practices, and proactive HSE leadership.

These recognitions reflect the discipline, ownership, and teamwork demonstrated across all levels of the organisation. They reaffirm PETRA Energy's Generative HSE Culture, where safety and quality are embedded in planning, decision-making, and execution. The achievements serve as strong validation of PETRA Energy's capability to deliver operational excellence while maintaining high safety standards and client confidence.

LOOKING AHEAD

The operational focus moving forward will centre on key projects including Phase 2 of BALIFEX, resume production at the Banang field, SK433 commissioning of new facilities, SK407 (in preparation for the 2026 contract), as well as PRSB's HUC/MCM contracts across various clients, both onshore and offshore.

A key priority is to bring GC to life by operationalising the Generative Culture Behavior ("GCB") and Human Performance Improvement ("HPI") across all projects. This includes conducting Train-the-Trainer ("TTT") programmes for GCB leaders, delivering Effective Toolbox Meeting, ETB and HPI training sessions, and organising Generative Culture workshops for new team members, particularly the SK407 team. A Culture Maturity Survey is targeted to be completed by end of 2026 to assess progress and identify further improvement opportunities.

Our focus remains on strengthening OSH culture, embedding ESG principles into daily operational practices, and advancing towards our long-term vision of zero incidents supported by a fully engaged workforce.

Through these sustained initiatives, PETRA Energy reaffirms its commitment to safeguarding the health, safety, and well-being of employees, contractors, and stakeholders while driving operational excellence across all projects.

Management and Regulator Visit:



Leadership Team Visit to PETRA Yard

Strengthens governance through active leadership oversight, direct engagement with the workforce, and reinforcement of ethical conduct, safety commitment, and operational accountability, ensuring alignment between management direction, company values, and on-site execution.



DOSH Inspection at PETRA Yard

Demonstrates strong governance and regulatory compliance through engagement with the DOSH, ensuring adherence to occupational safety and health regulations, effective risk management, and continuous improvement in workplace safety standards.



DOSH Engagement on Noise Management

Supports employee health and well-being by reviewing the effectiveness of noise control measures with regulatory authorities, ensuring adequate protection against occupational noise exposure risks.

TRAINING AND EDUCATION

Developing a capable and adaptable workforce remains central to PETRA Energy's long-term sustainability and operational resilience. In FY2025, amid a measured activity environment, the Group prioritised maintaining workforce capability, strengthening compliance readiness, and supporting continuous learning across functions.

Our training and development framework integrates:

- Annual performance reviews
- Talent mapping and succession planning
- Structured competency assessments
- Internal and external formal training programmes

This approach ensures that employee development aligns with business requirements, operational risks, and future growth ambitions.

Training Structure

During the reporting period, employees participated in five key categories of training:



E-Learning and Digital Learning



Soft Skills Development



Management System Training



Technical Skills Training



Mandatory Offshore Training

Training Performance

The average formal training hours per employee in FY2025 was 14 manhours, inclusive of in-house awareness programmes and structured sessions.

All permanent employees and contract staff (excluding offshore-going construction personnel) underwent regular performance reviews during the reporting period. These discussions provide structured feedback on performance, identify development needs, and clarify potential career pathways.

DIVERSITY, EQUAL OPPORTUNITY AND HUMAN RIGHTS

PETRA Energy is committed to fostering a workplace where all employees are treated with dignity, fairness, and respect. Our approach to diversity and equal opportunity is embedded within our Code of Conduct, employment policies, and governance framework.

We maintain a zero-tolerance stance against:

- Workplace discrimination
- Harassment
- Gender-based bias
- Any unfair treatment based on race, religion, age, nationality, disability, or other protected characteristics

These principles apply across all employment practices, including recruitment, placement, promotion, compensation, training, and termination.

Workforce Inclusion and Equal Opportunity

Recognising that the oil and gas industry has historically been male-dominated, particularly in offshore operations, PETRA Energy continues to promote equal access to career opportunities and fair remuneration practices.

We do not discriminate in hiring, promotion, or remuneration decisions and regularly review compensation structures to ensure market competitiveness and internal equity. The Group validates pay structures through industry benchmarking and internal reviews, including assessment of pay parity.

For more information on our Board composition and leadership diversity, please refer to pages 10 to 16.

Fair Compensation and Workforce Stability

PETRA Energy's compensation and benefits framework is designed to attract and retain skilled personnel while ensuring equitable treatment across the organisation.

The annual compensation ratio reflects improved workforce remuneration during the reporting period. Performance reviews are conducted regularly to ensure transparency in career progression and development pathways.

For more information on our employee compensation packages, please refer to page 71.

Human Rights and Labour Standards

Human rights considerations are integrated into PETRA Energy's operational and governance practices.

Our Human Rights framework is guided by:

- The Malaysian Employment Act 1955 and relevant labour legislation
- International Labour Organisation ("ILO") principles
- The Universal Declaration of Human Rights
- The UN Global Compact Principles

PETRA Energy explicitly prohibits:

- Child labour
- Forced labour
- Workplace harassment
- Discriminatory employment practices

Our policies also address issues relating to indigenous rights, security practices, and supply chain conduct. During the reporting period, PETRA formalised a Workplace Human Rights Policy, reinforcing our commitment to identifying, preventing, and mitigating potential human rights risks across operations and contractor engagements.



ENVIRONMENTAL MANAGEMENT



Environmental stewardship at PETRA Energy is closely linked to how we operate, manage assets and execute projects across offshore and upstream environments. As an oil and gas services provider, our environmental responsibilities are defined by disciplined operational control, regulatory compliance, and continuous monitoring of environmental impacts.

During the year, the Group operated in a lower activity environment, and while this influenced overall operational output, our environmental management approach remained consistent. We continued to maintain structured monitoring of environmental impacts, ensured timely regulatory submissions, and upheld the standards embedded within our ISO 14001-certified Environmental Management System.

In line with this, our approach to environmental sustainability is structured around five material topics:

- **Greenhouse Gas (“GHG”) Emissions**
- **Energy Management**
- **Water Consumption**
- **Waste Management**
- **Biodiversity**

These topics guide how we assess environmental risk, allocate resources, and maintain transparency in our reporting. Environmental considerations are integrated into project planning, maintenance cycles, and operational decision-making to ensure that risk is managed proportionately and responsibly.

In 2025, our focus was on maintaining environmental discipline during a period of operational adjustment while preparing for the resumption of activity in 2026. This includes strengthening GHG data management processes, enhancing waste segregation practices during maintenance activities, and continuing structured engagement with regulators and industry platforms.

SUSTAINABILITY REPORT ENVIRONMENTAL MANAGEMENT

GREENHOUSE GAS EMISSIONS

PETRA Energy supports Malaysia’s aspiration towards Net Zero by 2050 and recognises that transparent carbon management is increasingly central to regulatory expectations and stakeholder confidence. As an offshore and upstream services provider, our emissions profile is closely linked to asset utilisation, production activities, and marine operations.

We have consistently reported Scope 1 and Scope 2 emissions since 2022 and expanded disclosure to selected Scope 3 categories to enhance transparency. Emissions are calculated in accordance with internationally recognised standards, including:

- The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (Revised Edition 2004)
- GHG Protocol Scope 2 Guidance (2015)
- Corporate Value Chain (Scope 3) Standard (2011)
- Conversion factors are based on the UK Government GHG Conversion Factors for Company Reporting (2025), unless otherwise stated.

EMISSIONS PERFORMANCE

Emission	Unit	2023	2024	2025
Scope 1 and 2 Emissions	tCO ₂ e	31,466	50,806	22,672
GHG Intensity (GHG Emissions / Total Revenue)	kgCO ₂ e/ RM	0.057	0.1017	0.0803
Scope 3 (Business Travel)	tCO ₂ e	N/A	719	739
Scope 3 (Employee Commuting)	tCO ₂ e	N/A	683	634

In FY2025, total Scope 1 and Scope 2 emissions decreased by more than 55%, to 22,672 tCO₂e, compared to 50,806 tCO₂e in 2024.

- This reduction was primarily driven by operational factors, including:
- A temporary stop in production activities effective 30 January 2025 for Banang operations
 - Mandatory dry-docking of PETRA Orion since June 2025
 - Lower vessel utilisation during the reporting period

The decrease therefore reflects reduced operational intensity rather than structural decarbonisation measures.

Scope 2 emissions declined by approximately 20% year-on-year, largely due to lower electricity consumption and consolidation of premises in line with project requirements. Emissions were calculated using the Grid Emission Factor (“GEF”) issued by the Energy Commission of Malaysia (November 2024).

SCOPE 3 EMISSIONS

For Scope 3 emissions:

- Business travel recorded a marginal increase, driven by tender activities and potential expansion initiatives requiring site visits and client engagements.
- Employee commuting emissions were extrapolated from prior-year data, as workforce changes remained within a 10% threshold.

The inclusion of these Scope 3 categories reflects PETRA Energy’s gradual enhancement of disclosure breadth in line with evolving sustainability reporting expectations.

GOVERNANCE AND REGULATORY ALIGNMENT

In support of strengthening transparency and comparability of climate-related disclosures, PETRA Energy maintains a structured GHG data management and reporting process. This is a key element of our strategy and support to drive carbon reduction and advance our net-zero commitments.

PETRA Energy adopts a structured approach to managing and reporting its GHG emissions. Our emissions data are:

- Compiled on a quarterly basis to ensure accuracy, completeness, and consistency in line with recognised reporting practices. Data has been assured and guided by independent 3rd party assurer since 2024.
- Submitted monthly to Malaysia Petroleum Management (“MPM”) for Scope 1 emissions, demonstrating our alignment with national reporting requirements.
- Reported annually to PETRONAS under the Oil & Gas Methane Partnership 2.0 (“OGMP 2.0”) framework, reflecting our commitment to enhanced methane transparency reporting, monitoring, and continuous tracking in identifying improvement in emission management for operations at Banang field.
- To be submitted to the Natural Resources and Environment Board (“NREB”) for both Scope 1 and Scope 2 emissions, in accordance with the Sarawak Reduction of GHG Emissions Ordinance, once SK433 commences production.

PETRA Energy also participates in sustainability-focused industry platforms facilitated by the Malaysia Petroleum Resources Corporation (“MPRC”). PETRA Energy is also a member of the Joint Social Performance working Group, an initiative by PETRONAS MPM.

SUSTAINABILITY REPORT ENVIRONMENTAL MANAGEMENT

ENERGY MANAGEMENT

Energy consumption at PETRA Energy is primarily driven by offshore operations, marine vessel utilisation, and supporting onshore facilities. As such, energy use fluctuates in line with operational intensity and asset deployment.

Most of the Group's energy consumption is derived from non-renewable fuel sources used in marine and offshore activities, followed by purchased electricity. Renewable energy contribution remains limited within the current operational profile.

We are evaluating the future adoption of ISO 50001 (Energy Management System) as part of strengthening structured energy monitoring and performance management processes.

Energy Performance

Energy type	Unit	2023	2024	2025
Non-renewable fuel/source	MJ	481,009,868	358,054,363	276,271,404
Renewable source	MJ		87,091	69,235
Electricity purchase	MJ		2,881,624	1,182,645
Total Energy Consumption	MJ	481,009,868	361,023,078	277,523,284
Energy Intensity (Energy used/ Total Revenue)	MJ/RM	0.83	0.72	0.983

Total energy consumption in FY2025 decreased by approximately 23%, to 277,523,284 MJ, compared to 361,023,078 MJ in 2024.

The reduction reflects lower operational activity levels and consolidation of premises during the reporting period. As with GHG emissions, this change was largely operationally driven rather than the result of structural efficiency initiatives.

Energy intensity (energy used per total revenue) improved to 0.983 MJ/RM in 2025 from 0.72 MJ/RM in 2024 due to overall lower project activities.

The Group continues to monitor energy use across assets and facilities to identify opportunities for optimisation, particularly as activity levels are expected to increase in the upcoming reporting period.

WATER CONSUMPTION

Water is an operational resource required to support offshore and marine activities. At PETRA Energy, water usage is primarily linked to:

Portable water supply for marine vessels

Fabrication works at yards

Water consumption therefore in line with asset deployment and vessel utilisation.

Water Consumption Across the Group

Energy type	Unit	2023	2024	2025
Water Consumption	m ³	90,062	103,127	64,503

Total water consumption in FY2025 was 64,503 m³, compared to 103,127 m³ in 2024. The increase/decrease was primarily attributable to completion of drilling activities at SK433 site end 2024 and low vessel utilisations.

To reduce reliance on processed water, the Group continues to optimise the utilisation of existing rainwater harvesting systems at fabrication yards and selected site offices. These measures support responsible resource use without compromising operational requirements.

Water consumption will continue to be monitored as activity levels evolve, particularly with anticipated operational changes in the next reporting cycle.

SUSTAINABILITY REPORT ENVIRONMENTAL MANAGEMENT

WASTE MANAGEMENT

Waste generation at PETRA Energy is primarily linked to offshore maintenance activities, marine vessel servicing, and drilling operations. As such, waste volumes fluctuate depending on project cycles, asset maintenance requirements, and operational intensity.

The Group applies a structured waste management approach that prioritises:

- Waste avoidance where feasible
- Segregation at source
- Reduction, reuse or recovery where practicable
- Safe handling, transportation, and disposal in accordance with regulatory requirements

All waste streams are identified, characterised, and tracked from generation to final disposal to minimise environmental and operational risks.

Energy type	Unit	2023	2024	2025
Schedule waste	tonnes	133	305	83
Domestic waste	tonnes	44	213	110

In FY2025, total waste generation increased compared to the previous year, primarily due to:

- Lower activities for marine vessels
- Lower offshore maintenance projects
- Completion of drilling activities at SK433 site

During the year, the fabrication yard team implemented enhanced material segregation for blasting operations. Where base material consisted of raw metal, blasting waste could be reclassified and disposed of as domestic waste, subject to approval from local authorities. This process improvement reduced the volume of waste categorised as scheduled waste while increasing reported domestic waste volumes.

The Group continues to strengthen waste segregation practices and regulatory compliance across sites. Waste management remains closely integrated with maintenance planning and offshore execution controls to ensure environmental risk is proportionately managed.

Waste volumes are expected to vary with activity levels in future reporting cycles, particularly as operational intensity increases.

BIODIVERSITY

As part of our environmental risk management framework, PETRA Energy integrates biodiversity considerations into project planning and operational decision-making from the earliest stages of development. This approach ensures that potential impacts on ecosystems, habitats, and surrounding communities are identified and managed proportionately.

For major projects, environmental and social impact assessments ("ESIAs") are conducted to evaluate biodiversity-related risks. These assessments include:

- Biodiversity and cultural heritage baselines
- Screening against the International Union for Conservation of Nature ("IUCN") Red List
- Review of national and regional threatened species listings

Currently, PETRA Energy does not operate in areas classified as significantly high biodiversity value or protected habitat zones. Our offices are located within developed urban or industrial areas, and our operational facilities are situated in designated industrial or approved offshore zones. Based on current assessments, our activities do not directly impact species listed on the IUCN Red List or national conservation lists.



Project-Level Environmental Controls at SK433

The SK433 project demonstrates PETRA Energy's structured approach to environmental assessment and biodiversity risk management.

Key measures implemented included:

- Development and approval of EIA, Environmental Management Plan ("EMP") and Environmental Monitoring Reports ("EMR")
- Execution of structured environmental monitoring throughout project phases
- Controlled management of scheduled and drilling waste
- Implementation of clean air management measures in accordance with the Environmental Quality (Clean Air) Regulations 2014
- Facilitation of regular authority inspections and engagement to ensure regulatory compliance

These controls ensured that biodiversity and environmental risks were actively monitored, documented, and managed throughout the project lifecycle.



SUSTAINABILITY PERFORMANCE DATA 2025

AS AT 31ST DECEMBER 2025

SUSTAINABILITY PERFORMANCE DATA 2025

Indicator Measurement Unit	Unit	2025	2024	2023
Governance				
Economic Performance				
Revenue generated	RM Million	282.33	499.40	553.50
Economic value distributed	RM Million	315.60	445.40	491.30
Dividend distributed	RM Million	3.21	35.30	35.30
Economic value retained/(distributed)	RM Million	(33.3)	54.00	62.20
Procurement Practices				
Proportion of spending on local suppliers	percentage	92.00	89.00	88.00
Anti-Corruption				
Percentage of employees who have received training on anti-corruption by employee category				
Leadership and Management	percentage	100.00	100.00	100.00
Staff	percentage	89.00	89.00	87.60
Percentage of operations assessed for corruption-related risks	percentage	100.00	100.00	100.00
Confirmed incidents of corruption and action taken	number	-	-	-
Regulatory Compliance and Risk Management				
No. of risks and potential issues identified	number	H - 1 M - 8 L - 1	H - 2 M - 7 L - 2	Risks were identified and addressed during our ongoing risk identification process
Regulatory non-compliance	percentage	-	-	-
Data Privacy and Security				
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	number	-	-	-
Social				
Corporate Social Responsibility				
Total amount invested in the community where the target beneficiaries are external to the listed issuer (non-profit organisations)	MYR	1,126,190.45	1,291,014.00	733,947.00
Total number of beneficiaries of the investment in communities	number	434.00	66.00	37.00
Occupational Health and Safety				
Fatalities	number	-	-	-
Fire/Explosions	number	1.00	-	1.00
Number of cases resulting in medical treatment	number	2.00	2.00	2.00
Number of cases resulting in first aid treatment	number	3.00	-	-
Number of cases resulting in asset damage/lost	number	5.00	1.00	1.00
Number of cases resulting in near-miss reporting	number	2.00	-	15.00
Total work-related injuries	number	5.00	2.00	3.00
Total man-hours worked	number	2,972,417.00	4,810,422.00	3,808,983.00
Total number of lost days	number	121.00	-	2.00
Rate of work-related injuries per total man-hours worked	number	1.68	0.42	0.80
Severity rate (total number of lost days per total number of recordable incidents)	number	-	-	0.67
Total ACT received	number	16,294.00	31,190.00	20,376.00
Work-related ill health	number	-	13 (Diarrhea)	16 (C-19 related)

