



**MARINE & GENERAL**  
BERHAD

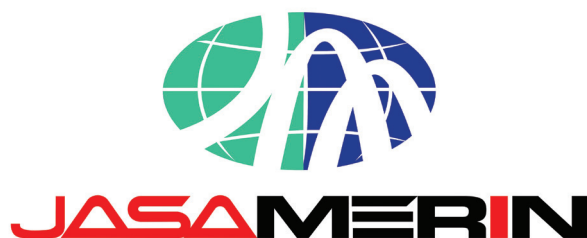
Registration No. 199601033545  
(405897-V)

# 2025 | ANNUAL REPORT



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# OPERATING SUBSIDIARIES



**Marine Logistics Upstream Division** – spearheaded by Jasa Merin (Malaysia) Sdn Bhd (“JMM”), the Division commenced operation in 1982. JMM owns and charters out offshore support vessels (“OSV”) for use by the oil majors in their exploration and production (“E&P”) activities. The OSVs provide support services to the E&P activities by undertaking anchor handling function (positioning and retrieval of drilling rig anchors), towing activities (repositioning of rigs to other drilling locations), firefighting and recovery support, as well as transporting equipment and cargoes to and from offshore installations.

JMM has been providing OSV services to oil majors such as PETRONAS Carigali Sdn Bhd, ExxonMobil Exploration and Production Malaysia Inc. and Sarawak Shell Berhad for over 30 years. Presently, JMM operates a fleet of 26 vessels comprising 20 Anchor Handling Tug Supply Vessels (“AHTS”), 2 Straight Supply Vessels (“SSV”) and 4 third party AHTS.

**Marine Logistics Downstream Division** – headed by Jasa Merin (Labuan) Plc and M&G Tankers Sdn Bhd, the Division commenced operation in 2016. The Division charters out liquid bulk carriers to the petro-chemical and oleo-chemical industries, whereby the vessels are used to transport liquid bulk products in the region. During the financial year, the Division operated 4 7,000 DWT chemical tankers and 2 clean petroleum product tankers with capacity of 9,000 DWT and 11,000 DWT serving major oil and gas companies as well as large trading houses in the East Asian and South East Asian regions. The vessels provide flexibility in terms of cargoes they can carry ranging from chemicals and clean petroleum products to palm oil.

# TABLE OF CONTENTS

Corporate Information	2
Profiles of Board of Directors	4
Profiles of Key Senior Management	9
Five-Year Group Financial Summary	12
Management Discussion and Analysis	14
Corporate Governance Overview Statement	27
Audit Committee Report	48
Statement on Risk Management and Internal Control	55
Sustainability Statement	60
Directors' Responsibility Statement	82
Additional Compliance Information	83

## FINANCIAL STATEMENTS

Directors' Report	85
Statement by Directors	91
Statutory Declaration	91
Independent Auditors' Report	92
Statements of Financial Position	96
Statements of Profit or Loss and Other Comprehensive Income	98
Statements of Changes in Equity	100
Statements of Cash Flows	103
Notes to the Financial Statements	104
Substantial Shareholders	155
Directors' Interests in Shares	156
Analysis of Shareholdings	157
Notice of the 28th Annual General Meeting	159
Proxy Form	



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Chairman

#### Non-Independent

Tan Sri Mohammed Azlan bin Hashim

### Executive Director

#### Non-Independent

Haji Abdul Rahman bin Ali

### Non-Executive Directors

#### Independent

Shariffuddin bin Khalid

Datin Shelina binti Razaly Wahi

Kamarul Ariffin bin Mohd Jamil

Rozhan Anwar bin Abdul Halim

Megat Joha bin Megat Abdul Rahman

### Non-Executive Directors

#### Non-Independent

Tai Keat Chai

Nik Abdul Malik bin Nik Mohd Amin

## AUDIT COMMITTEE

Datin Shelina binti Razaly Wahi (Chairperson)

Kamarul Ariffin bin Mohd Jamil

Rozhan Anwar bin Abdul Halim

Megat Joha bin Megat Abdul Rahman

## RISK MANAGEMENT COMMITTEE

Tai Keat Chai (Chairman)

Nik Abdul Malik bin Nik Mohd Amin

Rozhan Anwar bin Abdul Halim

Mohd Nizam bin Abd Wahab

## NOMINATION & REMUNERATION COMMITTEE

Shariffuddin bin Khalid (Chairman)

Kamarul Ariffin bin Mohd Jamil

Tai Keat Chai

Megat Joha bin Megat Abdul Rahman

## COMPANY SECRETARIES

Chia Poh Tin (MAICSA 7055061)

Theresa Wee Swee Ling (MAICSA 7069233)

## REGISTERED OFFICE

Level 22, Axiata Tower

No. 9, Jalan Stesen Sentral 5

Kuala Lumpur Sentral

50470 Kuala Lumpur, Malaysia

Tel No. : (03) 2273 1919

Fax No. : (03) 2273 8310

Email : cosec@christopherleeong.com

## PRINCIPAL PLACE OF BUSINESS

### Corporate Office

Level 23, Menara Kenari

No. 1, Jalan Tun Mohd Fuad

Taman Tun Dr Ismail

60000 Kuala Lumpur, Malaysia

Tel No. : (03) 7735 6300

Fax No. : (03) 7735 6301

Email : info@marine-general.com.my

### Marine Logistics – Upstream Division

#### Jasa Merin (Malaysia) Sdn Bhd

No. 7776, Jalan Kubang Kurus

24000 Kemaman

Terengganu Darul Iman, Malaysia

Tel No. : (09) 851 1100

Fax No. : (09) 858 3237

Email : admin@jasamerin.com.my

### Marine Logistics – Downstream Division

#### Jasa Merin (Labuan) Plc

Level 22, Menara Kenari

No. 1, Jalan Tun Mohd Fuad

Taman Tun Dr Ismail

60000 Kuala Lumpur, Malaysia

Tel No. : (03) 7735 6311

Fax No. : (03) 7735 6312

Email : jmladmin@jasamerin.com.my

## **SHARE REGISTRAR**

### **Boardroom Share Registrars Sdn Bhd**

11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel No. : (03) 7890 4700  
Fax No. : (03) 7890 4670  
Email : bsr.helpdesk@boardroomlimited.com

## **AUDITORS**

### **BDO PLT**

Chartered Accountants

## **SOLICITORS**

Christopher & Lee Ong

## **PRINCIPAL BANKERS**

Affin Bank Berhad  
Affin Islamic Bank Berhad  
Bank Pembangunan Malaysia Berhad  
Malayan Banking Berhad  
Maybank Islamic Berhad

## **STOCK EXCHANGE LISTING**

Main Market of Bursa Malaysia Securities Berhad

## **WEBSITE**

[www.marine-general.com.my](http://www.marine-general.com.my)



# PROFILES OF BOARD OF DIRECTORS

## **TAN SRI MOHAMMED AZLAN BIN HASHIM**

**Malaysian, aged 68, male**  
**Executive Chairman (Non-Independent)**

Tan Sri Mohammed Azlan bin Hashim was appointed to the Board of M&G as Non-Executive Director on 4 June 2008 and was subsequently appointed as Executive Chairman on 24 June 2008.

A Chartered Accountant by profession, he graduated with a Bachelor of Economics from Monash University, Australia. He is a Fellow Member of the Institute of Chartered Accountants, Australia, Member of Malaysian Institute of Accountants, Fellow Member (Hon) of the Institute of Chartered Secretaries and Administrators. He has extensive experience in the corporate sector including financial services and investments. Among others, he has served as Chief Executive of Bumiputra Merchant Bankers Berhad, Group Managing Director of Amanah Capital Malaysia Berhad and Executive Chairman of Bursa Malaysia Berhad Group.

Current directorships in public companies and other organisations include D&O Green Technologies Berhad.

He has attended all 5 Board Meetings held during the financial year.

## **HAJI ABDUL RAHMAN BIN ALI**

**Malaysian, aged 64, male**  
**Non-Independent Executive Director**

Haji Abdul Rahman bin Ali was appointed to the Board of M&G as Non-Independent Executive Director on 1 November 2020.

Haji Abdul Rahman completed his Malaysia Certificate of Education in Sekolah Menengah Kebangsaan Sultan Sulaiman.

Haji Abdul Rahman was appointed to the Board of Jasa Merin (Malaysia) Sdn Bhd on 12 April 2006 and is currently its Executive Vice Chairman. He provides strategic business direction for Jasa Merin (Malaysia) Sdn Bhd and Jasa Merin (Labuan) Plc, which are primarily involved in the provision of Offshore Support Vessel services and Oil & Chemical tankers, serving the Upstream and Downstream sectors of the oil and gas industry.

Haji Abdul Rahman has over 40 years business experience in the construction industry having ventured into the construction business in the early 1980s. He is a major shareholder in a construction and property development company, Daya Prestasi Sdn Bhd. Between 1991 to 1997, he also served on the Board of several companies involved in shipping and marine related businesses.

He also has more than 30 years business experience in the ship maintenance and ship repair sector via his company Focus Marine Sdn Bhd, which mainly serves the Offshore Support Vessels industry. In 2006, he led the management buyout (MBO) of 70% equity interest in Jasa Merin (Malaysia) Sdn Bhd via AQL Aman Sdn Bhd, which was later injected into Marine & General Berhad in 2009.

He has no directorship in other public companies and listed issuers.

He has attended 4 out of 5 Board Meetings held during the financial year.

### **TAI KEAT CHAI**

Malaysian, aged 71, male

Non-Independent Non-Executive Director

Chairman, Risk Management Committee

Member, Nomination & Remuneration Committee

Tai Keat Chai was appointed to the Board of M&G as Independent Non-Executive Director on 18 August 2008 and was subsequently re-designated as a Non-Independent Non-Executive Director on 30 October 2019.

He qualified as a Fellow of the Institute of Chartered Accountants in England & Wales and is a member of the Malaysian Institute of Accountants.

He began his career with Peat, Marwick, Mitchell & Co. (now known as KPMG) in London in 1977 and a year later joined PriceWaterhouse (now known as PwC) in Kuala Lumpur. In 1981, he joined Amanah Merchant Bank Berhad (now known as Alliance Investment Bank Berhad) where he worked for 7 years. In 1990, he ventured into the stockbroking industry and has worked in SJ Securities Sdn Bhd, JB Securities Sdn Bhd (now known as A.A. Anthony Securities Sdn Bhd) and BBMB Securities Sdn Bhd (now known as Kenanga Investment Bank Berhad) as General Manager, Director and dealer's representative respectively. Currently he is a Director of Fiscal Corporate Services Sdn Bhd.

Current directorships in other public companies and listed issuers include HSS Engineers Berhad, MIDF Amanah Asset Management Berhad and Talam Transform Berhad.

He has attended all 5 Board Meetings held during the financial year. Additionally, he attended all 2 Nomination & Remuneration Committee Meetings and all 4 Risk Management Committee Meetings held during the financial year.

### **NIK ABDUL MALIK BIN NIK MOHD AMIN**

Malaysian, aged 67, male

Non-Independent Non-Executive Director

Member, Risk Management Committee

Nik Abdul Malik bin Nik Mohd Amin was appointed to the Board of M&G as Independent Non-Executive Director on 24 February 2009 and was subsequently re-designated as Non-Independent Non-Executive Director on 23 February 2018.

He graduated from the University of Leeds, United Kingdom with Bachelor of Science (Honours) in Civil Engineering. He is a graduate member of The Institute of Engineers Malaysia and Board of Engineers Malaysia.

Nik Abdul Malik bin Nik Mohd Amin is the founder of an established property developer with more than 30 years experience. Additionally, Nik Abdul Malik holds a vast experience in the oil & gas industries as well as highway concessions sector through his tenure as a director in a public listed company for more than a decade.

He started his career as Project Engineer with FAO / United Nations Development Programme in 1981 in a pilot project collaboration with the Drainage and Irrigation Department of Terengganu Darul Iman ("DID Terengganu"). He subsequently joined DID Terengganu in 1983 as District Engineer, and was subsequently promoted to Planning and Design Engineer in 1984. Between 1986 and 1989, he served as Project Engineer and Executive Director in 2 private construction companies, before assuming his current position as Managing Director of ND Group of companies, an established property developer and class A / grade G7 contractor.

He has no directorship in other public companies and listed issuers.

He has attended 4 out of 5 Board Meetings and 3 out of 4 Risk Management Committee Meetings held during the financial year.