SUSTAINABILITY DATA

AS AT 31ST DECEMBER 2025

Indicator Measurement Unit	Unit	2025	2024	2023
Social				
Trainings and Educations				
Total hours of training by employee category				
All staff	Hours	9,036.00	8,264.00	10,485.00
Average training hours per year per employee	number	14.00	12.00	17.00
Percentage of employees receiving regular performance and career development reviews	percentage	100.00	100.00	100.00
Diversity and Equal Opportunity				
Workforce Strength				
Male	number	462.00	468.00	434.00
Female	number	186.00	201.00	184.00
Total	number	648.00	669.00	618.00
Age Group				
Below 25 years old	percentage	4	2 *restated	11
Between 25-40	percentage	46	53 *restated	55
Between 41 - 60	percentage	42	39 *restated	28
Above 60 years old	percentage	8	6	6
Staff Turnover				
Below 25 years old	percentage	2	2 *restated	9
25 - 40	percentage	69	70 *restated	66
41 - 60	percentage	27	26 *restated	23
Above 60 years old	percentage	2	2 *restated	22
Type of Contract				
Permanent	number	61.00	64.00	66.00
Contracts	number	546.00	548.00	529.00
Legal Independent Contractor	number	41.00	57.00	23.00
Annual Total Compensation Ratio Number	number	14.48	26.00	23.00
Environment				
GHG Emission				
Scope 1 emissions in tonnes of CO2e	tonneCO2e	22,363.76	50,414.00	31,121.00
Scope 2 emissions in tonnes of CO2e	tonneCO2e	308.32	391.00	345.00
Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	tonneCO2e	1,373.34	1,402.00	-
Business Travel	tonneCO2e	738.62	719.00	-
Employee Commuting	tonneCO2e	634.72	683.00	-
Energy Management				
Total energy consumption	MJ	277,523,284.02	361,023,078.39	461,009,868.00
Water Consumption				
Total volume of water used	m3	64,502.64	103,127.00	90,062.00
Waste Management				
Scheduled waste	MT	83.00	305.00	133.00
Domestic waste	MT	110.00	213.00	44.00
Significant spills	number	-	-	-
Biodiversity				
Refer to the disclosure in the Sustainability report				

BURSA MALAYSIA COMMON MATERIALITY MATTERS DISCLOSURE 2024 & 2023

AS AT 31ST DECEMBER 2025

Indicators	Measurement Unit	2024 Data	2023 Data
Anti-corruption			
Percentage of employees who have received training on anti-corruption by employee category			
Leadership and Management	Percentage	100.00	100.00
Staff	Percentage	89.00	87.60
Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Confirmed incidents of corruption and action taken	No.	-	-
Community/Society			
Total amount invested in the community where the target beneficiaries are external to the listed issuer (non-profit organisations)	MYR	1,291,014.00	733,947.00
Total number of beneficiaries of the investment in communities	No.	66.00	37.00
Diversity			
Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category - Permanent			
Under 25	Percentage	0.00%	0.00%
Between 25-40	Percentage	0.00%	0.30%
Between 41 - 60	Percentage	9.00%	70.00%
Above 60	Percentage	1.00%	0.00%
Age Group by Employee Category - Contract			
Under 25	Percentage	2.00%	15.00%
Between 25-40	Percentage	50.00%	30.00%
Between 41 - 60	Percentage	28.00%	30.00%
Above 60	Percentage	2.00%	10.00%
Age Group by Employee Category - LIC			
Under 25	Percentage	1.00%	10.00%
Between 25-40	Percentage	3.00%	30.00%
Between 41 - 60	Percentage	3.00%	30.00%
Above 60	Percentage	3.00%	30.00%
Gender Group by Employee Category			
Permanent - Male	Percentage	6.00%	6.70%
Permanent - Female	Percentage	4.00% *restated	3.90%
Contract - Male	Percentage	57.00%	61.00%
Contract - Female	Percentage	25.00%	24.60%
LIC - Male	Percentage	7.00%	2.40%
LIC - Female	Percentage	1.00%	1.40%
Directors by gender and age group			
Male	Percentage	71.43%	71.43%
Female	Percentage	28.57%	28.57%
Under 30	Percentage	0.00%	0.00%
Between 30-50	Percentage	14.29%	14.29%
Above 50	Percentage	85.71%	85.71%

Change of reporting methodology on the percentage of age group since 2024

BURSA MALAYSIA COMMON MATERIALITY MATTERS DISCLOSURE 2024 & 2023

AS AT 31ST DECEMBER 2025

Indicators	Measurement Unit	2024 Data	2023 Data
Energy management			
Total energy consumption	MJ	361,023,078.39	461,009,868.00
Health and safety			
Number of work-related fatalities	No.	-	-
Lost time incident rate ("LTIR")	No.	-	0.80
Number of employees trained on health and safety standards	No.	669.00	618.00
Labour practices and standards			
Total hours of training by employee category			
All staff	Hours	8,264.00	10,485.00
Average training hours per year per employee	No.	12.00	10.00
Staff Turnover			
below 25 yo	No.	1.00	5.00
25 - 40 yo	No.	16.00	38.00
41 - 60 yo	No.	42.00	13.00
Above 60 yo	No.	1.00	1.00
Number of substantiated complaints concerning human rights violations	No.	-	-
Supply chain management			
Proportion of spending on local suppliers	Percentage (No.)	89.00	88.00
Data privacy and security			
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	No.	N/A	N/A
Water			
Total volume of water used	Megalitres	103.10	90.00
Waste management			
Total waste generated, and a breakdown of the following			
total waste diverted from disposal	Metric Tonnes	-	-
total waste directed to disposal	Metric Tonnes	518.00	177.00
Emissions management			
Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	50,414.00	31,121.00
Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	391.00	345.00
Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	tCO ₂ e	1,402.00	-
Business Travel	tCO ₂ e	719.00	-
Employee Commuting	tCO ₂ e	683.00	-

BURSA MALAYSIA'S CSI PRESCRIBED TABLE

Date & Time: 2026-04-22_08:11:47
FYE 31/12/2025

Petra Energy Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category 1. Leadership	Percentage	100	100	External (Limited)	
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category 1. Staff	Percentage	89	95	External (Limited)	
Anti-Corruption	Percentage of operations assessed for corruption-related risks	Percentage	100	100	External (Limited)	
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	External (Limited)	
Community / Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer (non-profit organisations)	RM	1,126,900.45	—	Internal	
Community / Society	Total number of beneficiaries of the investment in communities	Number	434	—	Internal	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Permanent Under 25	Percentage	0	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Permanent Between 25-40	Percentage	0.31	—	External (Limited)	

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BURSA MALAYSIA'S CSI PRESCRIBED TABLE

Date & Time: 2026-04-22_08:11:47
FYE 31/12/2025

Petra Energy Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Permanent Between 41-60	Percentage	8.18	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Permanent Above 60	Percentage	0.93	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Contract Under 25	Percentage	3.4	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Contract Between 25-40	Percentage	45.52	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Contract Between 41-60	Percentage	31.64	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Contract Above 60	Percentage	3.7	—	External (Limited)	

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SUSTAINABILITY REPORT
BURSA MALAYSIA'S CSI PRESCRIBED TABLE

Date & Time: 2026-04-22_08:11:47
FYE 31/12/2025

Petra Energy Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - LIC Under 25	Percentage	0.46	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - LIC Between 25-40	Percentage	0.31	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - LIC Between 41-60	Percentage	2.16	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - LIC Above 60	Percentage	3.4	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Male	Percentage	6.02	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Female	Percentage	3.4	—	External (Limited)	

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SUSTAINABILITY REPORT
BURSA MALAYSIA'S CSI PRESCRIBED TABLE

Date & Time: 2026-04-22_08:11:47
FYE 31/12/2025

Petra Energy Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Male	Percentage	59.88	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Female	Percentage	24.38	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Male LIC - Male	Percentage	5.4	—	External (Limited)	
Diversity	Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Female LIC - Female	Percentage	0.93	—	External (Limited)	
Diversity	Percentage of directors by gender and age group Male	Percentage	71.43	—	External (Limited)	
Diversity	Percentage of directors by gender and age group Female	Percentage	28.57	—	External (Limited)	
Diversity	Percentage of directors by gender and age group Under 30	Percentage	0	—	External (Limited)	
Diversity	Percentage of directors by gender and age group Between 30-50	Percentage	14.29	—	External (Limited)	

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SUSTAINABILITY REPORT
BURSA MALAYSIA'S CSI PRESCRIBED TABLE

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FYE 31/12/2025

Petra Energy Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of directors by gender and age group Above 50	Percentage	85.71	—	External (Limited)	
Energy Management	Total Energy Consumption	MJ	277523,284.02	—	No assurance	
Health and safety	Number of work-related fatalities	Number	0	—	External (Limited)	
Health and safety	Lost time incident rate ("LTIR")	Number	0.34	—	External (Limited)	
Health and safety	Number of employees trained on health and safety standards	Number	648	—	External (Limited)	
Labour practices and standards	Total hours of training by employee category All staff	Hours	9,036	—	External (Limited)	
Labour practices and standards	Staff Turnover Below 25 years old	Number	1	—	External (Limited)	
Labour practices and standards	Staff Turnover Between 25 - 40 years old	Number	29	—	External (Limited)	
Labour practices and standards	Staff Turnover Between 41 - 60 years old	Number	11	—	External (Limited)	
Labour practices and standards	Staff Turnover Above 60 years old	Number	1	—	External (Limited)	
Labour practices and standards	Number of substantiated complaints concerning human rights violations	Number	0	—	External (Limited)	
Supply Chain Management	Proportion of spending on local suppliers	Percentage	92	—	Internal	
Data Privacy and Security	Number of substantiated breaches of customer privacy and losses of customer data	Number	0	0	No assurance	ISO 27001 Certified

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SUSTAINABILITY REPORT
BURSA MALAYSIA'S CSI PRESCRIBED TABLE

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FYE 31/12/2025

Petra Energy Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Water Management	Water Consumption	Megalitres	64,502	—	No assurance	
Waste Management	Total waste diverted from disposal	MT	0	—	Internal	
Waste Management	Total waste directed to disposal	MT	193	—	Internal	
Emission Management	Scope 1	1CO2e	22,363.76	—	External (Limited)	
Emission Management	Scope 2	1CO2e	308.32	—	External (Limited)	
Emission Management	Scope 3 (total)	1CO2e	1,373.34	—	External (Limited)	
Emission Management	Scope 3 Business Travel	1CO2e	738.62	—	External (Limited)	
Emission Management	Scope 3 Employee Commuting	1CO2e	634.72	—	External (Limited)	

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STATEMENT OF ASSURANCE

INDEPENDENT ASSURANCE
OPINION STATEMENT

Statement No.: **SRA-MY 839834**

PETRA Energy Berhad Sustainability Report 2025

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 2025 calendar year.
 - GHG Emission
 - Occupational Health and Safety
 - Anti Bribery
 - Diversity and Equal Opportunity
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.

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 assurers 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.

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

24 February 2026



Verifier of the Report:



Mr. Shaiful Rahman
Lead Assuror

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the “Board”) of PETRA Energy Berhad (the “Company” or “PEB”) 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 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

- Board responsibilities
- Board composition
- Remuneration

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

- Audit committee
- Risk management and internal control framework

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

- 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 (“Main LR”) and should be read together with the CG Report of the Company for the financial year ended 31 December 2025 (“FYE 2025”) 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 the 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 the 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: -

- Audit Committee (“AC”)
- Nomination and Remuneration Committee (“NRC”)
- 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 FYE 2025, 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 contributions from each Director;
- (b) provided leadership to the Board without limiting the principle of collective responsibility for the Board's 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 corporate governance 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.

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 did not hold any membership in the Board Committees of the Company.

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 FYE 2025, 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.

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 FYE 2025, all meeting materials are circulated to 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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. The respective roles and responsibilities of the Board, Board Committees, Executive Directors/ GCEO, Independent Directors 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 FYE 2025, the NRC held five (5) 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 Independent Directors and assessed their ability to bring independent and objective judgement to Board deliberations;
- (viii) recommended the re-election of the directors who are to retire by rotation at the Nineteenth ("19th") Annual General Meeting ("AGM");
- (ix) reviewed the key performance indicators achieved by the Executive Directors; and
- (x) discussed on the succession planning of the Company.

During FYE 2025, the Board had convened a total of six (6) Board Meetings for the purposes of deliberating on the Company's quarterly financial results and discussing other strategic and important matters. During the Board 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.

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 FYE 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The attendance of Directors who are members of Board committees during FYE 2025 is set out below:

Directors	Directorship	Board	AC	BSC	NRC
Tan Sri Ahmad Nizam bin Salleh <i>(Appointed on 3 March 2025)</i>	INED	5/5 ⁽¹⁾	-	-	-
Ng Ing Peng	INED	6/6	5/5	4/4	5/5
Gian Carlo Maccagno	NINED	6/6	5/5	4/4	5/5
Zuhaida binti Zulkifli	INED	6/6	5/5	4/4	5/5
Dato' Anthony @ Firdaus bin Bujang	ED/GCEO	6/6	-	-	-
Dato Ahmadi bin Yusoff	ED	6/6	-	-	-
Simon Ong	ED	6/6	-	-	-

Remarks:-

ED - Executive Director

INED - Independent Non-Executive Director

NINED - Non-Independent Non-Executive Director

(-) means not a member

(1) reflects the number of Board meetings attended during the financial year from the date of appointment

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 Main LR 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 FYE 2025, the Board members had participated in the following trainings and/or courses:

Name of Directors	Date	Description of Training Programmes
Tan Sri Ahmad Nizam bin Salleh	1. 30 – 31 October 2025	1. The International Forum of Sovereign Wealth Funds 2025 – Building Resilience in an Era of Transformation
	2. 18 December 2025	2. MACC – Driving Governance from the Top
Ng Ing Peng	1. 7 January 2025	1. National Sustainability Reporting Framework, IFRS S1 and IFRS S2
	2. 7 January 2025	2. Integrated Reporting Awareness and Gap Analysis
	3. 27 February 2025	3. Business Continuity Management Training Services and Business Continuity Management Call Tree Implementation Guidelines and Approach
	4. 25 April 2025	4. Technology briefing
	5. 5 May 2025	5. Update and Recent Development on Anti-Bribery and Corruption Laws
	6. 28 May 2025	6. Climate Risk Stress Testing Results
	7. 9 June 2025	7. Recovery Plan Walkthrough
	8. 9 June 2025	8. E-invoicing and Service Tax Impact on Non-Executive Directors
	9. 18 – 19 June 2025	9. Sasana Symposium 2025
	10. 27 July 2025	10. ASEAN Corporate Governance Conference
	11. 23 September 2025	11. Navigating the Next Environmental Challenges – Understanding and Managing Nature-related
	12. 9 October 2025	12. Overview of Model Risk
	13. 13 – 15 October 2025	13. Global Islamic Finance Forum 2025
	14. 21 November 2025	14. Half-Day Dialogue Session with MACC and Renewal of Integrity Pledge
	15. 25 November 2025	15. MLC Position Paper – Establishing Islah through Islamic Finance
Gian Carlo Maccagno	1. 19 February 2025	1. Year Ahead 2025: Crafting the Next Stage
	2. 24 July 2025	2. Wasco's Anti-Bribery and Corruption 2025
	3. 21 November 2025	3. Half-Day Dialogue Session with MACC and Renewal of Integrity Pledge
Zuhaida binti Zulkifli	1. 15 January 2025	1. Inaugural launch of PwC Malaysia's Corporate Directors Survey 2024
	2. 11 June 2025	2. e-Invoicing for Board
	3. 17 – 18 June 2025	3. Energy Asia 2025
	4. 28 July 2025	4. CAN Dialogue on Sustainability and Sustainable Finance with Dr. Ma Jun
	5. 6 – 7 October 2025	5. Khazanah MegaTrends Forum 2025
	6. 13 October 2025	6. Global Islamic Finance Forum 2025
	7. 21 November 2025	7. Half-Day Dialogue Session with MACC and Renewal of Integrity Pledge
	8. 25 November 2025	8. AOB Conversation with Audit Committee
	9. 23 December 2025	9. ESG and IFRS S1 and S2
Dato' Anthony @ Firdaus bin Bujang	1. 22 January 2025	1. Mandatory Accreditation Programme Part II
	2. 15 – 17 July 2025	2. International Energy Week
	3. 6 – 7 October 2025	3. Khazanah MegaTrends Forum 2025
Dato Ahmadi bin Yusoff	1. 25 – 26 February 2025	1. Energy Industries Council
	2. 19 March 2025	2. GC Engagement - Harnessing Inner Strength for Growth
	3. 15 – 17 July 2025	3. International Energy Week
	4. 12 August 2025	4. GC Intell-Agent Battle (GIB) Qualifying Round
	5. 10 September 2025	5. Generative HSE Culture Xchange 2025
	6. 23 September 2025	6. GC Network of Excellence (NeXT)
	7. 15 – 17 October 2025	7. Asean Energy Business Forum
	8. 21 November 2025	8. Half-Day Dialogue Session with MACC and Renewal of Integrity Pledge
Simon Ong	1. 22 January 2025	1. Mandatory Accreditation Programme Part II
	2. 8 November 2025	2. APAC Energy Capital Assembly

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.

INTENDED OUTCOME 3.0

The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The Board, Management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the Company.

- 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 Directors, 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 corporate governance.

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.

INTENDED OUTCOME 4.0

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

- 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 targets.
- 4.2 The Board believe 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 decisions, while aligning the stakeholders' expectations with the Company's 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 strategical

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 approximately 43% of Independent Directors. 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 Independent Director 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 Independent Director may continue to serve on the Board subject to his/her redesignation as a Non-Independent Director. In the event the Director is to remain designated as an Independent Director, 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 Independent Directors to nine (9) years without further extension.
- 5.5 In pursuit of the Directors' Fit and Proper 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 Independent Director, the candidate's independence based on the criteria stipulated in the Main LR.

- 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). The Board is satisfied that the recommendations made by the NRC to table the proposals to re-elect the retiring Directors for shareholders' consideration and approval at the AGM.
- 5.8 The NRC is chaired by Madam Ng Ing Peng ("**Madam Ng**"), an INED.
- 5.9 The Board currently comprises seven (7) Directors, two (2) of whom are women, equivalent to approximately 29% 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 OVERVIEW STATEMENT

INTENDED OUTCOME 6.0

Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual Directors.

6.1 During FYE 2025, 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 Independent Directors; 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 FYE 2025, 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.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

8.1 The breakdown of the remuneration of each individual Director for FYE 2025 is as follows:-

(i) Company Level

Name of Director	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments
EDs						
Dato' Anthony @ Firdauz bin Bujang	-	-	1,521,456.00	845,250.00	-	90,000.00
Dato Ahmadi bin Yusoff	-	-	878,543.00	491,936.00	-	30,000.00
Simon Ong	-	-	885,480.00	491,936.00	-	202,807.00
Total	-	-	3,285,479.00	1,829,122.00	-	322,807.00
Non-EDs						
Tan Sri Ahmad Nizam bin Salleh	150,000.00	7,000.00	-	-	-	-
Gian Carlo Maccagno	96,000.00	18,400.00	-	-	-	-
Ng Ing Peng	132,000.00	18,400.00	-	-	-	-
Zuhaida binti Zukifli	114,000.00	18,400.00	-	-	-	-
Total	492,000.00	62,200.00	-	-	-	-

(ii) Group Level

Name of Director	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments
EDs						
Dato' Anthony @ Firdauz bin Bujang	-	-	1,521,456.00	845,250.00	-	90,000.00
Dato Ahmadi bin Yusoff	-	-	878,543.00	491,936.00	-	30,000.00
Simon Ong	-	-	885,480.00	491,936.00	-	202,807.00
Total	-	-	3,285,479.00	1,829,122.00	-	322,807.00
Non-EDs						
Tan Sri Ahmad Nizam bin Salleh	150,000.00	7,000.00	-	-	-	-
Gian Carlo Maccagno	96,000.00	18,400.00	-	-	-	-
Ng Ing Peng	132,000.00	18,400.00	-	-	-	-
Zuhaida binti Zukifli	114,000.00	18,400.00	-	-	-	-
Total	492,000.00	62,200.00	-	-	-	-

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- 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 ten (10) 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
RM900,001-RM950,000	2
RM750,001-RM800,000	1
RM650,001-RM700,000	1
RM500,001-RM550,000	1
RM450,001-RM500,000	1
RM400,001-RM450,000	1
RM250,001-RM300,000	2
RM150,001-RM200,000	1

- 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, who is a separate person from the Chairman 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 were 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 FYE 2025 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 upcoming AGM of the Company.