**SHARIFFUDDIN BIN KHALID**

**Malaysian, aged 60, male  
Independent Non-Executive Director  
Chairman, Nomination & Remuneration Committee**

Shariffuddin bin Khalid was appointed to the Board of M&G as Independent Non-Executive Director on 1 December 2017.

Shariffuddin is a Fellow Member of The Chartered Institute of Management Accountants, United Kingdom. He has nearly 40 years of experience in the banking and corporate sector. He is a qualified chartered global management accountant and has served in key positions in the corporate services, business development, corporate communication and human resource functions.

Shariffuddin has worked in the merchant banking industry, telecommunications industry and a local conglomerate. He was part of the management team that established and led Pengurusan Danaharta Nasional Bhd (a special purpose agency established during the Asian financial crisis). Most recently he served Bank Negara Malaysia for nearly 10 years – as the pioneer Director of the Malaysian International Islamic Financial Center initiative and then as the Director of Strategic Communications before completing his tenure of duty in 2017.

Current directorships in other public companies and listed issuers include Malayan Banking Berhad (Group) and as Chairman of Maybank Cambodia.

Shariffudin has disclosed a conflict of interest or a potential conflict of interest, by virtue of him being a director with Malayan Banking Berhad (“MBB”), which provides banking facilities to the subsidiaries of M&G. Whenever any discussion involving MBB is raised during the meetings, Shariffuddin recuses himself from the discussion and does not participate in any decision on the matter.

He has attended all 5 Board Meetings and all 2 Nomination & Remuneration Committee Meetings held during the financial year.

**DATIN SHELINA BINTI RAZALY WAHI**

**Malaysian, aged 52, female  
Independent Non-Executive Director  
Chairperson, Audit Committee**

Datin Shelina binti Razaly Wahi was appointed to the Board of M&G as Independent Non-Executive Director on 1 August 2019.

Datin Shelina is a graduate from the University of Bristol, holding a Bachelor of Laws (Honours). She completed her Bar Vocational course at Lincoln’s Inn, London in 1996 and was called to the Malaysian Bar in 1998.

Datin Shelina began her legal career as a litigation lawyer, then moved in-house as corporate counsel with a large multinational O&G company, followed by stints at a leading media, content & consumer service provider, a start-up airline and an F&B start up, before returning to corporate legal practice.

In addition to being a corporate lawyer specializing in the aviation and aerospace sectors, Datin Shelina is currently the Honorary Secretary of the Malaysia Aerospace Industry Association and assists member companies in their engagements with Government agencies, banks and other industry shareholders. Datin Shelina is also active in the general aviation sector, particularly in relation to advising on regulatory matters.

She is currently a Board Member of Lam Soon (M) Berhad, an unlisted public company; as well as a Board Member of Pekat Group Berhad and Alcom Group Berhad, which are listed entities.

She has attended 4 out of 5 Board Meetings and 4 out of 5 Audit Committee Meetings held during the financial year.



#### **KAMARUL ARIFFIN BIN MOHD JAMIL**

**Malaysian, aged 56, male**  
**Independent Non-Executive Director**  
**Member, Audit Committee**  
**Member, Nomination & Remuneration Committee**

Kamarul Ariffin bin Mohd Jamil was appointed to the Board of M&G as Independent Non-Executive Director on 1 November 2020.

Kamarul is a graduate of University of Cambridge where he studied Economics. Kamarul's prior experience includes the oil and gas industry where he served in both the downstream business in Shell Malaysia Trading Sdn Bhd as well as the upstream business in Trenergy Malaysia Berhad. He also spent 5 years in Pengurusan Danaharta Nasional Berhad, the National Asset Management Company.

He is a member of the Asian Institute of Chartered Bankers with more than 17 years of experience in the banking industry in various capacity culminating in his last appointment as the Group Chief Executive Officer of Affin Bank Berhad. He was also the Chief Executive Officer of Affin Islamic Bank Berhad from 2006 until 2015.

He holds the position of Chairman of Fullrich Malaysia Sdn Bhd, an E-Wallet company operating under the E-Money licence of Bank Negara Malaysia. In addition, Kamarul is an Independent Non-Executive director of Kwasa Land Sdn Bhd and Kwasa Utama Sdn Bhd, a company of Kumpulan Wang Simpanan Pekerja.

Kamarul is also an Independent Non-Executive Director of Maybank Asset Management Group Berhad and Chairman and Independent Non-Executive Director of Maybank Islamic Asset Management Sdn Bhd.

Kamarul has disclosed a potential conflict of interest arising from his directorships in Maybank Asset Management Group Berhad and Maybank Islamic Asset Management Sdn Bhd, both of which are part of the Malayan Banking ("MBB") Group. The MBB Group provides banking facilities to subsidiaries of M&G.

He has attended all 5 Board Meetings, all 5 Audit Committee Meetings, and all 2 Nomination & Remuneration Committee Meetings held during the financial year.

#### **MEGAT JOHA BIN MEGAT ABDUL RAHMAN**

**Malaysian, aged 62, male**  
**Independent Non-Executive Director**  
**Member, Audit Committee**  
**Member, Nomination & Remuneration Committee**

Megat Joha bin Megat Abdul Rahman was appointed to the Board of M&G as an Independent Non-Executive Director on 15 April 2023.

He graduated in 1986 from Boston University, Massachusetts with a Degree in Accounting & Finance and started his career with Peat Marwick Mitchell, Chicago, USA. Having passed the USA CPA examinations in 1987 in Chicago he returned to join the KPMG Kuala Lumpur office in 1988.

Megat Joha is currently a member of the American Institute of Certified Public Accountants (AICPA), the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA).

In 1991, he joined Kumpulan FIMA Berhad where he served in various capacities including as the Vice President for the Agro-based group and business development and as the Executive Director & Chief Executive Officer for Percetakan Keselamatan Nasional Sdn Bhd and Security Printers (M) Sdn Bhd.

In 1998, Megat Joha joined the Kuala Lumpur Stock Exchange ("KLSE") (now Bursa Malaysia Securities Berhad) as Investigations Senior Manager for Market Supervision. In 1999, he was the project head in establishing the Labuan International Financial Exchange ("LFX") for the KLSE and held the post of Assistant General Manager at LFX until 2002. He left the KLSE in early 2002 and joined Mayban Securities Sdn Bhd as the post of Chief Operating Officer / Executive Director (Operations) until 2005.