- 9.4 The AC comprises only a majority of Independent Directors, which is in compliance with the Main LR.
- 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 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 of this Annual Report.
- 10.3 The BSC comprised a majority of Independent Directors, to oversee the company's risk management framework and policies and to fulfil its corporate governance, 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 ("**GIA**") Department 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 Head of GIA and reviewed the internal audit reports on a quarterly basis. The AC also reviewed the status of corrective actions taken by the Management as reported by GIA.

During FYE 2025, 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 2024 and that they have the necessary authority to carry out their work.

- 11.2 Mr. Malcolm George William Chapman currently leads GIA, having been appointed as its head in 2025.

The 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 Head of GIA are two (2) managers 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 Global Internal Audit Standards in their works and the approach is risk-based.

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

INTENDED OUTCOME 12.0

There is continuous communication between the Company and stakeholder to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.

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 Malaysia Berhad at www.bursamalaysia.com or via the Company's website 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.

(d) Corporate website

The Company's corporate website provides a myriad of relevant information on the Company and is accessible to 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 19th AGM, was sent to shareholders at least twenty-eight (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 a detailed explanation for the resolutions proposed to enable shareholders to make informed decisions in exercising their voting rights.

13.2 All the Directors of the Company attended the 19th AGM of the Company held on 26 May 2025.

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 conducted the 19th AGM physically after due consideration. The Board believes that a physical AGM enhances meaningful shareholder engagement through direct interaction, real-time discussions and enhanced transparency. In determining the AGM format, the Board considered factors such as technological readiness, shareholder preferences, nature of agenda items and regulatory requirements. Shareholders unable to attend were able to participate via proxy appointment.

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 only conducted a physical general meeting in FYE 2025.

13.6 Questions or comments raised at the 19th AGM were duly answered and clarified by Directors, and they can be found in the Minutes of the 19th AGM which was posted on the Company's website.

The CG Overview Statement and the CG Report are made in accordance with a resolution of the Board passed on 28 April 2026.

AUDIT COMMITTEE REPORT

COMPOSITION OF THE AUDIT COMMITTEE (“AC”)

The AC comprises three (3) members who are Non-Executive Directors 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 (“Main LR”):-

Name	Designation	Directorship
Ng Ing Peng	Chairperson	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.

The composition of the AC is in compliance with Paragraph 15.10 of the Main LR and Practice 9.1 of the Malaysian Code on Corporate Governance (“MCCG”) where the Chairperson of the AC is not the Chairman of the Board. The Company does not have any Alternate Directors on Board.

ATTENDANCE OF AC MEMBERS AT MEETINGS

The AC held a total of five (5) meetings during the financial year ended 31 December 2025. The details of the attendance of the respective members are as follows:-

Name	No. of meetings attended
Ng Ing Peng (Chairperson)	5/5
Gian Carlo Maccagno	5/5
Zuhaida binti Zulkifli	5/5

[^] The meetings were held on 19 February 2025, 27 March 2025, 22 May 2025, 21 August 2025 and 24 November 2025.

SUMMARY OF WORK OF THE AC

During the financial year ended 31 December 2025, the AC has carried out the following work activities in the discharge of its duties, functions and responsibilities:-

a) Financial Matters and External Audit

- Reviewed the Unaudited Quarterly Reports on the consolidated results of the Group for the financial quarters ended 31 December 2024, 31 March 2025, 30 June 2025, 30 September 2025, 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 2024 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.

- 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 2025.
- Met with the external auditors without the presence of the Management two (2) times on 19 February 2025 and 24 November 2025.
- 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 2026.
- 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 a quarterly basis to ensure that they are within the mandate approved by the shareholders at the Nineteenth Annual General Meeting of the Company held on 26 May 2025.

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 25 April 2025, 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 Main LR and MCCG.

f) Reviewed the AC Report and Statement on Risk Management and Internal Control for inclusion in the Annual Report in respect of the financial year ended 31 December 2024, 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 (“GIA”) Department 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.

AUDIT COMMITTEE REPORT

GIA is headed by Mr. Malcolm George William Chapman (“Mr. Chapman”) who was appointed as the Head of GIA in year 2025. Mr. Chapman has more than 8 years of extensive experience in internal audit across diverse industries which demonstrates a strong foundation in auditing practices. Mr. Chapman is a Chartered Accountant registered with the Malaysian Institute of Accountants and Chartered Accountants Australia and New Zealand, and a Professional Member of the Institute of Internal Auditors Malaysia. Mr. Chapman is well-equipped to lead GIA, ensuring that auditing processes are conducted efficiently and in accordance with industry standards and regulations.

Mr. Chapman has regular and direct communication with AC and unrestricted access to the Executive Directors and Group Chief Financial Officer. Two (2) managers and one (1) executive who have bachelor degrees report directly to the 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.

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 Global Internal Audit Standards in their works and the approach is risk based. For the financial year ended 31 December 2025, the scope of review and audit included Late Life Asset Production Sharing Contract for Banang Field, Yard, Warehouse & Workshop Management, Contracting & Procurement, Group Information Technology, Health, Safety, Security & Environmental & Project Management 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 issue 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 involvement of the risks pertaining to the business environment.

The total cost incurred by GIA for the financial year ended 31 December 2025 was approximately RM470,260.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

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 companies.

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.

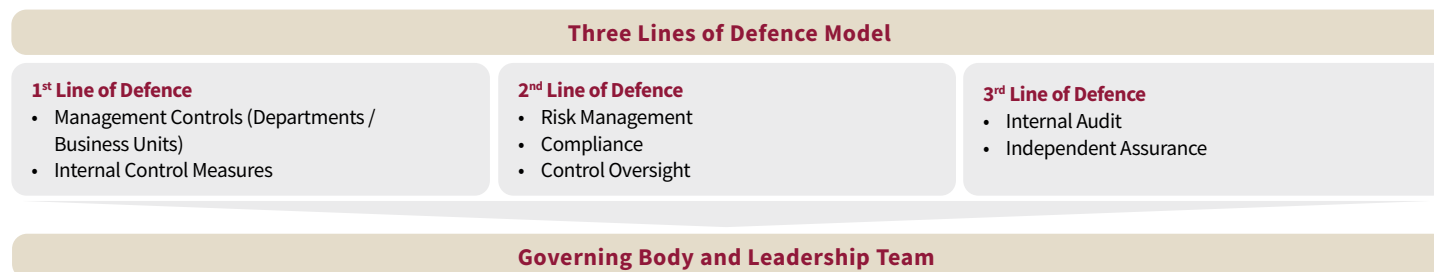
The Board confirms that the risk management framework and internal control system have been in place during the financial year and up to the date of approval of this statement.

RISK MANAGEMENT FRAMEWORK

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

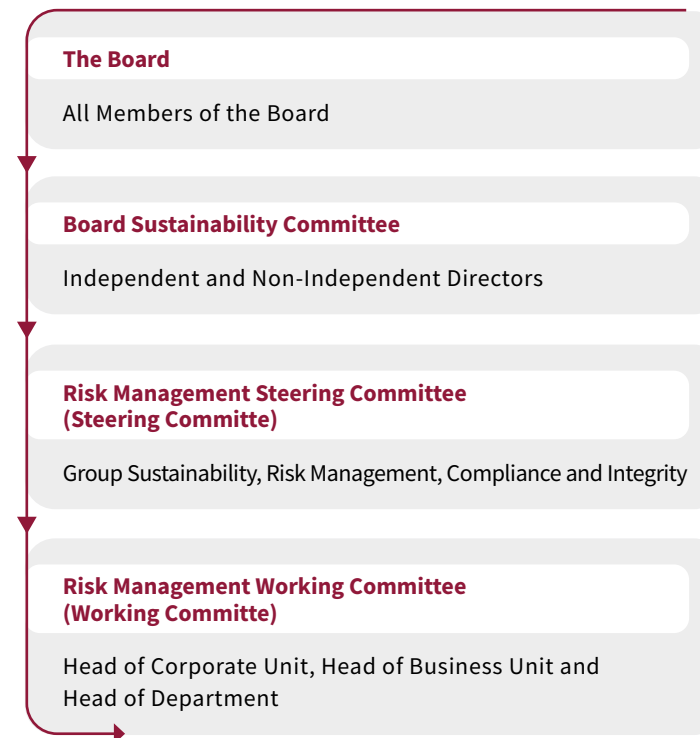


The Group's Risk Management Framework and Internal Control System is anchored on a strong governance structure led by the governing body and Leadership Team in ensuring accountability and oversight across all levels. It adopts the Three Lines at Defence Model:



The PETRA Energy Berhad Group Risk Register is diligently deliberated at the quarterly Board Sustainability Committee (BSC) meeting, comprises both Independent and Non-Independent Directors. BSC then will bring up to the Board. 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 Sustainability, Risk Management, Compliance and Integrity (SRCI). The Steering Committee presents and updates on the Group Risk Register to the BSC on quarterly basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)



GSRCI 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 ventures that are material, workshops are 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. GSRCI conducts itself in reference with ISO 31000 Risk Management guidelines and the risk management framework limiting its roles to facilitation, making no risk management related decision.

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 Banang Late Life Asset Production Sharing Contract (A) and SK433 Petroleum Contract (B) as the Group's key risks as below.

FOCUS AREA A1:

Production risks related to Banang late life assets and risks associated with MOPU dry-docking activity

MITIGATION:

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 assets for execution during dry-docking activity.

FOCUS AREA B1:

Project management and operations

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 the field development phase.

FOCUS AREA B2:

Economics

MITIGATION:

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

FOCUS AREA B3:

Environment, Social and Governance (ESG)

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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

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. Key business operations and processes are certified under the ISO 9001:2015 Quality Management System. In addition, the Group is expanding its ISO certification coverage with the adoption of ISO 29001:2020 Petroleum, Petrochemical and Natural Gas Industries Quality Management Systems to further enhance quality and internal controls. All policies and procedures are centrally maintained on the Group's SharePoint and i-PETRA system for easy access for 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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

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.

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 adopts a structured approach to human capital management; to enhance productivity, performance, and succession planning, ensuring a future-ready workforce. During the year, several system enhancements were undertaken to further embed governance in this space. Performance appraisals aligned with the Group's strategic objectives are administered through the i-PETRA system, which integrates performance management, leave administration and employee claims which strengthened the governance, transparency and cost discipline.

The Group's Succession Planning Framework supports the identification and development of high-potential talent for critical roles while ongoing training and leadership development programmes enhance workforce capability. In addition, the MedKad system improves medical benefits oversight through controlled access and utilisation monitoring to support effective healthcare cost management and supporting a healthy workforce.

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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

Health, Safety and Environment

In line with the Group's strong commitment to Health, Safety, and Environmental (HSE) excellence that is core to its foundations, robust policies and procedures have been established to ensure these principles remain at the core of business operations. The Group maintains compliance with ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 14001:2015 (Environmental Management System), reflecting adherence to international best practices. The recently approved Environmental Policy further underscores the Group's commitment to ESG leadership. To foster a culture of continuous improvement, the Group conducts ongoing training and awareness programs throughout the year and across all project lifecycles, reinforcing proactive HSE engagement at every level.

Beyond compliance, the Group is dedicated to fostering a Generative HSE Culture, the highest level of the HSE Culture Ladder; where safety and environmental responsibility are deeply ingrained values. Leadership accountability, open communication and collective ownership ensure that risks are proactively identified, improvements implemented, and innovations in safety practices encouraged. By nurturing and continuously strengthening these generative behaviours, the Group fosters a workplace that prioritizes well-being, sustainability and operational excellence where HSE is actively enhanced rather than merely managed.

Anti-Bribery and Anti-Corruption

The Group has zero tolerance against any form of bribery and corruption. The Group has established a robust anti-bribery and corruption framework in line with ISO 37001:2016 Anti-Bribery Management System, supported by formal policies, procedures and the Anti-Bribery Management System manual. Compliance oversight is assigned to the Group Sustainability, Risk Management, Compliance & Integrity Department. Additionally, the requirement for directors, management, employees and business associates to have signed the Integrity Pledge and Conflict of Interest Declaration reinforces a culture of integrity across the Group.

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, supporting transparency and accountability at all levels. The Board receives timely and accurate information from the Leadership team, the Group Chief Executive Officer (Group CEO) and the Group Chief Financial Officer (Group CFO), and is further supported by Board Committees as well as external and internal auditors. The recent launch of the employee portal has strengthened internal communication and improved the timely dissemination of policies, procedures and corporate information.

The Group is certified under ISO 27001:2013 Information Security Management System (ISMS), demonstrating its commitment to information security standards. The certification provides assurance that critical business information is managed securely, ensuring confidentiality, integrity and availability while mitigating information security risks.

The Group continues to monitor, review and enhance its security controls to address evolving cybersecurity risks and regulatory requirements, including the Cyber Security Bill 2024 and other relevant legislative frameworks. The Board remains proactive in overseeing the Group's affairs, seeking further insights and clarifications where necessary to support informed decision-making and effective oversight of risks, controls and corporate governance.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (SORMIC)

Internal Audit

The Group Internal Audit (GIA) serves as an independent and objective assurance function, responsible for evaluating the adequacy, effectiveness and integrity of the Group's internal controls, risk management, and governance processes. GIA operates in accordance with Global Internal Audit Standards to ensure consistency, quality and credibility in its work.

To maintain independence, GIA reports directly to the Board's Audit Committee, providing unbiased assessments and recommendations. Administrative accountability to the Group CEO ensures coordination while preserving oversight. For further details on the scope and activities of the internal audit function, refer to the Statement on Internal Audit Function in the Audit Committee Report.

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 Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

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.

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 effectively, 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 objectives. 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 in 28 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS

No proceeds were raised by the Company from any corporate proposal during the financial year ended 31 December 2025.

AUDIT AND NON-AUDIT FEES

For the financial year ended 31 December 2025, 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	230	798
Other audit related services rendered	14	90
Non-audit services rendered		
1. Consultancy and professional services rendered such as taxation and financial reporting consultancies.	33	248
Total	277	1,136

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 2025, or entered into since the end of the previous financial year ended 31 December 2024.

RECURRENT RELATED PARTY TRANSACTIONS

The recurrent related party transactions of a revenue or trading nature for the Group during the financial year under review did not exceed the threshold prescribed under Paragraph 10.09(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as follows:-

Transacting parties	Nature of transactions	The aggregate value of transactions from 1 January 2025 to 31 December 2025 (RM'000)	Interested related parties
OBYU Holding Sdn. Bhd. ("OBYU") ¹ and PEB Group	Renting of office space at Levels 4 and 6 of Menara OBYU	1,173,228	Dato Ahmadi bin Yusoff ² , Shorefield Resources Sdn. Bhd. ("Shorefield Resources") ³ , Shorefield Sdn. Bhd. ("Shorefield") ⁴ , Tan Sri Bustari bin Yusuf ⁵
OBYU and PEB Group	Renting of office space at Level 13 of Menara OBYU	360,888	Dato Ahmadi bin Yusoff ² , Shorefield Resources ³ , Shorefield ⁴ , Tan Sri Bustari bin Yusuf ⁵
OBYU and PEB Group	Renting of signage space at rooftop	72,000	Dato Ahmadi bin Yusoff ² , Shorefield Resources ³ , Shorefield ⁴ , Tan Sri Bustari bin Yusuf ⁵
OBYU and PEB Group	Renting of office space at Level 3 of Menara OBYU	25,000	Dato Ahmadi bin Yusoff ² , Shorefield Resources ³ , Shorefield ⁴ , Tan Sri Bustari bin Yusuf ⁵

Nature of relationships:-

- Person connected to Dato Ahmadi bin Yusoff - a company in which he has interest by virtue of him being a Director of OBYU. Also by virtue of him being the brother of Tan Sri Bustari bin Yusuf, the controlling shareholder of OBYU.
- Dato Ahmadi bin Yusoff, being an Executive Director of PEB, is also a Director of Shorefield Resources (a major shareholder of PEB) and a Director and shareholder of Shorefield (the holding company of Shorefield Resources). He is also a Chairman and Director of OBYU (a controlling shareholder of Shorefield Sdn. Bhd.). Besides, he is brother of Tan Sri Bustari bin Yusuf, a controlling shareholder of OBYU.
- Person connected to Dato Ahmadi bin Yusoff - a company in which he has interest by virtue of him being a director of Shorefield Resources and by virtue of him being a director and shareholder of Shorefield, the holding company of Shorefield Resources. Also, by virtue of him being the brother of Tan Sri Bustari bin Yusuf, who is the controlling shareholder of OBYU.
- Person connected to Dato Ahmadi bin Yusoff - a company in which he has interest by virtue of him being a director and shareholder of Shorefield and by virtue of him being a director of OBYU, a controlling shareholder of Shorefield. Also, by virtue of him being the brother of Tan Sri Bustari bin Yusuf, the controlling shareholder of OBYU.
- Person connected to Dato Ahmadi bin Yusoff by virtue of him being his brother and also the ultimate controlling shareholder of OBYU, Shorefield and Shorefield Resources.

ADDITIONAL COMPLIANCE INFORMATION

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Total Income			
Revenue		282,331	499,415
Other income		2,490	2,017
Interest/Finance income		5,791	5,679
Total		290,612	507,111
Total Assets		877,060	835,967

(b) Business Activities

	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Shariah Non-Compliant Activities			
Interest income		4,063	3,357
Total		4,063	3,357

(c) Component of Financial Position

(i) Cash Component

	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Islamic Account/ Instruments			
Cash at bank		34,065	49,900
Deposits with licensed bank		100	100
Total Cash		34,165	50,000

	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Conventional Account/Instruments			
Cash at bank		55,084	84,796
Deposit with licensed bank		38,234	53,193
Total Cash		93,318	137,989

ADDITIONAL COMPLIANCE INFORMATION

(c) Component of Financial Position (Cont'd.)

(ii) Debt Component

	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Islamic Financing			
Current			
Invoice financing		95,600	72,216
Hire purchase payables		226	224
Term loans		15,484	-
Non-Current			
Hire purchase payables		313	680
Term loan		45,893	-
Total Financing		157,516	73,120

	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Conventional Borrowing			
Current			
Invoice financing		16,299	17,080
Revolving credit and loans		15,042	2,007
Hire purchase payables		84	-
Non-Current			
Hire purchase payables		210	-
Total Debt		31,635	19,087

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 2025:-

- 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 2025.

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 2025

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 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group 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 22 to the financial statements.

FINANCIAL RESULTS

	<u>Group</u> RM'000	<u>Company</u> RM'000
Net (loss)/profit for the financial year	<u>(80,027)</u>	<u>1,439</u>

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 Ahmad Bin Yusoff
 Gian Carlo Maccagno
 Ng Ing Peng
 Simon Ong
 Zuhaida Binti Zulkifli
 Tan Sri Ahmad Nizam Bin Saleh (appointed on 3rd March 2025)

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 2025

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 from January to September 2025 and RM25,000,000 from October to December 2025 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 RM45,600 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
<u>In respect of the financial year ended 31 December 2025</u>	
First interim single tier dividend of 1.0 sen per ordinary share on 320,942,000 shares declared on 24 November 2025 and paid on 28 January 2026	3,209
<u>In respect of the financial year ended 31 December 2024</u>	
Second interim single tier dividend of 4.0 sen per ordinary share on 320,942,000 shares declared on 21 November 2024 and paid on 17 January 2025	12,838
Third interim single tier dividend of 4.0 sen per ordinary share on 320,942,000 shares declared on 19 February 2025 and paid on 27 March 2025	12,838
	<u>28,885</u>

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

DIRECTORS' REMUNERATION

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

	<u>Group and Company</u> <u>2025</u> RM'000
Executive:	
Salaries, allowances and compensation	5,114
Defined contribution plan	803
Other emoluments	323
Total Executive Directors' remuneration	<u>6,240</u>
Non-Executive:	
Fees and emoluments	554
Total Directors' remuneration	<u>6,794</u>

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 2025

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 22 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:

	<u>Group</u> RM'000	<u>Company</u> RM'000
Statutory audit	798	230
Audit related services	90	14
Non-audit services	248	33
	<u>1,136</u>	<u>277</u>

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

AUDITORS

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

The auditors, PricewaterhouseCoopers PLT, have included (as part of the terms to their audit engagement for the financial year) a limited indemnity from the Company with regards to certain costs of proceedings and third-party liability (as provided under the Act). No indemnity claim was received by the Company during the current financial year.

This report was approved by the Board of Directors on 28 April 2026. Signed on behalf of the Board of Directors:

DATO' ANTHONY @ FIRDAUZ BIN BUJANG
DIRECTOR

NG ING PENG
DIRECTOR

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 121 to 191 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 2025 and financial performance of the Group and of the Company for the financial year ended 31 December 2025 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 28 April 2026.

DATO' ANTHONY @ FIRDAUZ BIN BUJANG
DIRECTOR

NG ING PENG
DIRECTOR

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 121 to 191 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 28 April 2026, before me.

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PETRA ENERGY BERHAD

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 2025, 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 2025 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 material accounting policies, as set out on pages 121 to 191.

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”), as applicable to audits of financial statements of public interest entities 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PETRA ENERGY BERHAD

Our audit approach (cont'd)

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.

Key audit matter	How our audit addressed the key audit matter
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<p>Refer to Note 4(b) – Impairment review of property, plant and equipment and right of use assets, Note 13 – Property, plant and equipment and Note 15 – Right of use assets</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of management's identification of CGUs for impairment assessment; • Assessed the appropriateness of the methodology adopted by management for impairment assessments in accordance with MFRS 136; • For CGUs assessed using VIU: <ul style="list-style-type: none"> ○ Agreed the cash flow projections to the impairment model approved by the Board of Directors; ○ Discussed with management and challenged the assumptions underlying the cash flow projections; ○ Evaluated the reasonableness of key assumptions used by management in the cash flow projections including oil and gas production profile, forecasted oil and gas prices and service contract value, as applicable, by comparing it to historical data and market expectations from industry report where available; ○ Reviewed the valuation methodology and checked the discount rates used in management's assessment with the assistance of our valuation experts by benchmarking to market data; and ○ Checked the appropriateness of sensitivity analysis performed by management, including disclosures, on reasonable possible changes in key assumptions and the corresponding effect of the recoverable amount.
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As at 31 December 2025, the Group's carrying amounts of property, plant and equipment and right of use assets amounted to RM463.4 million and RM88.1 million, respectively.

The Group's market capitalisation continues to be lower than its net asset value, which constitutes an impairment indicator for all assets within the Group.

The Group's assets are grouped at the lowest level of cash-generating units ("CGUs") for which separately identifiable cash flows are available. Management has identified the following material CGUs for impairment assessments:

- Banang Late Life Asset Production Sharing Contract ("Banang LLA PSC");
- SK433 Block;
- Service segment; and
- Marine segment, with each vessel identified as a separate CGU.

Accordingly, management has performed impairment assessments by determining the recoverable amount of the material CGUs identified using either value in use ("VIU") or fair value less costs of disposal ("FVLCD") method, in accordance with the

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PETRA ENERGY BERHAD

requirements of MFRS 136 "Impairment of Assets" ("MFRS 136").

We focused on these areas due to the significant carrying amounts of the assets and significant assumptions applied by management in assessing the recoverable amount of the CGUs.

Based on the impairment assessment performed by management, impairment losses of RM14.6 million on vessels within property, plant and equipment were recognised.

- For CGUs assessed using FVLCD:
 - Obtained the valuation reports prepared by an independent valuer and assessed the independence, objectivity and competence of management's expert by considering their professional background, reputation and experience in a similar industry;
 - Reviewed the valuation reports and discussed with management and management's expert on the assumptions applied in deriving the fair value of assets;
 - Obtained and reviewed the firm offers for sales of vessels received by the Group; and
 - Evaluated the reasonableness of the cost of sales considered.

- Evaluated the adequacy of related disclosures in the financial statements.

We did not identify any material exception from performing the procedures above.

<p>Refer to Note 4(a) – Critical accounting estimates and judgements: Revenue from contracts with customers and Note 5 – Revenue from contract with customers and lease contract</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> • Reviewed management's assessment on the identification of separate performance obligations over material customer contracts with bundling arrangements and work orders and examined the customer contracts and work orders on sampling basis; • Reviewed modifications of contracts such as variation orders or revised work orders received from the customers and accepted by the Group; • Tested the effectiveness of management's internal control over the approval of contracts and contract budget; • Examined project documentation and forecasts of cost to complete and discussed with the Group's respective project managers; • Performed test of details over cost incurred to date, such as vouching of invoices, service acceptance, goods received notes and timesheets on the labour hours incurred; • Performed test of details on year-end accrued costs on a sampling basis and assessed whether
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The revenue arising from lump sum contracts represents RM32.7 million of the Group's total revenue for the financial year ended 31 December 2025. We focused on this area due to the significant management judgment and complexities involved in deriving the revenue to be recognised during the year:

- Significant management judgement is applied in identifying the distinct performance obligations within a contract given the multiple deliverables in Hook-Up, Commissioning and Engineering ("HUC") contracts, in accordance with MFRS 15 "Revenue from Contract with Customers".
- Significant management estimates is applied in determining the progress towards complete satisfaction of performance obligations including the

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PETRA ENERGY BERHAD

assessment of remaining risks and contingencies. The key estimates involved in estimating costs to complete are man days and materials cost.

such accruals represent valid obligations existing at the reporting date;

- Tested supplier statement reconciliation for selected material supplier against accounting records to identify unrecorded or omitted liabilities as at year end;
- Reperformed the computation of revenue based on the input method of measuring progress to complete satisfaction of performance obligations; and
- Examined non-standard journal entries and other material adjustments related to revenue account.

We did not identify any material exception from performing the procedures above.

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

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, Chairman's Statement and Management Discussion and Analysis, Corporate Governance Overview Statement, Sustainability Report, Financial Highlights and Analysis of Shareholdings, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PETRA ENERGY BERHAD

Responsibilities of the Directors for the financial statements (cont'd)

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:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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.
- 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PETRA ENERGY BERHAD

Auditors' responsibilities for the audit of the financial statements (cont'd)

(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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 22 to the financial statements.

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

KOK PIN PIN
03644/03/2028 J
Chartered Accountant

Kuala Lumpur
28 April 2026

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers and lease contracts	5	282,331	499,415	11,193	9,851
Cost of sales		(312,031)	(381,772)	(10,412)	(9,194)
Gross (loss)/profit		(29,700)	117,643	781	657
Dividend income		-	-	20,000	60,000
Administrative expenses		(31,062)	(37,657)	(12,953)	(18,614)
Impairment loss on property, plant and equipment	13	(14,601)	-	-	-
Impairment loss on investment in subsidiaries		-	-	-	(250)
Impairment loss on amount due from subsidiaries		-	-	(5,389)	(5,024)
Other gain/(losses)	6	5,598	(928)	13	-
Other income	6	2,490	2,017	3	9
(Loss)/Profit from operations	8	(67,275)	81,075	2,455	36,778
Finance income	7	5,791	5,679	247	291
Finance costs	7	(14,123)	(11,522)	(78)	(110)
(Loss)/Profit before tax		(75,607)	75,232	2,624	36,959
Income tax expense	11	(4,420)	(4,646)	(1,185)	(1,510)
(Loss)/Profit for the financial year representing total comprehensive (loss)/income for the financial year		(80,027)	70,586	1,439	35,449
(Loss)/Earnings per share attributable to the Owners of the Company (sen per share)					
Basic/Diluted	12	(24.94)	21.99		

The notes set out on pages 130 to 191 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	463,430	193,133	1,391	860
Exploration and evaluation assets	14	3,933	150,082	-	-
Right-of-use assets	15	88,067	22,486	844	1,238
Long term receivables	16	70,222	66,441	-	-
Investments in subsidiaries	22	-	-	304,691	304,691
Long term deposits	17	1,823	-	810	-
Amount due from subsidiaries	20	-	-	39,618	-
Deferred tax assets	24	17,642	14,732	1,187	2,372
		<u>645,117</u>	<u>446,874</u>	<u>348,541</u>	<u>309,161</u>
CURRENT ASSETS					
Inventories	25	9,347	56,834	-	-
Trade and other receivables	17	25,185	39,327	143	1,234
Advance payment	18	7,666	-	538	-
Amount due from subsidiaries	20	-	-	-	33,865
Amount due from a joint venture partner	19	-	4,290	-	-
Contract assets	21	49,492	90,629	-	-
Tax recoverable		12,638	9,905	-	-
Cash and bank balances	26	127,615	188,108	7,379	12,287
		<u>231,943</u>	<u>389,093</u>	<u>8,060</u>	<u>47,386</u>
Total assets		<u>877,060</u>	<u>835,967</u>	<u>356,601</u>	<u>356,547</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	27	299,809	299,809	299,809	299,809
Treasury shares	28	(840)	(840)	(840)	(840)
Merger reserve	29	(31,000)	(31,000)	-	-
Currency translation reserve		10,027	10,027	-	-
Retained earnings		69,165	165,239	2,763	17,371
Total equity		<u>347,161</u>	<u>443,235</u>	<u>301,732</u>	<u>316,340</u>

The notes set out on pages 130 to 191 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
NON-CURRENT LIABILITIES					
Lease liabilities	31	34,603	5,103	520	912
Borrowings	30	46,416	643	-	-
Asset retirement obligations	32	117,497	111,659	-	-
Amount due to a subsidiary	20	-	-	47,187	-
Deferred tax liabilities	24	2,009	-	-	-
		<u>200,525</u>	<u>117,405</u>	<u>47,707</u>	<u>912</u>
CURRENT LIABILITIES					
Lease liabilities	31	52,400	2,984	417	424
Borrowings	30	142,735	91,564	-	-
Trade and other payables	33	122,126	164,567	2,079	7,380
Amount due to subsidiaries	20	-	-	1,423	18,619
Amount due to a joint venture partner	19	4,190	-	-	-
Contract liabilities	21	2,591	3,240	-	-
Tax payable		2,123	134	34	34
Dividend payable		3,209	12,838	3,209	12,838
		<u>329,374</u>	<u>275,327</u>	<u>7,162</u>	<u>39,295</u>
Total liabilities		<u>529,899</u>	<u>392,732</u>	<u>54,869</u>	<u>40,207</u>
Total equity and liabilities		<u>877,060</u>	<u>835,967</u>	<u>356,601</u>	<u>356,547</u>

The notes set out on pages 130 to 191 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Note	Attributable to Owners of the Company					
	Share capital RM'000	Merger reserve RM'000	Treasury shares RM'000	Currency translation reserve RM'000	Retained earnings RM'000	Total RM'000
<u>2025</u>						
At 1 January 2025	299,809	(31,000)	(840)	10,027	165,239	443,235
Loss for the financial year representing total comprehensive loss for the financial year	-	-	-	-	(80,027)	(80,027)
<u>Transactions with owners:</u>						
Interim dividends in respect of the financial year ended 31 December 2024	41	-	-	-	(12,838)	(12,838)
Interim dividends in respect of the financial year ended 31 December 2025	41	-	-	-	(3,209)	(3,209)
At 31 December 2025	<u>299,809</u>	<u>(31,000)</u>	<u>(840)</u>	<u>10,027</u>	<u>69,165</u>	<u>347,161</u>

Note	Attributable to Owners of the Company					
	Share capital RM'000	Merger reserve RM'000	Treasury shares RM'000	Currency translation reserve RM'000	Retained earnings RM'000	Total RM'000
<u>2024</u>						
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
<u>Transactions with owners:</u>						
Interim dividends in respect of the financial year ended 31 December 2023	41	-	-	-	(12,838)	(12,838)
Interim dividends in respect of the financial year ended 31 December 2024	41	-	-	-	(9,629)	(9,629)
Interim dividends in respect of the financial year ended 31 December 2024	41	-	-	-	(12,838)	(12,838)
At 31 December 2024	<u>299,809</u>	<u>(31,000)</u>	<u>(840)</u>	<u>10,027</u>	<u>165,239</u>	<u>443,235</u>

The notes set out on pages 130 to 191 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Note	Share capital RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000	Total equity RM'000
	<u>2025</u>			
At 1 January 2025	299,809	(840)	17,371	316,340
Profit for the financial year representing total comprehensive income for the financial year	-	-	1,439	1,439
<u>Transactions with owners:</u>				
Interim dividends in respect of the financial year ended 31 December 2024	41	-	(12,838)	(12,838)
Interim dividends in respect of the financial year ended 31 December 2025	41	-	(3,209)	(3,209)
At 31 December 2025	<u>299,809</u>	<u>(840)</u>	<u>2,763</u>	<u>301,732</u>

The notes set out on pages 130 to 191 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	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
Profit for the financial year representing 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	41	-	-	(12,838)	(12,838)
Interim dividends in respect of the financial year ended 31 December 2024	41	-	-	(9,629)	(9,629)
Interim dividends in respect of the financial year ended 31 December 2024	41	-	-	(12,838)	(12,838)
At 31 December 2024		<u>299,809</u>	<u>(840)</u>	<u>17,371</u>	<u>316,340</u>

The notes set out on pages 130 to 191 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/Profit before tax	(75,607)	75,232	2,624	36,959
Adjustments for:				
Finance income	(5,791)	(5,679)	(247)	(291)
Finance costs	14,123	11,522	78	110
Unrealised foreign exchange gain	(7,654)	(7)	-	-
Property, plant and equipment:				
- Depreciation charge	22,147	26,860	408	216
- Impairment loss	14,601	-	-	-
- Loss/(gain) on disposal	221	(83)	-	-
Right-of-use assets:				
- Depreciation charge	36,684	25,717	419	417
Reversal of impairment of trade and other receivables	-	(959)	-	-
Allowance for impairment of contract assets	-	1,147	-	-
Impairment loss on investment in subsidiaries	-	-	-	250
Impairment loss on amount due from subsidiaries	-	-	5,389	5,024
Dividend income	-	-	(20,000)	-
Write off of investment in an associate	-	223	-	-
Write off of tax recoverable	-	559	-	-
	(1,276)	134,532	(11,329)	42,685
Changes in working capital:				
Inventories	47,487	(52,057)	-	-
Trade and other receivables	12,319	20,218	(257)	487
Advance payment to vendors	(7,666)	-	-	-
Amount due from/(to) a joint venture partner	8,480	20,352	-	-
Contract assets	41,137	(6,086)	-	-
Contract liabilities	(649)	867	-	-
Trade and other payables	(69,790)	(30,592)	(5,302)	530
Amount due from/(to) subsidiaries	-	-	(3,228)	417
	30,042	87,234	(20,116)	44,119
Tax refund	701	-	-	-
Tax paid	(6,766)	(17,575)	-	-
Contribution to abandonment cess fund	(6,581)	(6,703)	-	-
Net cash flows generated from/(used in) operating activities	17,396	62,956	(20,116)	44,119

The notes set out on pages 130 to 191 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(124,115)	(19,667)	(939)	(245)
Additions of exploration and evaluation assets	(1,982)	(73,278)	-	-
Proceeds from disposal of property, plant and equipment	154	489	-	-
Distribution as a return of capital from associate	-	250	-	-
Interest received	3,171	4,579	247	291
Increase in restricted cash accounts	(9,166)	-	-	-
Decrease in restricted cash accounts	53	-	-	-
Repayment from subsidiaries	-	-	124,548	-
Advances to subsidiaries	-	-	(124,829)	-
Net cash flows (used in)/generated from investing activities	(131,885)	(87,627)	(973)	46
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid on ordinary shares	(25,676)	(44,934)	(25,676)	(44,934)
Repayments of borrowings	(235,939)	(103,101)	-	-
Proceeds from borrowings	332,585	168,505	-	-
Repayments of lease liabilities	(15,695)	(28,026)	(424)	(493)
Repayment lease interest	(3,580)	(923)	(64)	-
Interest paid on borrowings	(6,468)	(1,927)	-	-
Other finance charges	(344)	(1,788)	(9)	(16)
Movement in restricted cash accounts	-	23,797	-	-
Advances from subsidiaries	-	-	42,354	-
Net cash flows generated from/ (used in) financing activities	44,883	11,603	16,181	(45,443)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(69,606)	(13,068)	(4,908)	(1,278)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	174,921	187,990	12,287	13,565
EFFECTS OF EXCHANGE RATE CHANGES	-	(1)	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	26	105,315	174,921	7,379
		12,287		

The notes set out on pages 130 to 191 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

Company	2025 RM'000	2024 RM'000
Dividend received as non cash transactions	20,000	60,000

Changes in liabilities arising from financing activities:

Group	1.1.2025 RM'000	Cash Flows RM'000	Foreign Exchange RM'000	Additions RM'000	Interest RM'000	31.12.2025 RM'000
Borrowings	92,207	90,178	-	-	6,766	189,151
Lease liabilities	8,087	(19,275)	(7,654)	102,265	3,580	87,003
	100,294	70,903	(7,654)	102,265	10,346	276,154

Company	1.1.2024 RM'000	Cash Flows RM'000	Foreign Exchange RM'000	Additions RM'000	Interest RM'000	31.12.2024 RM'000
Borrowings	25,529	63,477	-	-	3,201	92,207
Lease liabilities	31,982	(28,949)	-	4,131	923	8,087
	57,571	34,528	-	4,131	4,124	100,294

Company	1.1.2025 RM'000	Cash Flows RM'000	Additions RM'000	Interest RM'000	31.12.2025 RM'000
Lease liabilities		1,336	(493)	25	69
					937

Company	1.1.2025 RM'000	Cash Flows RM'000	Additions RM'000	Interest RM'000	31.12.2025 RM'000
Lease liabilities		1,708	(493)	27	94
					1,336

The notes set out on pages 130 to 191 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1 GENERAL INFORMATION

The principal activity of the Company is investment holding. The Group 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 2025 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 28 April 2026.