Prior to his appointment to the Board of M&G, he was the Group Managing Director at C.I. Holdings Berhad till 3 January 2023, the General Manager of Boustead Sissons Paints Sdn Bhd and the Group CEO of Majuperak Holdings Berhad.

Currently, he is Chairman of C.I. Holdings Berhad and a Director of KUB Malaysia Berhad.

He has attended all 5 Board Meetings, all 5 Audit Committee Meetings and all 2 Nomination & Remuneration Committee Meetings held during the financial year.

**ROZHAN ANWAR BIN ABDUL HALIM**

**Malaysian, aged 56, male**

**Independent Non-Executive Director**

**Member, Audit Committee**

**Member, Risk Management Committee**

Rozhan Anwar bin Abdul Halim was appointed to the Board of M&G as an Independent Non-Executive Director on 15 April 2023.

Rozhan Anwar graduated from London School of Economics and Political Science, University of London with a Bachelor of Science in Economics specialising in Accounting and Finance. He has over 27 years of experience in the oil and gas industry with the national oil corporation, PETRONAS, in various departments and capacities with successful involvement in business & organizational improvements and transformation. He has held various senior positions in PETRONAS in the fields of Finance, Risk and Procurement until December 2021. He is also currently a member of the Institute of Corporate Directors Malaysia.

He has no directorship in other public companies and listed issuers.

He has attended all 5 Board Meetings, all 5 Audit Committee Meetings and all 4 Risk Management Committee Meetings held during the financial year.

**Notes:**

- 1. Family Relationship with Director and / or Major Shareholder**  
None of the Directors has any family relationship with any director and / or major shareholder of M&G.
- 2. Conviction for Offences**  
None of the Directors has been convicted for offences within the past 5 years other than traffic offences, if any.
- 3. Sanctions and Penalty**  
None of the Directors has been sanctioned or penalised by any relevant regulatory bodies during the financial year.
- 4. Conflict of Interest ("COI") / Potential COI**  
Save for Shariffuddin bin Khalid and Kamarul Ariffin bin Mohd Jamil, none of the Directors has declared any COI / potential COI, including interest in any competing business that they have with M&G and its subsidiaries.

# PROFILES OF KEY SENIOR MANAGEMENT

## **TAN SRI MOHAMMED AZLAN BIN HASHIM**

Malaysian, aged 68, male  
Executive Chairman, Marine & General Berhad  
("M&G")

Details of Tan Sri Mohammed Azlan bin Hashim are set out in the Profiles of Board of Directors in page 4 of the Annual Report.

## **HAJI ABDUL RAHMAN BIN ALI**

Malaysian, aged 64, male  
Non-Independent Executive Director, M&G  
Executive Vice - Chairman, Jasa Merin (Malaysia)  
Sdn Bhd ("JMM")  
Director, Jasa Merin (Labuan) Plc ("JML"), M&G  
Tankers Sdn Bhd ("MGT"), M&G Sutera 8 Sdn Bhd  
("MGS8") and TKH Marine (L) Ltd ("TKH")

Details of Haji Abdul Rahman bin Ali are set out in the Profiles of the Board of Directors in page 4 of the Annual Report.

## **MOHD NOOR ISMARDI BIN IDRIS**

Malaysian, aged 59, male  
Chief Executive Officer, JMM  
Director, JML, MGT, MGS8 and TKH

Mohd Noor Ismardi bin Idris joined JMM as the General Manager on 1 December 2006, and was subsequently re-designated as the Chief Executive Officer on 1 January 2020. His key responsibility is overseeing the operations and overall business of JMM.

Mohd Noor holds a Bachelor of Business degree from Western Australia College of Advanced Education. Mohd Noor has more than 30 years of professional and commercial experience in the areas of business development, corporate services, general management, finance and accounting. Prior to joining JMM, he served with Naluri Berhad, Kumpulan Fima Berhad, Malaysian Transnasional Trading Berhad, International Food Corporation Pte Ltd, and D&C Bank Berhad.

He is currently an executive committee member of the Malaysia Offshore Support Vessel Owner's Association ("MOSVA") and was a past committee member of the Malaysia Shipowners' Association ("MASA"). The primary objective of MASA and MOSVA is to act as a collective platform for Malaysian ship-owners and offshore support vessel companies to address industry concerns and to further the interests of its members.

**ABDUL HAFIDZ BIN ABDUL RAHMAN**

**Malaysian, aged 37, male**  
**Chief Operating Officer, JML**  
**General Manager – Corporate, JMM**

Abdul Hafidz bin Abdul Rahman joined JML on 1 November 2018 as the Manager of Special Projects / Business Development, before being promoted as the Chief Operating Officer on 1 June 2022. His key responsibility is overseeing the operations of the Downstream Division. He is also currently serving as the General Manager – Corporate, for the Upstream Division.

Hafidz graduated with a Bachelor of Commerce (majoring in Finance) from Deakin University, Australia. He joined KPMG in 2011 as an audit associate serving clients such as Petroliam Nasional Berhad and other companies across different industries before leaving for the United Kingdom to pursue and complete the Master of Business Administration from Coventry University.

He then joined Bank Islam Malaysia Berhad gaining experience in the consumer banking sector before joining RHB Investment Bank Berhad's group client coverage with exposure to corporate exercises that include IPO, debt and equity capital funding as well as corporate lending for government-linked companies and public listed companies. He is presently an executive committee member of the Malaysia Shipowners' Association ("MASA"), a platform for Malaysia ship-owners to address industry concerns and to further the interests of its members.

Hafidz is the son of Haji Abdul Rahman bin Ali, a major shareholder and Non-Independent Executive Director of the Company.

**ABDUL RAHMAN BIN ABDULLAH**

**Malaysian, aged 60, male**  
**Chief Operating Officer, JMM**

Abdul Rahman bin Abdullah joined JMM on 29 January 2008 as a Business Development & Special Project Manager and was subsequently promoted to Chief Operating Officer on 1 January 2020.

Abdul Rahman graduated with a Bachelor of Arts in Economics from University of Georgia, USA. In 1990, he joined Mayban Finance Berhad as a Credit Control Officer. He then served Multi-Purpose Finance Berhad as a Branch Manager in 1995. Following the merger with Alliance Bank Malaysia Berhad in 1998, Abdul Rahman joined as an Assistant Manager. In 2008, Abdul Rahman joined JMM and played a crucial role in driving growth and developing strategic initiatives. Recognizing his contributions, he was promoted to Assistant General Manager (Operations) and further promoted to General Manager (Operations) in 2013.