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 Group reported a net loss of RM80.0 million for the financial year ended 31 December 2025, and as of that date, the Group's current liabilities exceeded its current assets by RM97.4 million. The Directors are of the view that the Group will be able to meet its financial obligations as they fall due and therefore continue as a going concern, based on the following:

- The Group ability to generate sufficient cash flows from operations in the next twelve months;
- Availability of existing banking facilities and continued support from lenders; and
- Ongoing efforts undertaken by the management to improve the Group's financial performance.

Refer to Note 38(e) to the financial statements for further details.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2 BASIS OF PREPARATION (CONTINUED)

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 AMENDMENTS

- (a) Standards, amendments to published standards that are effective and applicable for the Group and Company for financial year beginning on 1 January 2025

- Amendments to MFRS 121 'Lack of Exchangeability'

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.

- (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

- Annual improvement to MFRS Accounting Standards Volume II
- 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.

During the financial year, the Group considered agenda decisions issued by the IFRS Interpretations Committee ("IFRIC") that are applicable. In particular, the IFRIC agenda decision published in April 2025 on Guarantees Issued on Obligations of Other Entities clarifies the application of existing IFRS requirements in determining the appropriate accounting standard for issued guarantees.

Management has assessed the agenda decision and concluded that the Group's existing accounting policies for guarantees are consistent with the IFRIC's conclusions. Accordingly, the application of this agenda decision did not result in any change in the Group's accounting policies or reported amounts for the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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.

The key judgements and 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

- i) In accordance with MFRS 15 "Revenue from Contracts with Customers", the Group applies significant judgement in identifying distinct performance obligations within a contract given the multiple deliverables in Hook-up, Commissioning and Engineering ("HUC") contracts and Maintenance, Construction and Modifications ("MCM") contracts.

In determining whether promised goods or services are distinct, the Group assesses whether each good or service is capable of being distinct and whether it is separately identifiable from other promises in the contract. This judgement involves evaluating the contractual terms and the extent to which the various goods and services are integrated, interdependent or highly interrelated in delivering a combined output to the customer.

- ii) Significant estimates are applied in determining the progress of lump-sum contracts based on the stage of completion of the construction determined using the input method, which is based on actual costs incurred to date over the estimated total costs. The key estimates involved in estimating costs to complete include man-days and material costs. Any significant changes to the estimated costs to complete arising from delays, re-work, or service quality issues would materially affect the estimated total costs and therefore the revenue recognised for the year. In making these estimates, management relies on past experience.

The Group recognised RM32.7 million of revenue from lump-sum contract in the current financial year. If the estimated total costs were to increase by 12%, revenue recognised from lump-sum contracts for the year would decrease by approximately RM7.0 million. If the estimated total costs were to decrease by 12%, revenue recognised from lump-sum contracts for the year would increase by approximately RM8.9 million.

(b) Impairment review of property, plant and equipment and right of use of assets

Carrying amounts of the Group's property, plant and equipment and right-of-use assets are assessed for indicators of impairment and reviewed for possible impairment when indicators of impairment exist. For the purpose of assessing impairment, assets are grouped at the lowest level cash generating units ("CGUs") for which there is a separately identifiable cash flow available. Recoverable amount is measured at the higher of the fair value less costs of disposal ("FVLCD") for CGU and its value-in-use ("VIU").

The Group has identified the Banang Late Life Asset Production Sharing Contract ("Banang LLA PSC") CGU, for which significant judgement and assumptions are applied in assessing the recoverable amount using the VIU method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Impairment review of property, plant and equipment and right-of-use assets (continued)

Projected future cash flows used in the impairment testing of the Banang LLA PSC are based on the Group's estimates, taking into account historical and industry trends, general market and economic conditions, technological changes, and other relevant information available. These calculations are inherently judgemental and subject to change from period to period, as they require assumptions about future crude oil prices, production volumes and operating costs to be incurred.

The key assumptions applied and the results of the impairment assessments for the CGUs are disclosed in Note 13.

(c) Uncertain tax treatment

At the date of this report, there is an ongoing dispute between Petra Marine Sdn. Bhd., a wholly owned subsidiary of the Company with the tax authority over the eligibility to claim capital allowance for few vessels.

The Group is currently in discussion with the tax authority to resolve the dispute through a Dispute Resolution Proceeding. This alternative offers a faster, more affordable, and less formal way to negotiate a settlement compared to the court system. However, if the negotiation do not reach a satisfactory conclusion, the case will be escalated to formal litigation.

The Group has assessed that it is not probable the tax authority will accept the current tax treatment. Accordingly, for the purpose of current tax and deferred tax computation, the Group has applied the expected value method to better predict the outcome of the above uncertainty which taking into consideration the sum of the probability-weighted amounts in a range of possible resolution. A current tax liability of RM2.0 million and a deferred tax liability of RM2.0 million calculated using expected value method were recognised during the financial year.

If the Group's position is accepted and the capital allowances are allowed, the total tax liability of RM4.0 million recognised as at year end would be reversed, and an additional deferred tax asset of RM9.1 million would be recognised. Conversely, if the tax authority's position is upheld, the Group would be exposed to additional current tax liabilities of up to RM7.9 million and deferred tax liabilities of RM7.6 million.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND LEASE CONTRACTS

5.1 Revenue from contract with customers

(a) Crude oil sales

Revenue from crude oil sales is recognised at the point in time when the control of the crude oil is transferred to the customer. The revenue recognised represents the Group's proceeds from lifting of oil under the term of Production Sharing Contract ("PSC"). No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with the market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

(b) HUC contracts and MCM contracts

The Group undertakes HUC and MCM services for onshore and offshore oil and gas facilities. These services include installation, integration, testing and commissioning activities, as well as ongoing asset integrity and maintenance support.

Such services are typically awarded under umbrella contracts and are subsequently executed through individual work orders issued to the Group, with each work order specifying a defined scope of work. The Group identifies performance obligations based on the nature of the services provided and the deliverables promised to the customer. Accordingly, the contracts and related work orders may contain either a single performance obligation or multiple performance obligations.

i) Lump-sum contracts

For lump-sum work orders, revenue is recognised over time by measuring progress towards complete satisfaction of the performance obligation, as the customer simultaneously receives and consumes the benefits of the services rendered. Progress is measured using the input method, based on actual costs incurred to date relative to the estimated total contract costs.

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 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND LEASE CONTRACTS (CONTINUED)

5.1 Revenue from contract with customers (continued)

(b) HUC contracts and MCM contracts (continued)

ii) Time-based contracts

For time-based work orders, revenue is recognised over time based on the actual services performed. Revenue is measured using the output method based on time incurred (e.g. man-hours, days, or usage rates) multiplied by the agreed contractual rates, and is recognised as the services are rendered.

iii) Reimbursable at Cost Plus

The Group undertakes certain work orders on a reimbursable cost-plus basis, under which the Group is entitled to recover actual costs incurred in delivering goods or performing services, together with an agreed margin.

Reimbursable materials

Reimbursable materials relate to the procurement and supply of materials and equipment to customers under cost-plus arrangements. These arrangements represent the sale of goods, whereby the Group acts as a principal in supplying the materials and equipment required for the project. Revenue from reimbursable materials and equipment is recognised at a point in time, when control of the materials and equipment is transferred to the customer, which typically occurs upon delivery, installation or customer acceptance in accordance with the contractual terms. Revenue is measured at the actual cost of the materials and equipment incurred, plus the agreed mark-up.

Reimbursable services

Reimbursable services relate to services performed by third parties engaged by the Group on its behalf, which represent a separate performance obligation under the contract. Revenue from reimbursable services is recognised over time, as the services are rendered and the customer simultaneously receives and consumes the benefits of the services.

Revenue is measured using the input method based on actual cost incurred plus the agreed margin.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND LEASE CONTRACTS (CONTINUED)

5.1 Revenue from contract with customers (continued)

(b) HUC contracts and MCM contracts (continued)

A contract asset is the Group's right to consideration in exchange for goods or services that the Group have transferred to the customer. A contract asset becomes a receivable when the Group'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.

A contract liability is the Group's obligation to transfer goods or services to a customer for which consideration has been received before the related performance obligation is satisfied.

(c) Marine related revenue

The Group provides crew services, catering services, laundry services, accommodation and rental of equipment to its customers. Revenue from crew services, catering services, laundry services, accommodation and rental of equipment are recognised over time as benefits are consumed by customers as and when services are rendered.

(d) Project management, technical and other services

The Group provides project management, technical and other services including health, safety and environment support, supply chain support, procurement planning and onshore technical services in relation to the operation and management of production blocks in the upstream oil and gas industry.

Revenue is recognised when or as the Group satisfies its performance obligations by rendering services to customers. Performance obligations under these service contracts are satisfied over time, as services are rendered on a billable monthly basis and customer simultaneously receives and consumes the benefits of the services provided.

The Group has elected to apply the right-to-invoice practical expedient, whereby revenue is recognised in the amount that the Group has a right to invoice the customer, which corresponds directly with the value transferred to the customer for services performed to date. When this practical expedient is applied, the Group does not estimate variable consideration at contract inception for the purpose of determining the transaction price or related disclosures.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND LEASE CONTRACTS (CONTINUED)

5.1 Revenue from contract with customers (continued)

(e) 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.

(f) 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.

5.2 Revenue from lease contracts

The Group's charter hires with customers are determined as leases under MFRS 16 "Lease". The Group, as a lessor, generates revenue from leasing out marine vessels under charter hires. Vessel charter income is recognised over the term of the charter on a straight-line basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND LEASE CONTRACTS (CONTINUED)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contract with customers:				
Crude oil sales	81,766	-	-	-
HUC and MCM contracts				
- Lump-sum	32,694	100,423	-	-
- Time-based	35,636	40,610	-	-
- Reimbursable materials	18,198	20,882	-	-
- Reimbursable services	27,577	24,914	-	-
Marine related revenue	31,749	113,756	-	-
Project management, technical and other services	2,351	62,622	-	-
Sale of goods	701	2,615	-	-
Management fees from subsidiaries	-	-	11,193	9,851
	<u>230,672</u>	<u>365,822</u>	<u>11,193</u>	<u>9,851</u>
Revenue from lease contracts:				
Lease income – charter hire of vessels	51,659	133,593	-	-
	<u>282,331</u>	<u>499,415</u>	<u>11,193</u>	<u>9,851</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND LEASE CONTRACTS (CONTINUED)

	Group			
	Services RM'000	Marine RM'000	Upstream RM'000	Total RM'000
<u>2025</u>				
Timing of revenue recognition				
- at a point in time	18,899	-	81,766	100,665
- over time	98,258	31,749	-	130,007
	<u>117,157</u>	<u>31,749</u>	<u>81,766</u>	<u>230,672</u>
<u>2024</u>				
Timing of revenue recognition				
- at a point in time	23,497	-	-	23,497
- over time	228,569	113,756	-	342,325
	<u>252,066</u>	<u>113,756</u>	<u>-</u>	<u>365,822</u>

Revenue arising from the charter hire of vessels is accounted for in accordance with MFRS 16, as the arrangements provide customers with the right to use identified vessels for a specified period in exchange for consideration.

During the current financial year, management disclosed charter hire revenue separately from revenue from contracts with customers under MFRS 15. Comparative information has also been updated where necessary to ensure consistency with the current year disclosure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6 OTHER (LOSSES)/GAIN AND OTHER INCOME

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Other gain/(losses):				
- Realised foreign exchange loss	(1,835)	(1,018)	-	-
- Unrealised foreign exchange gain	7,654	7	-	-
- (Loss)/gain on disposal of property, plan and equipment	(221)	83	13	-
Total other gain/(losses)	5,598	(928)	13	-
Other income:				
- Sundry income	904	1,071	3	9
- Commission income	1,586	1,134	-	-
- Reversal of impairment of trade and other receivables	-	959	-	-
- Allowance for impairment of contract assets	-	(1,147)	-	-
Total other income	2,490	2,017	3	9

The Group recognised sales commission in respect of the IT software services rendered.

7 FINANCE INCOME AND FINANCE COSTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Finance income from:				
- Short term bank deposits	3,171	4,579	247	291
- Unwinding of discount of abandonment cess fund	2,620	1,100	-	-
	5,791	5,679	247	291
Interest expense on:				
- Obligations under lease liabilities	(3,580)	(923)	(69)	(94)
- Borrowings	(5,425)	(3,201)	-	-
- Asset retirement obligation accretion	(4,338)	(2,108)	-	-
- Amortised discount of abandonment cess fund	(436)	(3,502)	-	-
Other finance charges	(344)	(1,788)	(9)	(16)
Total finance costs	(14,123)	(11,522)	(78)	(110)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8 (LOSS)/PROFIT FROM OPERATIONS

The following items have been charged/(credited) in arriving at (loss)/profit from operations:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Auditors' remuneration:				
- statutory audit paid/payable to PricewaterhouseCoopers PLT, Malaysia ("PwC Malaysia")	798	896	230	208
- audit related services paid/payable to PwC Malaysia	90	74	14	14
- non-audit fees paid/payable to PwC Malaysia	248	161	33	12
- statutory audit paid/payable to other audit firms	16	16	-	-
Employee costs (Note 9)	120,590	180,130	16,813	20,577
Property, plant and equipment:				
- Depreciation charge	22,147	26,860	408	216
- Impairment loss	14,601	-	-	-
- Loss/(gain) on disposal	221	(83)	-	-
Right-of-use assets:				
- Depreciation charge	36,684	25,717	419	417
Short term lease contracts and low value assets:				
- Charter hire of vessels	16,346	36,646	-	-
- Rental of equipment and buildings	5,309	5,381	127	92
Geological and Geophysical ("G&G") expenses	-	1,096	-	-
Cost of inventories	60,827	23,954	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9 EMPLOYEE COSTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages and salaries	85,519	126,660	12,143	9,602
Social security contributions	998	1,269	57	44
Contributions to defined contribution plan	10,090	13,282	1,349	1,261
Other benefits	23,983	38,919	3,264	9,670
	<u>120,590</u>	<u>180,130</u>	<u>16,813</u>	<u>20,577</u>

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	
	2025 RM'000	2024 RM'000
Executive:		
Salaries, allowances and compensation	5,114	4,385
Defined contribution plan	803	734
Other emoluments	323	506
Total Executive Directors' remuneration	<u>6,240</u>	<u>5,625</u>
Non-Executive:		
Fees and emoluments	554	489
Total Directors' remuneration	<u>6,794</u>	<u>6,114</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

11 INCOME TAX EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax				
- Current financial year	3,216	9,511	-	-
- Under provision in prior financial year	2,105	40	-	-
	<u>5,321</u>	<u>9,551</u>	<u>-</u>	<u>-</u>
Deferred tax (Note 24)				
- Origination and reversal of temporary differences	(901)	(4,905)	1,185	1,510
Total income tax expense	<u>4,420</u>	<u>4,646</u>	<u>1,185</u>	<u>1,510</u>

The explanation of the relationship between income tax expense and (loss)/profit before taxation is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/profit before tax	<u>(75,607)</u>	<u>75,232</u>	<u>2,624</u>	<u>36,959</u>
Tax calculated at the applicable Malaysian tax rate of 24% (2024: 24%)	(18,146)	18,056	630	8,870
Tax effects of:				
- Effect of different tax rates between corporate income tax and petroleum income tax	(365)	(1,332)	-	-
- Income not subject to tax	(448)	(606)	(4,800)	(14,400)
- Expenses not deductible for tax purposes	7,243	7,421	5,355	7,040
- Utilisation of previously unrecognised temporary differences	-	(18,933)	-	-
- Temporary differences not recognised	11,112	-	-	-
- Under provision in prior years	5,024	40	-	-
	<u>4,420</u>	<u>4,646</u>	<u>1,185</u>	<u>1,510</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12 (LOSS)/EARNINGS PER SHARE (EPS)

The calculation of basic (loss)/earnings per ordinary share at 31 December 2025 and 31 December 2024 was based on the (loss)/profit attributable to owners of the Company and a weighted average number of ordinary shares outstanding, calculated as follows:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
(Loss)/Profit attributable to owners of the Company (RM'000)	(80,027)	70,586
Weighted average number of shares in issue ('000)	320,942*	320,942*
Basic/Diluted (loss)/earning per share (sen)	<u>(24.94)</u>	<u>21.99</u>

The Group has no potential ordinary shares in issue as at reporting date and therefore, diluted (loss)/earnings per share are the same as basic (loss)/earnings per share.

* Net of treasury shares

13 PROPERTY, PLANT AND EQUIPMENT

Oil and gas assets are depreciated according to the unit of production method using proven and probable reserve.

Depreciation of other property, plant and equipment 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, dry docking and other marine assets	4 - 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%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13 PROPERTY, PLANT AND EQUIPMENT(CONTINUED)

	<u>Asset under construction</u>	<u>Vessels, dry docking and other marine assets</u>	<u>Oil and gas assets</u>	<u>Plant and machinery</u>	<u>Cabin, field and workshop equipment</u>	<u>Motor vehicles</u>	<u>Furniture, fittings and office equipment</u>	<u>Air-conditioner, computer, signboard, renovation and electrical installation</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Group</u>									
<u>2025</u>									
Cost	127,945	285,071	218,112	1,724	9,541	2,599	2,369	19,347	666,708
Accumulated depreciation and accumulated impairment losses	-	(172,849)	(4,706)	(1,676)	(5,714)	(1,284)	(1,887)	(15,162)	(203,278)
Net book value	<u>127,945</u>	<u>112,222</u>	<u>213,406</u>	<u>48</u>	<u>3,827</u>	<u>1,315</u>	<u>482</u>	<u>4,185</u>	<u>463,430</u>
<u>2024</u>									
Cost	230	292,103	52,396	1,672	9,525	2,172	2,018	15,912	376,028
Accumulated depreciation and accumulated impairment losses	-	(156,517)	(4,047)	(1,581)	(4,677)	(921)	(1,768)	(13,384)	(182,895)
Net book value	<u>230</u>	<u>135,586</u>	<u>48,349</u>	<u>91</u>	<u>4,848</u>	<u>1,251</u>	<u>250</u>	<u>2,528</u>	<u>193,133</u>
<u>Group</u>									
<u>Net book value</u>									
At 1 January 2025	230	135,586	48,349	91	4,848	1,251	250	2,528	193,133
Additions	127,945	18,139	7,539	52	615	427	351	3,205	158,273
Depreciation charge	-	(17,870)	(659)	(95)	(1,263)	(363)	(119)	(1,778)	(22,147)
Disposal	-	(2)	-	-	(373)	-	-	-	(375)
Impairment	-	(14,601)	-	-	-	-	-	-	(14,601)
Reclassification from E&E assets	-	-	149,147	-	-	-	-	-	149,147
Reclassification	(230)	(9,030)	9,030	-	-	-	-	230	-
At 31 December 2025	<u>127,945</u>	<u>112,222</u>	<u>213,406</u>	<u>48</u>	<u>3,827</u>	<u>1,315</u>	<u>482</u>	<u>4,185</u>	<u>463,430</u>
At 1 January 2024	-	140,447	-	233	3,056	300	211	3,366	147,613
Additions	230	15,135	52,396	3	3,195	1,146	129	552	72,786
Depreciation charge	-	(19,590)	(4,047)	(145)	(1,403)	(195)	(90)	(1,390)	(26,860)
Disposal	-	(406)	-	-	-	-	-	-	(406)
At 31 December 2024	<u>230</u>	<u>135,586</u>	<u>48,349</u>	<u>91</u>	<u>4,848</u>	<u>1,251</u>	<u>250</u>	<u>2,528</u>	<u>193,133</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

<u>Company</u>	<u>Motor vehicles</u> RM'000	<u>Furniture, fittings and office equipment</u> RM'000	<u>Air conditioner, computer, signboard, renovation and electrical installation</u> RM'000	<u>Total</u> RM'000
<u>2025</u>				
Cost	5	1,178	10,095	11,278
Accumulated depreciation	(5)	(989)	(8,893)	(9,887)
Net book value	-	189	1,202	1,391
<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>Net book value</u>				
At 1 January 2025	-	21	839	860
Additions	-	201	738	939
Depreciation charge	-	(33)	(375)	(408)
At 31 December 2025	-	189	1,202	1,391
<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

The Group's vessels with a carrying amount of RM112,352,549 (2024: RM46,654,906) are pledged to secure the Group's borrowings (Note 30).

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 2025 and this has resulted in a depreciation savings of RM7,701,206 (2024: RM6,413,433).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

* The additions include non-cash transaction of the following:

	<u>2025</u> RM'000	<u>Group</u> <u>2024</u> RM'000
Other payables and accrued expenses	32,040	723
Additions for asset retirement within oil and gas assets	1,500	52,396
Borrowing cost capitalised	1,341	-

As at 31 December 2025, the market capitalisation of the Group falls below its net assets triggering the need to perform impairment assessment of the Group's assets. The Group has assessed the recoverable amount of property, plant and equipment and right-of-use assets at the reporting date based on the identified CGU as follows:

a) Banang LLA PSC

At reporting date, the carrying amount of CGU for Banang LLA PSC is RM216.3 million which comprises oil and gas assets, assets under construction (including wellhead reinforcement, well suspension and restoration work, and dry-docking of the mobile offshore production unit ("MOPU")), as well as vessels under right-of-use assets. The recoverable amount of Banang LLA were determine using Value in Use ("VIU") model based on cash flow projections on the most recent financial forecasts approved by the management over the economic life of Banang.

The Group assumed four scenarios of different performance outcomes, by ranging the production profile over 5 years of economic life from 2026-2030 and the expected oil price. Each scenario is adopted by the Group using a probability weightage of 25% each.

The key assumptions applied to determine the VIU of Banang LLA block are as follows:

- Pre-tax discount rate of 14.85%;
- Expected oil price ranging from USD63 – USD78 per barrel of crude oil;
- Future oil production profile based on assessments by oil and gas reserve experts;
- Operating cost of RM58.4 million per year with a 2% escalation on yearly basis; and
- Expected resumption of production in April 2026.

Based on the assessment performed, the Group concluded that the recoverable amount is greater than the carrying amount. The following sensitivity analysis has been performed based on possible changes in key assumptions, with the corresponding impact on the carrying amount of Banang LLA PSC as follows:

Key assumptions	Decrease on carrying amount of Banang LLA PSC RM' Mil
Reduction of production profile by 16%	(59.4)
Oil price of USD65 applicable for each scenario with equal probability weightage	(2.0)
Increase in operating cost by 10%	(6.5)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

b) SK 433 block

At reporting date, the carrying amount of CGU for SK 433 block is RM149.8 million which consist of oil and gas assets and assets under construction which include production facilities that are currently under construction. The recoverable amounts of SK 433 block was determined using VIU model based on cash flow projections on the most recent financial forecasts approved by the management over the economic life of SK 433 block.

The Group assumed three scenarios of different performance outcomes based on varying production profile over 15 years economic life from 2026-2040 and the expected oil and gas price. Each scenario is adopted by the Group using a probability weightage between 25% to 50% each.

The key assumptions applied to determine the recoverable amount of SK 433 block were as follows:

- i) Pre-tax discount rate of 12.18%;
- iii) Gas price at RM16.8 per MMBtu starting 2027, with 1.5 percent yearly escalation;
- iv) Future oil and gas production profile based on assessments by oil and gas reserve experts; and
- v) Expected first gas in April 2027.

Based on the assessment performed, the Group concluded that the recoverable amount is greater than the carrying amount.

c) Marine segment consists of vessels, drydocking and other marine assets

There are five CGUs within the Marine segment for which impairment assessments have been performed. Each vessel, together with its related marine assets, is determined to constitute a single CGU as it is capable of generating largely independent cash inflows from charter arrangements that are not dependent on the cash inflows of other vessels.

As at the reporting date, the total carrying amount of all CGUs within the Marine segment was RM126.9 million, comprising vessels, dry-docking costs and other marine assets.

For each individual vessel CGU, the recoverable amount is determined based on fair value less costs of disposal ("FVLCD"), using valuations performed by an independent valuer applying the market comparable approach, as well as firm offers received by the Group. The fair value was based on valuation report dated January 2026 which reflects recent market transactions of comparable vessels with similar age and specifications as at 31 December 2025. The independent valuer considered prevailing market conditions and applied adjustments for differences such as vessel age, dry-docking status, timing and technical specifications, where applicable, before determining the appropriate fair value of each vessel. Costs of disposal are determined at 3% of the vessels' fair value, based on the Group's past transaction for asset disposals and industry benchmarks.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Marine segment consists of vessels, drydocking and other marine assets (continued)

The following table describes the valuation significant unobservable inputs and its inter-relationship with fair value measurement used in the determination of fair values classified under Level 3.

Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Valuation based on comparison to the market value of the type of vessels fitted with the same specifications of similar nature or as close in similarity of which recently transacted around the region.	<ul style="list-style-type: none"> i) The estimated fair value would increase/ (decrease) if the valuation of recent transactions based on similar age and specifications of which recently transacted around the region were higher/ (lower). ii) The estimated fair value would increase/(decrease) if the useful lives and the residual values of the vessels are higher/(lower).

During the financial year, the Group has recognised an impairment loss of RM14.6 million on four vessels in the profit or loss, as the estimated recoverable amounts of these marine vessels are lower than their carrying amounts.

(d) Services segment

At reporting date, the carrying amount of CGU for services segment is RM44.2 million which consist of property, plant and equipment and right of use of assets of leasehold land and building. The recoverable amounts of services segment were determine using VIU model based on the cash flow projections on the most recent financial forecasts approved by the management over the next 3 years.

The Group assumed two scenarios of performance outcome, both of which include awarded work orders. The difference between the scenarios is that one assumes the inclusion of unsecured contracts, while the other excludes them. Each scenario is assigned an equal probability weighting of 50%.

The key assumption applied to determine the recoverable amount of the contract was revenue based on secured and unsecured work orders and a discount rate of 18.68% is applied.

Based on the assessment performed, the Group conclude that the recoverable amount is greater than the carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

14 EXPLORATION AND EVALUATION ASSETS

The Group together with Petroleum Sarawak Exploration & Production Sdn. Bhd. ("PSEP") signed a Petroleum Contract with Petroleum Sarawak Berhad ("PETROS") for exploration, development and production of Petroleum resources in Block SK433, Onshore Sarawak for a tenure of maximum 29 years. Under the agreement, the Group is the operator with a participating interest of 50% for Block SK433 situated in Miri, Sarawak.

The Group's Exploration and Evaluation ("E&E") assets comprises rights, concessions and conventional studies related to licensed areas of interest in the exploration phase. Following the acquisition of a concession right to explore a licensed area, the costs directly associated with an exploration well such as, geological and geophysical surveys, drilling, commercial appraisal costs and other directly attributable costs of exploration and appraisal including technical and administrative costs, are capitalised.

E&E expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward in relation to each area of interest to the extent that the following conditions are satisfied:

- The rights to the tenure of an area of interest are current; and
- At least one of the following conditions is also met:
 - E&E expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
 - E&E activities in the area of interest have not, at the reporting date, reached a stage which permits reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Accumulated costs in relation to an area are fully written off in statement of comprehensive income for the financial period in which the decision to abandon the area is made due to commercially not viable.

E&E assets is transferred to property, plant and equipment as oil and gas assets upon the approval of Field Development Plan. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the proven and probable developed reserves.

E&E assets are assessed for impairment when facts and circumstances suggest that the carrying amount of the assets may exceed its recoverable amount and prior to any transfer to oil and gas assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

14 EXPLORATION AND EVALUATION ASSETS (CONTINUED)

	RM'000
<u>Group</u>	
<u>2025</u>	
<u>Cost/Net book value</u>	
At 1 January 2025	150,082
Additions	2,998
Reclassification to property, plant and equipment	(149,147)
At 31 December 2025	<u>3,933</u>
<u>2024</u>	
<u>Cost/Net book value</u>	
At 1 January 2024	70,497
Additions	79,585
At 31 December 2024	<u>150,082</u>

*Additions include accruals based on value of work done amounting to RM1,016,109 (2024:RM6,306,768).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15 RIGHT-OF-USE ASSETS

	Vessel RM'000	Leasehold land and buildings RM'000	Total RM'000
<u>Group</u>			
<u>2025</u>			
Cost	100,621	44,272	144,893
Accumulated depreciation	(32,634)	(24,192)	(56,826)
	<u>67,987</u>	<u>20,080</u>	<u>88,067</u>
<u>Net book value</u>			
At 1 January 2025	-	22,486	22,486
Additions	100,621	1,644	102,265
Depreciation charge	(32,634)	(4,050)	(36,684)
At 31 December 2025	<u>67,987</u>	<u>20,080</u>	<u>88,067</u>
<u>2024</u>			
Cost	130,554	43,445	173,999
Accumulated depreciation	(130,554)	(20,959)	(151,513)
	<u>-</u>	<u>22,486</u>	<u>22,486</u>
<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	<u>-</u>	<u>22,486</u>	<u>22,486</u>

The Group leases a floating storage offloading ("FSO") tanker for the storage of crude oil produced from the Banang field. The lease contract of the FSO is for a period of thirty four months, with an additional extension period of three months. The extension period has been included in the lease term as the Group has assessed that it is reasonably certain to exercise the extension option.

The Group also leases leasehold land and buildings for use by its service segment. The lease contracts are typically entered into for fixed periods and may include extension or termination options. The lease terms are negotiated on an individual basis. The Group's leasehold land and buildings with a carrying amount of RM7,281,376 (2024: RM7,472,154) and RM5,911,854 (2024: RM6,062,795) respectively are pledged to secure the Group's borrowings (Note 30).

Right-of-use assets are generally depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term.

Refer to Note 13 for the impairment assessment performed on right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15 RIGHT-OF-USE ASSETS (CONTINUED)

	Leasehold land and buildings RM'000
<u>Company</u>	
<u>2025</u>	
Cost	3,851
Accumulated depreciation	(3,007)
Net book value	<u>844</u>
<u>Net book value</u>	
At 1 January 2025	1,238
Additions	25
Depreciation charge	(419)
At 31 December 2025	<u>844</u>
<u>2024</u>	
Cost	3,826
Accumulated depreciation	(2,588)
Net book value	<u>1,238</u>
<u>Net book value</u>	
At 1 January 2024	1,628
Additions	27
Depreciation charge	(417)
At 31 December 2024	<u>1,238</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16 LONG TERM RECEIVABLES

Under the Banang LLA PSC agreement with Petronas, the Group and Petronas will contribute to a separate fund established to help fund the abandonment obligations in accordance to an agreed percentage. This fund is held by Petronas.

At the end of the economic life, the Group will carry out the abandonment activities and 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 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 reimbursement is measured at the lower of the amount of the decommissioning obligation recognised and the Group's share of the fair value of the net assets of the fund attributable to the Group. Changes in the carrying value of the right to receive reimbursement other than contributions to and payments from the fund is recognised in statement of comprehensive income in the period in which these changes occur.

The abandonment funds are recognised as long term receivables as follows:

	<u>2025</u> RM'000	<u>Group</u> <u>2024</u> RM'000
At 1 January	66,441	-
Contribution of Petronas agreed as per PSC	-	57,155
Contribution during the year	1,596	11,688
Amortised discount	(435)	(3,502)
Unwinding of discount	2,620	1,100
At 31 December	<u>70,222</u>	<u>66,441</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17 TRADE AND OTHER RECEIVABLES AND DEPOSITS

	<u>2025</u> RM'000	<u>Group</u> <u>2024</u> RM'000	<u>2025</u> RM'000	<u>Company</u> <u>2024</u> RM'000
Current				
<u>Trade receivables:</u>				
Third parties	17,765	24,244	-	-
Less: Allowance for impairment loss - Third parties	(1,008)	(1,034)	-	-
	<u>16,757</u>	<u>23,210</u>	<u>-</u>	<u>-</u>
<u>Other receivables:</u>				
Deposits	340	2,088	6	766
Prepayments	-	4,950	-	207
Sundry receivables	3,500	11,497	137	261
Export duty refund	7,006	-	-	-
	<u>10,846</u>	<u>18,535</u>	<u>143</u>	<u>1,234</u>
Less: Allowance for impairment loss - sundry receivables	(2,418)	(2,418)	-	-
	<u>8,428</u>	<u>16,117</u>	<u>143</u>	<u>1,234</u>
Total trade and other receivables	<u>25,185</u>	<u>39,327</u>	<u>143</u>	<u>1,234</u>
Non-Current				
Long term deposits	<u>1,823</u>	<u>-</u>	<u>810</u>	<u>-</u>

(a) Trade receivables

Movement in allowance for impairment for trade receivables:

	<u>2025</u> RM'000	<u>Group</u> <u>2024</u> RM'000
At 1 January	1,034	4,095
Reversal of for impairment	-	(1,117)
Write off	(26)	(1,944)
At 31 December	<u>1,008</u>	<u>1,034</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17 TRADE AND OTHER RECEIVABLES AND DEPOSITS (CONTINUED)

(b) Other receivables

Other receivables are unsecured and short-term in nature.

Movement in allowance for impairment for other receivables:

	Group	
	2025	2024
	RM'000	RM'000
As 1 January	2,418	4,333
Allowance for impairment	-	158
Write off	-	(2,073)
At 31 December	2,418	2,418

(c) Deposits

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Non - Current				
Properties	1,411	-	757	-
Utilities	205	-	3	-
Others	207	-	50	-
	1,823	-	810	-
Current				
Properties	340	2,088	6	766
Total	2,163	2,088	816	766

Deposits are unsecured and interest free.

(d) Subsequent measurement – 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 a joint venture partner

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(d) Subsequent measurement – impairment for debt instruments (continued)

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.

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 2025

18 ADVANCE PAYMENT

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Goods and services for projects	5,625	-	-	-
Other advance payment	2,041	-	538	-
	<u>7,666</u>	<u>-</u>	<u>538</u>	<u>-</u>

Advance payment for goods and services for projects are based on the contractual agreement between the Group and its vendors.

19 AMOUNT DUE (TO)/ FROM A JOINT VENTURE PARTNER

The amount due to a joint venture partners of RM4.2 million (2024: amount due from a joint venture partner of RM4.3 million) arises from the monthly cash call to the joint venture partner that are based on forecasted upcoming expenditure which set off against actual expenditure incurred subsequently for the exploration and development activities of SK 433 block, onshore Sarawak. The amounts are unsecured and to be settled in cash within 15 days of the cash call letter date.

SK433 Petroleum Contract

The Group classifies the the Petroleum Contract ("PC") as joint operations and recognises its share of assets, liabilities, revenues and expenses in accordance with the contractually conferred rights and obligations stated in the PC and the joint operating agreements ("JOAs") with the joint venture partner.

Under the JOAs, the operator is allowed to recover its indirect charges for administrative contributions for supporting the joint operation by charging the non-operator the portion of allowed overhead calculated based on agreed percentages under the JOAs. This charge of the allowed overhead is to compensate for the operator's administrative contribution for performing services that are not to be considered as direct charge for the benefit of the joint operation.

Under the PC, contractors fund the work outlined in an approved work programme and budget and are entitled to recover costs from production, subject to the cost recovery limits of the PC. The cost recovery mechanism of the PC enables contractors to recover costs incurred via an entitlement to production volume. Costs unrecovered in a particular quarter can be carried forward for recovery against production in subsequent quarters. The contractors' share of production also includes an element of profit.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20 AMOUNTS DUE FROM/(TO) SUBSIDIARIES

Amount due from and due to subsidiaries from the same counterparty are offset, as the Company has legally enforceable right to offset the amounts, and there is an intention to settle on a net basis. The following table presents the gross amount due from and due to subsidiaries, and the amounts set off:

	Gross Amounts RM'000	Gross amounts offset in the Statement of Financial Position RM'000	Company
			Net amounts presented in the Statement of Financial Position RM'000
<u>2025</u>			
<u>Non-Current</u>			
Amounts due from subsidiaries	83,540	(40,112)	43,428
Less: Allowances for impairment loss			(3,810)
			<u>39,618</u>
Amount due to a subsidiary	<u>(87,299)</u>	<u>40,112</u>	<u>(47,187)</u>
<u>Current</u>			
Amounts due from subsidiaries	66	(66)	-
Amounts due to subsidiaries	<u>(1,489)</u>	<u>66</u>	<u>(1,423)</u>
<u>2024</u>			
<u>Current</u>			
Amounts due from subsidiaries	81,681	(47,816)	33,865
Amounts due to subsidiaries	<u>(66,435)</u>	<u>47,816</u>	<u>(18,619)</u>

The amounts due from/(to) subsidiaries are both trade and non-trade in nature, unsecured and interest free. In the current financial year, the amount due from a subsidiary is reclassified to non-current as the Company does not expect repayment from the subsidiary within the next 12 months. Furthermore, the amount due to a subsidiary is reclassified to non-current as the Company may, in its discretion, defer the payment for more than 12 months from the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20 AMOUNTS DUE FROM/(TO) SUBSIDIARIES (CONTINUED)

At the reporting date, the movement of the allowance account used to record the impairment is as follows:

	Company	
	2025	2024
	RM'000	RM'000
At 1 January	-	2,358
Allowance for impairment	5,389	5,024
Write off	(1,579)	(7,382)
At 31 December	<u>3,810</u>	<u>-</u>

The allowance for impairment of amounts due from subsidiaries recognised mainly relates to impairment losses assessed on advances given to a subsidiary during the year, which reflect the Company's assessment of the subsidiary's credit risk and the timing of expected repayment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21 CONTRACT BALANCES

	Group	
	2025	2024
	RM'000	RM'000
Contract assets	<u>49,492</u>	<u>90,629</u>
The movement of contract assets is as follows:		
At 1 January	90,629	85,690
Transfer to receivables	(169,997)	(84,696)
Increase as a result of changes in the measure of progress	<u>130,007</u>	<u>90,782</u>
	50,639	91,776
Less: Allowance for impairment	<u>(1,147)</u>	<u>(1,147)</u>
At 31 December	<u>49,492</u>	<u>90,629</u>

At the reporting date, the movement of the allowance account used to record the impairment is as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	1,147	-
Allowance for impairment	<u>-</u>	<u>1,147</u>
At 31 December	<u>1,147</u>	<u>1,147</u>
Contract liabilities	<u>2,591</u>	<u>3,240</u>

The movement of contract liabilities is as follows:

	Group	
	2025	2024
At 1 January	3,240	2,373
Revenue recognised that was included in the contract liabilities		
- Rendering of services	(3,240)	(2,373)
Increases due to cash received, excluding amounts recognised as revenue during the financial year	<u>2,591</u>	<u>3,240</u>
At 31 December	<u>2,591</u>	<u>3,240</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21 CONTRACT BALANCES (CONTINUED)

Unsatisfied performance obligation

The following table shows unsatisfied performance obligations from long term contracts:

	<u>2025</u>	<u>2024</u>
	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	<u>245,370</u>	<u>70,734</u>

Management expects that most of the transaction price allocated to the unsatisfied contracts as of 31 December 2025 will be recognised as revenue in the following years. The amount disclosed above does not include variable consideration which is constrained.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22 INVESTMENTS IN SUBSIDIARIES

	<u>Company</u>	
	<u>2025</u>	<u>2024</u>
	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	<u>(21,565)</u>	<u>(21,565)</u>
	<u>304,691</u>	<u>304,691</u>

At the reporting date, the Company performed an impairment assessment with respect to the investment in a subsidiary of the marine segment due to the losses recorded by the subsidiary. No impairment charge was recognised as the recoverable amount was in excess of its carrying amount.