With a wealth of experience, a solid educational background, and a track record of success, Abdul Rahman bin Abdullah brings a unique perspective and valuable expertise to his current role at JMM. He is a dedicated professional committed to driving growth, optimizing operations, and contributing to the organization's continued success.

## MOHD NIZAM BIN ABD WAHAB

Malaysian, aged 57, male

General Manager, Finance

Member, Risk Management Committee

Mohd Nizam bin Abd Wahab joined the Group on 4 September 2008 as the Senior Manager, Corporate Finance of Sistem Lingkaran-Lebuhraya Kajang Sdn Bhd ("SILK") and assumed his current position on 1 May 2017.

He is responsible for all financial and treasury related matters of the Group which covers the overall financial management and planning to support decision making on operational and strategic issues of the Group.

Mohd Nizam holds a Bachelor of Science in Business Administration degree from Washington University in St. Louis, Missouri, USA.

Mohd Nizam brings over 30 years of experiences in accounting and reporting, financial and treasury management and tax planning having served as senior management in those areas in public and private companies for 12 years prior to joining the Group.

### Notes:

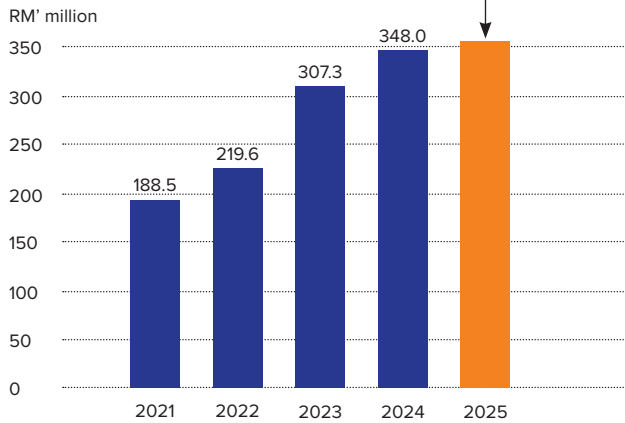
1. **Directorship in public companies and listed issuers**  
Save for Tan Sri Mohammed Azlan bin Hashim, none of the Key Senior Management has any directorship in public companies and listed issuers.
2. **Family Relationship with Director and / or Major Shareholder**  
Save for Abdul Hafidz bin Abdul Rahman, none of the Key Senior Management has any family relationship with any director and / or major shareholder of M&G.
3. **Conflict of Interest ("COI") / Potential COI**  
None of the Key Senior Management has declared any COI / potential COI, including interest in any competing business that they have with M&G and its subsidiaries.
4. **Conviction for Offences**  
None of the Key Senior Management has been convicted for offences within the past 5 years other than traffic offences, if any.
5. **Sanctions and Penalty**  
None of Key Senior Management has been sanctioned or penalised by any relevant regulatory bodies during the financial year.

# FIVE-YEAR GROUP FINANCIAL SUMMARY

	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
<b>RESULTS</b>					
<b>REVENUE</b>	188,543	219,596	307,284	348,019	<b>352,070</b>
Profit / (Loss) before taxation	31,248	(36,593)	69,784	68,257	<b>52,316</b>
Taxation	(5,517)	382	(664)	(494)	<b>14,148</b>
Profit / (Loss) after taxation	25,731	(36,211)	69,120	67,763	<b>66,464</b>
Less non-controlling interests	(16,681)	7,401	(21,034)	(20,728)	<b>(21,671)</b>
<b>PROFIT / (LOSS) ATTRIBUTABLE TO SHAREHOLDERS</b>	<b>9,050</b>	<b>(28,810)</b>	<b>48,086</b>	<b>47,035</b>	<b>44,793</b>
<b>EARNINGS / (LOSS) PER SHARE (SEN)</b>	<b>0.5</b>	<b>(1.3)</b>	<b>2.2</b>	<b>2.1</b>	<b>2.0</b>
<b>FINANCIAL POSITION</b>					
Property, vessels and equipment	756,464	719,148	743,345	689,592	<b>610,033</b>
Rights-of-use assets	3,140	2,175	1,501	2,766	<b>2,124</b>
Deferred tax assets	-	-	-	-	<b>17,854</b>
Current assets	87,191	104,773	115,195	164,904	<b>237,985</b>
<b>TOTAL ASSETS</b>	<b>846,795</b>	<b>826,096</b>	<b>860,041</b>	<b>857,262</b>	<b>867,996</b>
Current liabilities	105,828	127,710	151,616	136,179	<b>184,265</b>
Long-term liabilities	701,298	685,462	623,964	558,844	<b>474,207</b>
<b>TOTAL LIABILITIES</b>	<b>807,126</b>	<b>813,172</b>	<b>775,580</b>	<b>695,023</b>	<b>658,472</b>
<b>TOTAL NET ASSETS / SHAREHOLDERS' FUNDS</b>	<b>39,669</b>	<b>12,924</b>	<b>84,461</b>	<b>162,239</b>	<b>209,524</b>
Preference shares of a subsidiary	(70,129)	(70,129)	(70,129)	(70,129)	<b>(67,464)</b>
Non-controlling interests	82,057	85,480	64,005	41,785	<b>26,337</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>51,597</b>	<b>28,275</b>	<b>78,337</b>	<b>133,895</b>	<b>168,397</b>
<b>SHARE CAPITAL</b>	<b>270,003</b>	<b>270,003</b>	<b>270,003</b>	<b>270,003</b>	<b>275,703</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (SEN)</b>	<b>7.1</b>	<b>3.9</b>	<b>10.8</b>	<b>18.5</b>	<b>21.6</b>
<b>GEARING RATIO</b>	<b>95%</b>	<b>98%</b>	<b>90%</b>	<b>79%</b>	<b>74%</b>