The movement of the allowance account used to record the impairment is as follows:

	<u>Company</u>	
	<u>2025</u>	<u>2024</u>
	RM'000	RM'000
At 1 January	21,565	21,315
Charge for the financial year	-	250
At 31 December	<u>21,565</u>	<u>21,565</u>

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 2025

22 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name	Effective interest		Principal activities
	2025 %	2024 %	
<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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name	Effective interest		Principal activities
	2025 %	2024 %	
<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 Marine One Ltd*	100	100	Dormant, under liquidation
<u>Held through Petra Energy Development Sdn. Bhd.:</u>			
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

23 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 RM231,725 in respect of current financial year (2024: RM221,211).

The share of results and net assets of the joint venture are not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24 DEFERRED TAXATION

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax assets	17,642	14,732	1,187	2,372
Deferred tax liabilities	(2,009)	-	-	-
	<u>15,633</u>	<u>14,732</u>	<u>1,187</u>	<u>2,372</u>
At start of the financial year	14,732	9,827	2,372	3,882
Credited/(charged) to statement of comprehensive income				
- Property, plant and equipment	(23,984)	3,792	(90)	(16)
- Unutilised capital allowances	(5,470)	(14,532)	-	-
- Unutilised tax losses	36,722	9,339	(869)	(1,603)
- Accruals	(3,584)	377	(225)	85
- Asset retirement obligation	496	385	-	-
- Advance billings	(268)	322	-	-
- Right of use of asset	(16,457)	(1,815)	95	(297)
- Lease liabilities	18,751	1,937	(96)	321
- Long term receivable	(3,756)	1,330	-	-
- Inventory	(1,549)	3,770	-	-
	<u>901</u>	<u>4,905</u>	<u>(1,185)</u>	<u>(1,510)</u>
At end of the financial year	<u>15,633</u>	<u>14,732</u>	<u>1,187</u>	<u>2,372</u>
Deferred tax assets (before offsetting)				
- Accruals	1,297	4,881	21	246
- Unutilised capital allowances	12,027	17,496	-	-
- Unutilised tax losses	49,856	13,115	1,304	2,173
- Advance billings	622	890	-	-
- Asset retirement obligation	881	385	-	-
- Lease liabilities	20,688	1,937	225	321
- Long term receivables	-	1,330	-	-
- Inventory	2,221	3,770	-	-
	<u>87,592</u>	<u>43,804</u>	<u>1,550</u>	<u>2,740</u>
Offsetting	(69,950)	(29,072)	(363)	(368)
Deferred tax assets (after offsetting)	<u>17,642</u>	<u>14,732</u>	<u>1,187</u>	<u>2,372</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24 DEFERRED TAXATION (CONTINUED)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	(51,261)	(27,257)	(161)	(71)
- Long term receivables	(2,426)	-	-	-
- Right of use of assets	(18,272)	(1,815)	(202)	(297)
	<u>(71,959)</u>	<u>(29,072)</u>	<u>(363)</u>	<u>(368)</u>
Offsetting	69,950	29,072	363	368
Deferred liabilities (after offsetting)	<u>(2,009)</u>	<u>-</u>	<u>-</u>	<u>-</u>

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.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. In assessing the whether it is probable that taxable profits will be earned in future financial period prior to any tax loss expiry as may be the case, management has considered approved financial forecasts which include forecast taxable profit over the relevant periods. These forecasts are consistent with those prepared for impairment testing purpose. Based on these assessments, the Group expect sufficient taxable profits to be generated to realise the benefit of the deferred tax assets.

The amount of unutilised business loss for which no deferred tax assets is recognised in the statement of financial position due to no foreseeable profit in the near future to be offset against deferred tax assets and its expiry period are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unutilised tax losses				
- Within 3 years	33,769	-	-	-
- Within 4 years	1,041	33,769	-	-
- Within 5 years	1,346	1,041	-	-
- Within 6 years	924	1,346	-	-
- Within 7 years	-	924	-	-
	<u>37,080</u>	<u>37,080</u>	<u>-</u>	<u>-</u>

The amount of unabsorbed capital allowance for which no deferred tax assets is recognised in the statement of financial position due to uncertain tax treatment as disclosed in Note 4(c) are as follows:

Unabsorbed capital allowance	<u>46,297</u>	<u>-</u>	<u>-</u>	<u>-</u>
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

25 INVENTORIES

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	RM'000	RM'000
Crude oil	7,562	53,868
Consumables	1,785	2,966
	<u>9,347</u>	<u>56,834</u>

Inventories are stated at lower of cost and net realisable value. During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group was RM60,827,334 (2024: RM23,954,029).

26 CASH AND BANK BALANCES

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM'000	RM'000	RM'000	RM'000
Short term deposits with licensed banks	38,334	53,293	-	-
Cash at bank	89,149	134,696	7,374	12,278
Cash on hand	132	119	5	9
	<u>127,615</u>	<u>188,108</u>	<u>7,379</u>	<u>12,287</u>
Less:				
- Restricted cash, held in Debts Service Reserve Account ("DSRA")	(8,804)	(12,762)	-	-
- Deposits pledged for credit facilities	(13,496)	(425)	-	-
Net cash and cash equivalents	<u>105,315</u>	<u>174,921</u>	<u>7,379</u>	<u>12,287</u>

Cash restricted in use represents cash set aside for debt servicing purpose and deposits placed with financial institutions as security for banking facilities obtained by the Group.

Deposits of the Group at the end of the financial year have a maturity period of 1 to 3 months (2024: 1 to 12 months). The weighted average effective interest rates as at 31 December 2025 for the Group was 2.28% (2024: 2.83%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

26 CASH AND BANK BALANCES (CONTINUED)

The credit quality of bank balances can be assessed by reference to external credit ratings (if available):

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM'000	RM'000	RM'000	RM'000
Counterparties with external credit rating:				
- AAA	108,426	144,396	7,363	12,268
- AA1	19,057	43,593	11	10
	<u>127,483</u>	<u>187,989</u>	<u>7,374</u>	<u>12,278</u>

The credit quality of the above deposits and bank balances (excluding cash balances) are assessed by reference to RAM Services Berhad.

27 SHARE CAPITAL

	<u>Group and Company</u>			
	<u>Number of shares of RM0.50 each</u>		<u>Amount</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	Unit'000	Unit'000	RM'000	RM'000
Issued and fully paid:				
At 1 January/ 31 December	<u>321,750</u>	<u>321,750</u>	<u>299,809</u>	<u>299,809</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28 TREASURY SHARES

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 2025.

	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
				<u>807,800</u>	<u>840,115</u>

29 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.

30 BORROWINGS

	Group	
	2025	2024
	RM'000	RM'000
<u>Current</u>		
Invoice financing (secured)	111,899	89,297
Revolving credit (secured)	15,042	2,007
Term Loan (secured)	15,484	-
Hire purchase (non-secured)	310	260
Total current	<u>142,735</u>	<u>91,564</u>
<u>Non-current</u>		
Term Loan (secured)	45,893	-
Hire purchase (non-secured)	523	643
Total non-current	<u>46,416</u>	<u>643</u>
Total	<u>189,151</u>	<u>92,207</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30 BORROWINGS (CONTINUED)

Invoice Financing and Revolving Credit – 1

Total available facilities of the Group amounting to RM75,000,000 (2024: RM75,000,000) out of which RM14,136,000 (2024: RM8,339,000) was utilised as of year end. For the current financial year, the facilities bore an effective interest rate ranging from 4.85% to 5.26% (2024: 5.10% to 5.24%) per annum.

The terms of the facilities are as follows:

- Payment are due on the 180 days from the withdrawal date;
- First ranking assignments executed by the borrower to assign all of the borrower's 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 27; and
- Corporate guarantee to be provided by PETRA Energy Berhad amounting to RM5 million.

The Group is required to comply with a financial covenant to maintain a debt-to-equity ratio of not more than 2 times on an annual basis at the Group level, assessed at the end of each reporting period.

Invoice Financing, Revolving Credit and General Facilities – 2

Total available facilities of the Group amounting to RM140,000,000 (2024: RM140,000,000). The Group utilised RM17,205,000 (2024: RM10,749,000) of invoice financing and revolving credit and RM13,151,000 of general facilities from its available limit as of year end. For the current financial year, the facilities bore an effective interest rate ranging from 4.31% to 8.07% (2024: 4.54% to 8.07%) per annum.

The terms of the facilities are as follows:

- Payment are due on the 120 days or 180 days from the withdrawal date;
- Corporate guarantee to be provided by PETRA Energy Berhad amounting to RM17.2 million; and

The Group is required to comply with financial covenants to maintain a debt-to-equity ratio of not more than 1.5 times at all times at the Group level, and the subsidiary that draws down from these facilities is required to maintain an interest coverage ratio of at least 1.2 times at all times at the subsidiary level.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30 BORROWINGS (CONTINUED)

Invoice Financing – 3

Total available facilities of the Group amounting to RM164,500,000 (2024: RM164,500,000). The Group utilised RM95,600,000 (2024: RM72,216,000) of invoice financing and RM4,515,000 of general facilities from its available limit as of year end. For the current financial year, the facilities bore an effective interest rate ranging from 5.02% to 7.20% (2024: 5.34% to 5.86%) per annum.

The terms of the facilities are as follows:

- Payment are due on the 180 days from the withdrawal date;
- First ranking statutory mortgages over certain vessels as disclosed in Note 14;
- First party legal charge over properties (leasehold land and buildings) located at Kampung Sg. Keling, Wilayah Persekutuan Labuan as disclosed in Note 16;
- First ranking assignments executed by the borrowers to assign all of the borrowers' 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 27;
- Corporate guarantee to be provided by Petra Energy Berhad amounting to RM84.2 million; and

The subsidiaries that draw down from these facilities is required to maintain positive net worth at all times at the subsidiary level.

Term Loan

In the current financial year, the Group secured a term loan facility amounting to RM65,000,000 (2024: RM Nil) out of which the balance has reduced to RM61,377,000 as of year end due to repayment made during the year.

The facility bore an effective interest rate 3.78% per annum and is repayable through quarterly instalments of RM4.4 million, with a final instalments of RM4.6 million due in August 2029. The terms are as follows:

- First ranking Charge and Assignment of DSRA and deposits pledged as disclosed in Note 26; and
- Corporate guarantee provided by Petra Energy Berhad amounting to RM 61.4 million;
- Third party legal charge over 3 vessels Petra Orbit, Petra Galaxy, and Petra Challenger;
- Assignment of contract proceeds in relation to Block SK433 Onshore Sarawak by the borrower; and

The Group is required to comply with financial covenants to maintain a debt-to-equity ratio of not more than 1 time at all times at the Group level, and the subsidiary that draw down from this facility is required to maintain an financial service cover ratio of at least 1.25 times on an annual basis at the subsidiary level, assessed at the end of each reporting period.

The Group is in compliance with all financial covenants as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30 BORROWINGS (CONTINUED)

Supplier finance arrangement

The invoice financing amounting to RM111,899,000 (2024: RM89,297,000) represents a supplier finance arrangement whereby banks settle amounts owed by the Group to its vendors, and the Group subsequently repays the banks at a later date. This arrangement provides the Group with extended payment terms compared to the original invoice due dates.

Upon settlement of the invoices by the banks, the related trade payables are derecognised and a corresponding financial liability is recognised as borrowings. The invoice financing provides extended payment terms of 120 to 180 days compared to the original invoice payment terms of 30 to 60 days.

31 LEASE LIABILITIES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
- Current	52,400	2,984	417	424
- Non-current	34,603	5,103	520	912
	<u>87,003</u>	<u>8,087</u>	<u>937</u>	<u>1,336</u>

32 ASSET RETIREMENT OBLIGATION

Pursuant to the provisions of the Banang LLA PSC contract and Block SK433 PC contract, the Group has an obligation to perform decommissioning work for the abandonment of wells, facilities and installations during the end of tenure of the contract. 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 decommissioning 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	
	2025	2024
	RM'000	RM'000
At 1 January	111,659	-
Addition	1,500	109,551
Accretion during the year	4,338	2,108
At 31 December	<u>117,497</u>	<u>111,659</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33 TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current				
<u>Trade payables:</u>				
Third parties	52,364	122,719	-	-
Trade related accruals (Note (i))	29,966	16,001	-	-
	<u>82,330</u>	<u>138,720</u>	<u>-</u>	<u>-</u>
<u>Other payables:</u>				
Other related accruals (Note (ii))	31,216	23,293	1,673	7,025
Statutory liabilities	2,407	2,554	406	355
Retention payables	6,173	-	-	-
	<u>39,796</u>	<u>25,847</u>	<u>2,079</u>	<u>7,380</u>
Total trade and other payables	<u>122,126</u>	<u>164,567</u>	<u>2,079</u>	<u>7,380</u>

Trade payables and other payables are non-interest bearing and have credit terms ranging from 30 days to 60 days (2024: 30 days to 60 days).

Note

- (i) Trade related accruals are accrual balances pertaining to project cost incurred such as consumption of tools, equipment and consumable, logistic related charges, offshore related services (catering, manpower cost, subcontractor) and others.
- (ii) RM25.9 million relates to accruals for development costs for asset under construction and oil and gas assets, with the remaining balance mainly relating to accruals for service tax and overhead costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34 SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Significant related party transactions	Type	Place of Incorporation	Ownership	Ownership
			2025	2024
Shorefield Resources Sdn. Bhd.	Affiliate company	Malaysia	30.06% in the Company	29.61% in the Company

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	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Transactions with Shorefield Resources Sdn. Bhd.:				
- Rental paid	(1,580)	(1,330)	(464)	(464)
*Dividend income from subsidiaries				
- Petra Resources Sdn. Bhd.	-	-	(20,000)	(60,000)
Management fees to subsidiaries				
- Petra Marine Sdn. Bhd.	-	-	(1,373)	(1,301)
- Petra Resources Sdn. Bhd.	-	-	(6,169)	(5,448)
- Petra Development Sdn. Bhd.	-	-	(3,652)	(3,102)

*The direct wholly owned subsidiaries of the Company declared and paid dividend to the Company declared and paid dividend to the Company by way of offsetting amounts owing by the Company

(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 in the company and subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Key management compensation (Continued)

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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages and salaries	11,355	9,608	8,750	7,355
Defined contribution plan	1,544	1,412	1,220	1,120
Other benefits	700	971	538	774
Fees and emoluments	554	489	554	489
	<u>14,153</u>	<u>12,480</u>	<u>11,062</u>	<u>9,738</u>

Included in the above is the Executive and Non-Executive Directors' compensation which is disclosed in Note 10 to the financial statements.

35 COMMITMENTS

(a) Capital commitments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Approved but not contracted for				
Property, plant and equipment	15,000	86,361	-	-
Exploration and evaluation	30,000	-	-	-
Approved and contracted for				
Property, plant and equipment	103,900	-	-	-
Exploration and evaluation	-	70,339	-	-
Total	<u>148,900</u>	<u>156,700</u>	<u>-</u>	<u>-</u>

36 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37 FINANCIAL INSTRUMENTS BY CATEGORY

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial assets at amortised cost				
Trade and other receivables (excluding prepayments)	27,008	34,377	953	1,027
Amounts due from subsidiaries	-	-	39,618	33,865
Cash and bank balances	127,615	188,108	7,379	12,287
Amount due from a joint venture partner	-	4,290	-	-
	<u>154,623</u>	<u>226,775</u>	<u>47,950</u>	<u>47,179</u>
Financial liabilities at amortised cost				
Trade and other payables (excluding statutory liabilities)	119,719	162,013	1,673	7,025
Borrowings	189,151	92,207	-	-
Amounts due to subsidiaries	-	-	48,610	18,619
Lease liabilities	69,455	8,087	937	1,336
Amount due to a joint venture partner	4,190	-	-	-
	<u>382,515</u>	<u>262,307</u>	<u>51,220</u>	<u>26,980</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risk, including price risk, 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) Price risk

Commodity price risk related to crude oil is the Group's price risk exposure. Crude oil prices and quality differentials are influenced by worldwide factors such as Organizations of the Petroleum Exporting Countries ("OPEC") actions, political events and supply and demand fundamentals.

(b) Foreign currency exchange risk

The Group is exposed to foreign exchange currency risk primarily through lease contract 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 is primarily US Dollar ("USD").

The Group exposure to foreign currency risk, denominated in USD, based on carrying amount as at the end of reporting period was:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	RM'000	RM'000
<u>USD</u>		
Trade receivables	-	2,196
Other receivables	366	445
Cash and cash equivalents	262	97
Trade payable	(92)	(308)
Lease liabilities	(81,581)	-
	<u>(81,045)</u>	<u>2,430</u>

With all other variables held constant, the following table demonstrates the sensitivity of the Group's profit after tax to a reasonably possible change in the USD exchange rates against the functional currency of the Group.

	<u>Profit/(Loss) before tax</u>	
	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	RM'000	RM'000
USD/RM - strengthen 21% (2024: 16%)	(17,019)	389
- weaken 21% (2024: 16%)	17,019	(389)
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) 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 and deposits placed with licensed banks and financial institutions.

As at reporting date, 100% (2024: 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 RM150,817 (2024: RM38,914) 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:

	<u>Note</u>	<u>WAEIR</u>	<u>1 year</u>	<u>1 to</u>	<u>More</u>	<u>Total</u>
		%	<u>or less</u>	<u>5 years</u>	<u>than</u>	<u>Total</u>
			RM'000	RM'000	5 years	RM'000
					RM'000	RM'000
<u>Group</u>						
<u>At 31 December 2025</u>						
<u>Financial assets</u>						
Short term deposits with licensed banks	26	2.66%	38,334	-	-	38,334
<u>Financial liabilities</u>						
Borrowings	30	5.16%	142,735	46,416	-	189,151

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) 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 2024</u>						
<u>Financial assets</u>						
Short term deposits with licensed banks	26	2.83%	53,293	-	-	53,293
<u>Financial liabilities</u>						
Borrowings	30	5.86%	91,564	643	-	92,207

(d) Credit risk

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.

(i) Trade receivables and contract assets

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 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Credit risk (continued)

(i) Trade receivables and contract assets (continued)

On that basis, for the contract assets, the Group assessed that the credit risk exposure is minimal as the contract assets are mainly relates 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 contract assets, the loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows :

Trade receivables

	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Expected loss rate %	Net RM'000	Total impaired RM'000
<u>31 December 2025</u>						
<u>Group</u>						
Current	11,278	-	-	-%	11,278	-
31 to 60 days past due	4,680	-	-	-%	4,680	-
61 to 90 days past due	103	-	-	-%	103	-
91 to 120 days past due	-	-	-	-%	-	-
More than 120 days past due	1,704	1,008	-	61%	696	1,008
	<u>17,765</u>	<u>1,008</u>	<u>-</u>		<u>16,757</u>	<u>1,008</u>
<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
	<u>24,244</u>	<u>1,034</u>	<u>-</u>		<u>23,210</u>	<u>1,034</u>
<u>Contract Assets</u>						
	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Expected loss rate %	Net RM'000	Total impaired RM'000
<u>31 December 2025</u>						
<u>Group</u>						
Current	11,903	-	-	-%	11,903	-
31 to 60 days past due	3,665	-	-	-%	3,665	-
61 to 90 days past due	7,638	-	-	-%	7,638	-
91 to 120 days past due	9,150	-	-	-%	9,150	-
More than 120 days past due	18,283	1,147	-	6%	17,136	1,147
	<u>50,639</u>	<u>1,147</u>	<u>-</u>		<u>49,492</u>	<u>1,147</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Credit risk (continued)

(i) Receivables and contract assets (continued)

<u>Contract Assets</u>	<u>Gross</u>	<u>Individual</u>	<u>Collective</u>	<u>Expected</u>	<u>Net</u>	<u>Total</u>
	<u>RM'000</u>	<u>impairment</u>	<u>impairment</u>	<u>loss rate</u>	<u>RM'000</u>	<u>impaired</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>%</u>		<u>RM'000</u>
<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
	<u>91,776</u>	<u>1,147</u>	<u>-</u>		<u>90,629</u>	<u>1,147</u>

(ii) Amount due from a JV Partner

	<u>Gross</u>	<u>Individual</u>	<u>Collective</u>	<u>Expected</u>	<u>Net</u>	<u>Total</u>
	<u>RM'000</u>	<u>impairment</u>	<u>impairment</u>	<u>loss rate</u>	<u>RM'000</u>	<u>impaired</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>%</u>		<u>RM'000</u>
<u>31 December 2025</u>						
<u>Group</u>						
Current	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>
<u>31 December 2024</u>						
<u>Group</u>						
Current	4,290	-	-	-	4,290	-
	<u>4,290</u>	<u>-</u>	<u>-</u>		<u>4,290</u>	<u>-</u>

At reporting date, in view of good historical payment experience from the cash call to the joint venture partner, the Group do not expect the counter party to fail to meet its obligations. Therefore, the Group are of the view that ECL are not material.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Credit risk (continued)

(iii) Other receivables

	<u>Gross</u>	<u>Individual</u>	<u>Collective</u>	<u>Expected</u>	<u>Net</u>	<u>Total</u>
	<u>RM'000</u>	<u>impairment</u>	<u>impairment</u>	<u>loss rate</u>	<u>RM'000</u>	<u>impaired</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>%</u>		<u>RM'000</u>
<u>31 December 2025</u>						
<u>Group</u>						
Current	10,846	2,418	-	22.3%	8,428	2,418
Non-current	1,823	-	-	-%	1,823	-
	<u>12,669</u>	<u>2,418</u>	<u>-</u>		<u>10,251</u>	<u>2,418</u>
	<u>Gross</u>	<u>Individual</u>	<u>Collective</u>	<u>Expected</u>	<u>Net</u>	<u>Total</u>
	<u>RM'000</u>	<u>impairment</u>	<u>impairment</u>	<u>loss rate</u>	<u>RM'000</u>	<u>impaired</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>%</u>		<u>RM'000</u>

31 December 2024

Group

Current	18,535	2,418	-	13.0%	16,117	2,418
	<u>18,535</u>	<u>2,418</u>	<u>-</u>		<u>16,117</u>	<u>2,418</u>

(iv) Amount due from subsidiaries

	<u>Gross</u>	<u>Individual</u>	<u>Collective</u>	<u>Expected</u>	<u>Net</u>	<u>Total</u>
	<u>RM'000</u>	<u>impairment</u>	<u>impairment</u>	<u>loss rate</u>	<u>RM'000</u>	<u>impaired</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>%</u>		<u>RM'000</u>
<u>31 December 2025</u>						
<u>Group</u>						
Non-current	43,428	3,810	-	8.8%	39,618	3,810
	<u>43,428</u>	<u>3,810</u>	<u>-</u>		<u>39,618</u>	<u>3,810</u>
	<u>Gross</u>	<u>Individual</u>	<u>Collective</u>	<u>Expected</u>	<u>Net</u>	<u>Total</u>
	<u>RM'000</u>	<u>impairment</u>	<u>impairment</u>	<u>loss rate</u>	<u>RM'000</u>	<u>impaired</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>%</u>		<u>RM'000</u>

31 December 2024

Group

Current	33,865	-	-	-	33,865	-
	<u>33,865</u>	<u>-</u>	<u>-</u>		<u>33,865</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Liquidity and cash flow risk (continued)

Note	Carrying value RM'000	Contractual undiscounted cash flows			Total RM'000	
		Within 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000		
<u>Company</u>						
<u>At 31 December 2025</u>						
Financial liabilities:						
Trade and other payables (excluding statutory liabilities)	33	1,673	1,673	-	-	1,673
Amount due to subsidiaries	20	48,610	1,423	47,187	-	48,610
Lease liabilities	31	937	462	541	-	1,003
Financial guarantee		167,770	167,770	-	-	167,770
		<u>218,990</u>	<u>171,328</u>	<u>47,728</u>	<u>-</u>	<u>219,056</u>
<u>At 31 December 2024</u>						
Financial liabilities:						
Trade and other payables (excluding statutory liabilities)	33	7,025	7,025	-	-	7,025
Amount due to subsidiaries	20	18,619	18,619	-	-	18,619
Lease liabilities	31	1,336	493	977	-	1,470
Financial guarantee		91,304	91,304	-	-	91,304
		<u>118,284</u>	<u>117,441</u>	<u>977</u>	<u>-</u>	<u>118,418</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(f) 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 subsidiaries, the Group needs to cap its leverage ratio at or below 1.0 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.

The gearing ratio is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Total borrowings (Note 30)	189,151	92,207
Total equity	347,161	443,235
Gearing ratio (times)	0.54	0.21

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 2025 and 31 December 2024.

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 during the financial year ended 31 December 2025.

39 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 and maintenance, project management, technical and other services, 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 vessels to third parties including providing crew services, catering and other marine related services.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

39 SEGMENT INFORMATION (CONTINUED)

(c) Upstream Segment

The Group has been awarded the Banang Late Life Asset Production Sharing Contract (“LLA PSC”) by Petrolia 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	Upstream RM'000	Elimination RM'000	Total RM'000
2025					
Revenue:					
External customers	117,157	83,408	81,766	-	282,331
Inter-segment	28,574	71,456	-	(100,030)	-
Total revenue	<u>145,731</u>	<u>154,864</u>	<u>81,766</u>	<u>(100,030)</u>	<u>282,331</u>
Results:					
Finance income	2,743	86	2,962	-	5,791
Depreciation:					
- Property, plant and equipment	(3,274)	(17,934)	(939)	-	(22,147)
- Right-of-use assets	(3,877)	-	(32,807)	-	(36,684)
Finance costs	(3,905)	(14)	(10,204)	-	(14,123)
Impairment loss on property, plant and equipment	-	(14,601)	-	-	(14,601)
Employee costs	(77,957)	(33,746)	(8,887)	-	(120,590)
Short term lease contracts and low value assets:					
- Charter hire of vessels	(46,431)	(15,278)	(3,740)	49,103	(16,346)
- Rental of equipments and buildings	(4,274)	(858)	(177)	-	(5,309)
Cost of inventories	(15,854)	(54,894)	-	9,921	(60,827)
Segment profit/(loss)	<u>(18,360)</u>	<u>(37,470)</u>	<u>(44,190)</u>	<u>24,412</u>	<u>(75,607)</u>
Assets and liabilities					
Additions to non-current assets:					
- Property, plant and equipment	4,639	108,663	44,971	-	158,273
- Right-of-use assets	1,207	-	101,056	-	102,263
- Exploration and evaluation assets	-	-	2,998	-	2,998
Segment assets	<u>912,726</u>	<u>410,965</u>	<u>519,462</u>	<u>(966,093)</u>	<u>877,060</u>
Segment liabilities	<u>(354,994)</u>	<u>(178,730)</u>	<u>(414,636)</u>	<u>418,461</u>	<u>(529,899)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

39 SEGMENT INFORMATION (CONTINUED)

	Services RM'000	Marine Assets RM'000	Upstream RM'000	Elimination RM'000	Total RM'000
2024					
Revenue:					
External customers	252,067	247,348	-	-	499,415
Inter-segment	16,401	199,064	-	(215,465)	-
Total revenue	<u>268,468</u>	<u>446,412</u>	<u>-</u>	<u>(215,465)</u>	<u>499,415</u>
Results:					
Finance income	4,381	198	1,100	-	5,679
Depreciation:					
- Property, plant and equipment	(3,200)	(19,613)	(4,047)	-	(26,860)
- Right-of-use assets	(16,541)	-	(9,176)	-	(25,717)
Finance costs	(5,897)	(15)	(5,610)	-	(11,522)
Impairment loss on property, plant and equipment	-	-	-	-	-
Employee costs	(121,898)	(36,933)	(21,299)	-	(180,130)
Short term lease contracts and low value assets:					
- Charter hire of vessels	(120,405)	(12,730)	(23,694)	120,183	(36,646)
- Rental of equipments and buildings	(3,178)	(2,129)	(74)	-	(5,381)
Cost of inventories	(23,954)	-	-	-	(23,954)
Segment profit/(loss)	<u>14,252</u>	<u>123,497</u>	<u>(10,608)</u>	<u>(51,909)</u>	<u>75,232</u>
Assets and liabilities					
Additions to non-current assets:					
- Property, plant and equipment	5,227	15,163	52,396	-	72,786
- Right-of-use assets	4,131	-	-	-	4,131
- Exploration and evaluation assets	-	-	79,585	-	79,585
Segment assets	<u>940,730</u>	<u>323,272</u>	<u>428,313</u>	<u>(856,348)</u>	<u>835,967</u>
Segment liabilities	<u>(331,624)</u>	<u>(58,170)</u>	<u>(297,790)</u>	<u>294,852</u>	<u>(392,732)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

39 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:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	RM'000	RM'000
<u>Services segment</u>		
Customer A	27,471	132,975
Customer B	28,569	95,025
	<u>56,040</u>	<u>228,000</u>
<u>Marine assets segment</u>		
Customer A	68,415	173,347
	<u>68,415</u>	<u>173,347</u>
<u>Upstream segment</u>		
Customer A	81,776	-
	<u>81,776</u>	<u>-</u>

40 SUBSEQUENT EVENTS

- (i) On 9 March 2026, the Board approved the disposal of one of its vessel owned by its subsidiary. Subsequently on 6 April 2026, the Board approved another disposal of one of its another vessel owned by the same subsidiary. These disposals are expected to be finalise between May and June 2026.
- (ii) On 13 February 2026, Petra Energy Development Sdn. Bhd. ("PEDSB") has fulfilled all the conditions for the purpose of disbursement of its new facility obtained in the current financial year. Subsequently, PEDSB withdraw the facilities amounting to RM85.0 million for the purpose of refinancing its existing facility with other financial institution and for working capital purposes.
- (iii) Subsequent to the financial year end, the Banang field resumed operations following the completion of the MOPU drydocking. The asset is now back on stream, and production recommenced at the end of March in accordance with the Group's operational plans.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41 DIVIDENDS

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

	<u>2025</u>	<u>2024</u>
	RM'000	RM'000
<u>In respect of financial year 31 December 2025</u>		
First interim single tier dividend of 1.0 sen per ordinary share declared on 24 November 2025 and paid on 28 January 2026	3,209	-
<u>In respect of financial year 31 December 2024</u>		
First interim single tier dividend of 3.0 sen per ordinary share declared on 22 August 2024 and paid on 18 October 2024	-	9,269
Second interim single tier dividend of 4.0 sen per ordinary share declared on 21 November 2024 and paid on 17 January 2025	-	12,838
Third interim single tier dividend of 4.0 sen per ordinary share declared on 19 February 2025 and paid on 27 March 2025	12,838	-
<u>In respect of financial year 31 December 2023</u>		
Second interim single tier dividend of 4.0 sen per ordinary share declared on 22 February 2024 and paid on 29 March 2024	-	12,838
	<u>16,047</u>	<u>34,945</u>

42 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 28 April 2026.

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	17	18/07/2000	38	838
PETRA Resources Sdn. Bhd. Lot 1991, Block 4, Miri Concession Land District, Piasau Industrial Estate, 98000 Miri, Sarawak	Workshop	Leasehold	17	18/07/2000	38	498
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	961	13/02/2012	38	13,193

ANALYSIS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS AS AT 17 APRIL 2026

Total Number of Issued Shares	: 320,942,200 (excluding 807,800 Treasury Shares)
Class of Securities	: Ordinary Share
Total Number of Holders	: 4,174
Voting Rights	: One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
1 - 99	773	18.52	7,425	0.00
100 - 1,000	1,168	27.98	568,240	0.18
1,001 - 10,000	1,551	37.16	7,511,034	2.34
10,001 - 100,000	582	13.94	18,390,052	5.73
100,001 - 16,047,109 (*)	96	2.30	57,618,737	17.95
16,047,110 and above (**)	4	0.10	236,846,712	73.80
TOTAL	4,174	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 17 April 2026 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.	24,328,212	7.58	-	-
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
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.

ANALYSIS OF SHAREHOLDINGS

DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings of PETRA Energy Bhd. based on the Register of Directors' Shareholdings of the Company as at 17 April 2026 are as follows:-

Substantial Shareholders	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 @ Firdaus 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.)	24,328,212	7.58
5.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. (EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED)	9,481,093	2.95
6.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR NG BOON HOCK)	4,829,200	1.50
7.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR SAFUANI BIN ABDUL HAMID)	4,783,400	1.49
8.	YONG KONG SIM	4,691,800	1.46
9.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR LEE SIE TONG @ LEE AH TONG)	3,960,000	1.23
10.	YOW KING HONG	3,050,000	0.95
11.	RHB NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR IBRAHIM BIN BAKI)	1,436,100	0.45
12.	YONG KAH WAI	1,330,000	0.41
13.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR LEE KUOK YEW)	1,100,000	0.34
14.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. (MAYBANK TRUSTEES BERHAD FOR KAF ISLAMIC DIVIDEND INCOME FUND)	983,800	0.31
15.	HSBC NOMINEES (ASING) SDN. BHD. (EXEMPT AN FOR BANK JULIUS BAER & CO. LTD.)	825,000	0.26

ANALYSIS OF SHAREHOLDINGS

No.	Name of Shareholders	No. of Shares Held	%
16.	HO FOOK SENG @ HO POCK SENG	768,000	0.24
17.	RHB NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR HILARY FERNANDEZ)	693,200	0.22
18.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. (EXEMPT AN FOR DBS BANK LTD.)	685,500	0.21
19.	UMANG NANGKU JABU	618,000	0.19
20.	PATRICK SIM YIAW KHENG	617,700	0.19
21.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. (PATRICK SIM YIAW KHENG)	610,000	0.19
22.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. (IKUM ANAK USAT)	516,100	0.16
23.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR ABD KARIM RAHMAN HAMZAH)	515,000	0.16
24.	KAF TRUSTEE BERHAD	511,600	0.16
25.	LING SOON ENG	492,000	0.15
26.	NGAI YEE KUN	485,000	0.15
27.	TAN LAH KIA @ TAN JIT KEE	426,200	0.13
28.	AHMAD NAJHAN BIN MOHAMAD JAMIL	420,000	0.13
29.	HSBC NOMINEES (ASING) SDN. BHD. (BNPP SIN/2S FOR MAYBANK ASIAN EQUITY FUND)	409,500	0.13
30.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. (PLEDGED SECURITIES ACCOUNT FOR YONG TZEN WAE)	400,100	0.12
TOTAL		281,485,005	87.68

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 Berhad (“**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 Twentieth 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 Darul Ehsan on Friday, 5 June 2026 at 10:00 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 2025 together with the Reports of the Directors and the Auditors thereon.		
Ordinary Business			
2.	To approve the payment of Directors’ fees payable to the Non-Executive Directors amounting to RM672,000.00 from 6 June 2026 until the next AGM of the Company. (Resolution 1)		
3.	To approve the payment of Directors’ benefits up to an amount of RM133,250.00 from 6 June 2026 until the next AGM of the Company. (Resolution 2)		
4(a).	To re-elect Dato’ Anthony @ Firdaus bin Bujang, who is due to retire in accordance with Clause 117 of the Company’s Constitution and being eligible, had offered himself for re-election. (Resolution 3)		
4(b).	To re-elect Mr. Gian Carlo Maccagno, 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.	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 5)		
Special Business			
6.	Authority to Issue Shares pursuant to the Companies Act 2016. (Resolution 6)		
7.	Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature. (Resolution 7)		
8.	Proposed Renewal of Authority for the Company to Purchase its Own Shares. (Resolution 8)		

* Strike out whichever is not applicable.

Dated this _____ day of _____, 2026

Signature of member

Common Seal to be affixed here if member is a corporation, if applicable

Notes:

1. Agenda item no. 1 is meant for discussion only as the provision of 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 28 May 2026 shall be eligible to attend, speak 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@sshshb.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 Wednesday, 3 June 2026 at 10:00 a.m.**). The lodging of the Form of Proxy will not preclude any member from participating and voting at the Meeting should any member subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time for holding the Meeting or any adjourned thereof.

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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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www.petraenergy.com.my



Corporate Office

Suite 13.02, Level 13, Menara OBYU, 4,
Jalan PJU 8/8A, Bandar Damansara Perdana,
47820 Petaling Jaya, Selangor

 +6 03 7726 5576

 +6 03 7726 3686

 peb.corporate@penergy.com.my