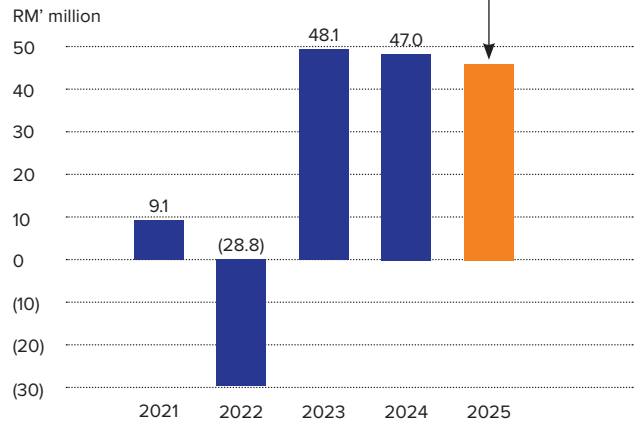
## REVENUE

**2025: RM352.1 MILLION**



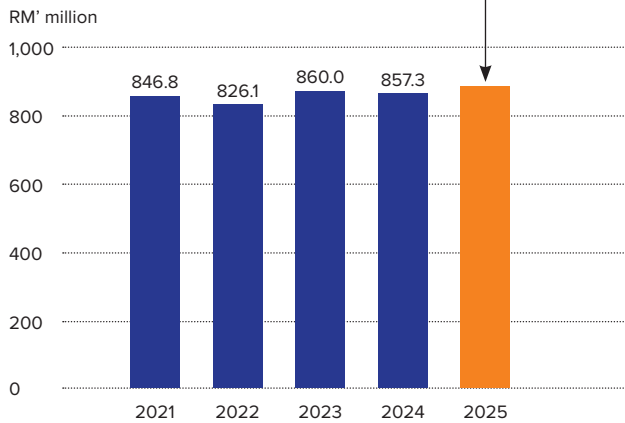
## PROFIT / (LOSS) ATTRIBUTABLE TO SHAREHOLDERS

**2025: RM44.8 MILLION**



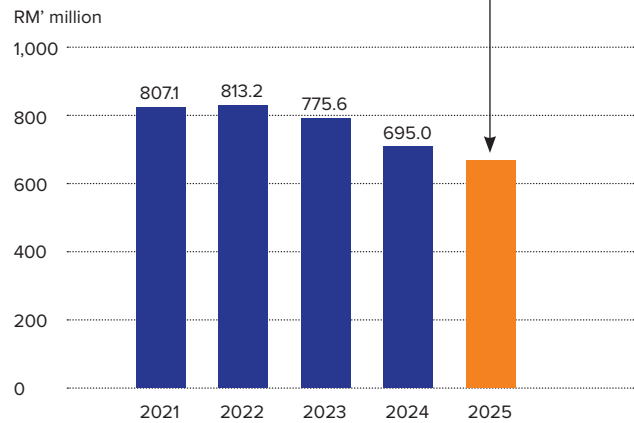
## TOTAL ASSETS

**2025: RM868.0 MILLION**



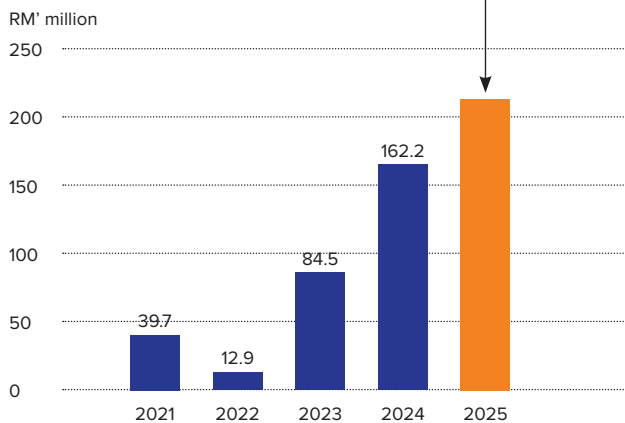
## TOTAL LIABILITIES

**2025: RM658.5 MILLION**



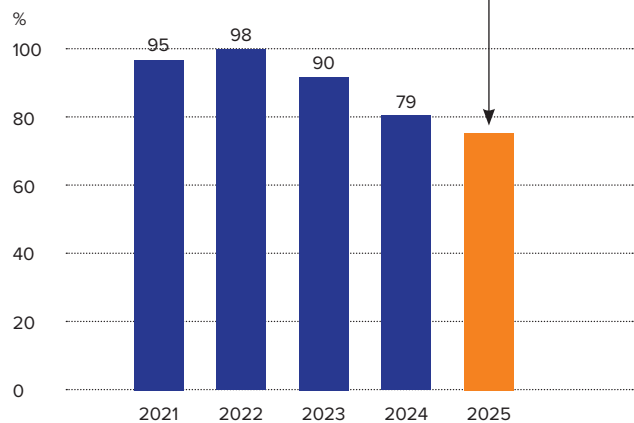
## TOTAL EQUITY / NET ASSETS

**2025: RM209.5 MILLION**



## GEARING RATIO

**2025: 74%**



# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. INTRODUCTION

Marine & General Berhad (“M&G” or “the Company”) was originally incorporated as SILK Concessionaire Holdings Sdn Bhd on 14 October 1996 and subsequently changed its name to Sunway Infrastructure Berhad on 14 February 2002. It assumed the name of SILK Holdings Berhad on 31 October 2008 and assumed its current name on 23 June 2017 after the successful completion of the disposal of the Company’s highway assets.

The Company has two (2) major operating divisions, namely the Marine Logistics – Upstream Division (“Upstream”) spearheaded by Jasa Merin (Malaysia) Sdn Bhd (“JMM”) and the Marine Logistics – Downstream Division (“Downstream”), consisting of several ship owning companies (“SOCs”) including Jasa Merin (Labuan) Plc (“JML”), M&G Tankers Sdn Bhd (“MGT”) and M&G Sutera 8 Sdn Bhd under M&G Marine Logistics Holdings Sdn Bhd (“MGMLH”), and TKH Marine (L) Ltd under MGT.

JMM charters out offshore support vessels (“OSV”) for use by the oil majors in their exploration and production activities. On the other hand, the SOCs under the Downstream Division charter out liquid bulk carriers (“LBC”) to the petro-chemical and oleo-chemical industries, where the vessels are used to transport liquid bulk products.

During the financial year ended 30 April 2025 (“the financial year under review” or “the financial year”), JMM operated a fleet of twenty-two (22) vessels consisting of ten (10) 60-meter 60-ton bollard pull Anchor Handling Tug Supply (“AHTS”) vessels, ten (10) 70-meter 120-ton bollard pull AHTS vessels and two (2) 60-meter Straight Supply Vessels (“SSV”). Further, the Division has leveraged on its license and capabilities by managing four (4) third party vessels. The Downstream Division operated six (6) chemical and clean petroleum product (“CPP”) tankers during the financial year under review, including one (1) third party vessel.

## 2. OPERATING CONDITIONS

### a. Upstream Division

#### Oil trade and oil prices

The oil and gas industry is influenced by price volatility, geopolitical conflicts and ongoing energy transition.

#### **Brent crude oil prices**





## 2. OPERATING CONDITIONS (CONT'D)

### a. Upstream Division (cont'd)

In 2024, Benchmark Brent crude oil price averaged USD81 per barrel with monthly average prices ranging from USD70 to USD90 per barrel. The crude oil price continued the downward trend in 2025, reaching a low of USD61 per barrel on 30 April 2025 as strong global growth in the production of oil and slower demand growth put downward pressure on prices and help offset heightened geopolitical risks and voluntary production restraint from OPEC+ members.

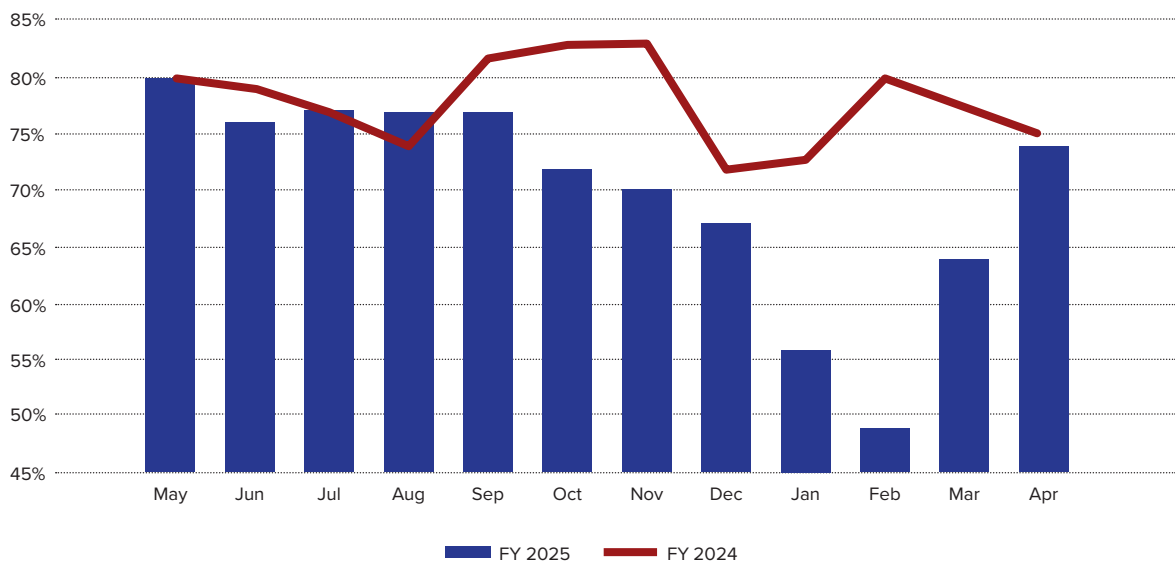
#### Vessel charter and fleet utilisation

In relation to the charter operations, the Division received multi year long-term contracts for nine (9) 60-meter AHTS vessels under PETRONAS Production Operation Vessel ("POV") contracts in the financial year. On the other hand, the 70-meter AHTS vessels which mainly serve drilling activities, received contracts on a project basis.

The Upstream Division recorded a 70% fleet utilisation, a decrease from 78% recorded in the preceding financial year. This was primarily attributable to temporary downtime for nine (9) vessels undergoing general repair and maintenance, new equipment installation, and certification ahead of their new POV contracts.

Additionally, temporary off-hire periods occurred during the monsoon season for 70-meter AHTS vessels, during which essential repair and maintenance works, including vessel docking, were undertaken.

#### Average OSV utilisation rate



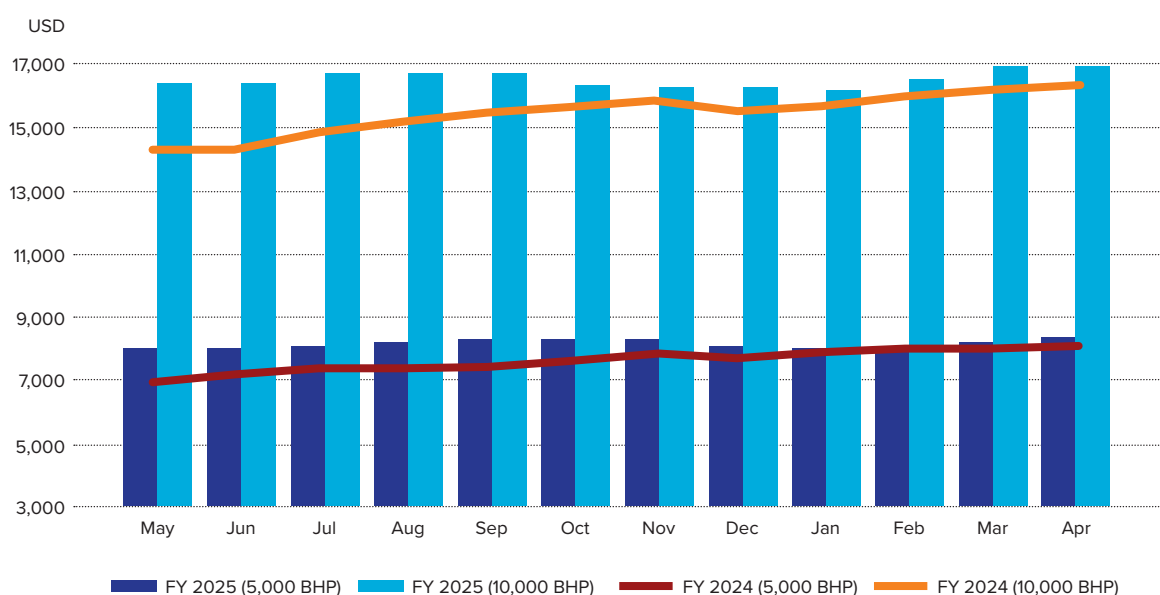
## 2. OPERATING CONDITIONS (CONT'D)

### a. Upstream Division (cont'd)

#### Charter rates

Charter rates have been trending upwards in the past three (3) years in line with the increasing trends in the Asia Pacific region.

#### The average daily charter rates for the Asia Pacific region



The increase in the daily charter rate is attributable to higher vessel demand as a result of the ramp up of oil and gas exploration and drilling activities in the region and shortage of vessels following the exit of several OSV operators as a result of the prolonged low oil prices from late 2014 to 2021 and the Covid-19 pandemic.

#### Third-party vessel management

Leveraging on the inhouse expertise developed over the years, the Upstream Division has expanded its operations into the commercial and technical management of third-party vessels. This activity is aimed at assisting investors with small fleet size to concentrate on establishing their fleets without the burden of maintaining or establishing vessel management teams.

During the financial year, the Division has signed four (4) such management contracts with Marine 1 (L) Inc, a unit of Lembaga Tabung Haji.

#### Awards and recognition

The Upstream Division was able to maintain a high standard of operational excellence and safety performance. As at the end of the financial year under review, the Division accumulated approximately 18.9 million man-hours without any Loss Time Injury ("LTI"). This is a commendable achievement given that its last LTI incident occurred in April 2013.

## 2. OPERATING CONDITIONS (CONT'D)

### a. Upstream Division (cont'd)

#### Awards and recognition (cont'd)

In line with the strong safety culture, during the financial year under review, the Division received the following awards from its customers:

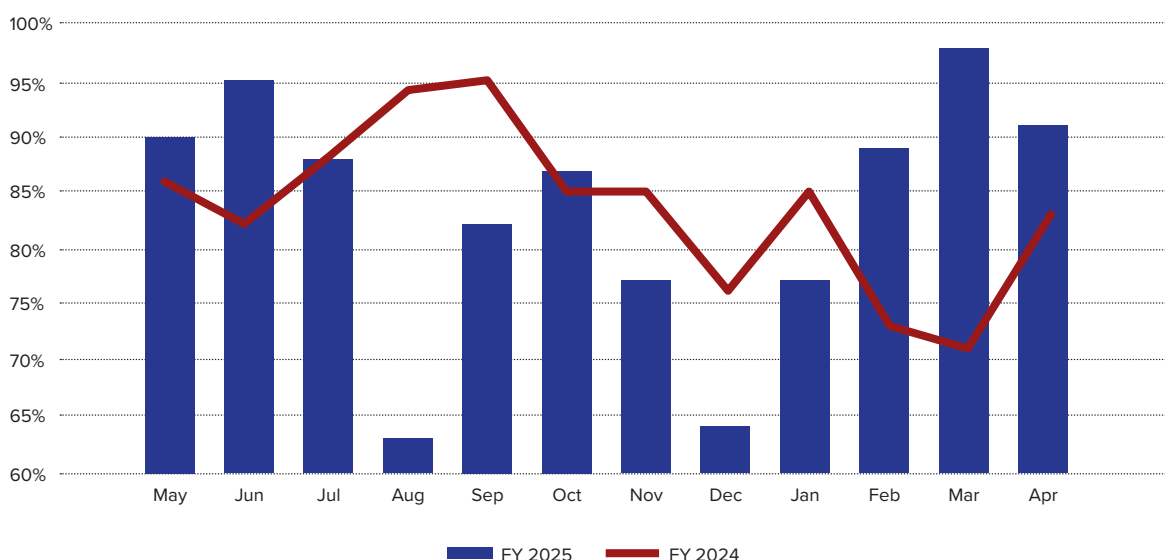
- HESS 2024      Logistics EHS LTI Free & Operational Excellent Award
- EMEPMI      2023 & 1H 2024 STAR Gold Award
- EMEPMI      2023 & 1H 2024 STAR Recognition Award
- EMEPMI      Certificate of Appreciation – JM Cemerlang
- EMEPMI      Certificate of Appreciation – JM Perkasa 2
- PETROFAC      Cendor 10-Year LTI-Free Appreciation, In Recognition of Your Valuable Contributions
- SAPURA OMV      Platinum Award for Best Performing LWI Contractor 2023-2024
- HESS 2023      North Malaysia Basin Logistics Recognition Award
- PTTEP      2024 CEO SSHE Excellence Award (JM Permai and JM Purnama)

### b. Downstream Division

#### Tanker operation and fleet utilisation

In line with the stable domestic economy, the Division continued to make progress in the financial year under review. This is despite the overall annual tanker utilisation reducing slightly to 83% from 84% in the preceding financial year, due to unexpected repair works. At present, all the tankers are on time charter contracts.

#### **Tanker Utilisation Rate**



## 2. OPERATING CONDITIONS (CONT'D)

### b. Downstream Division (cont'd)

#### Fleet

During the financial year under review, the Division operated four (4) chemical tankers and two (2) CPP tankers including a third party CPP tanker on bareboat charter, bringing the total number of vessels it operates to six (6).

As part of its ongoing fleet optimization strategy, the Downstream Division has actively rationalized its fleet over the past two (2) financial years. This involved the disposal of two (2) older vessels in the preceding financial year and another vessel, a CPP tanker, in the financial year.

These strategic disposals were aimed at enhancing operational efficiency and optimising the Division's fleet capacity. Further, in April 2025, the Group entered into a sale and purchase agreement with Muhibbah Marine Engineering Sdn Bhd to acquire the third-party vessel that it has been operating on bareboat charter, for RM55.2 million. The acquisition has enabled the Division to secure the long-term availability of the vessel, and is expected to be completed in the financial year ending 30 April 2026 ("subsequent financial year").

Given that the vessel disposed during the financial year was the oldest vessel in the fleet and that the vessel to be acquired is less than three (3) years old, these transactions have reduced the average age of the fleet from 10.6 years to 9.8 years as at the financial year end.

Pending completion of the acquisition of the CPP tanker, the Downstream Division ended the financial year owning four (4) chemical tankers. The Division will continue to consider fleet expansion based on market demand and strategic opportunities.

As part of the Division's long-term strategy to become a major tanker operator in Malaysia, the Division continues to focus on operational excellence to meet the high operational and safety standards of oil companies. As at the end of the financial year under review, the Division accumulated approximately 4.9 million man hours without LTI.

#### Foreign currency

During the financial year under review, Ringgit has rallied against the United States Dollar ("USD") from RM4.77 as at 30 April 2024 to RM4.32 as at 30 April 2025. This improvement is mainly due to, among others, the stable economic fundamentals, narrowing interest rate differential between the two countries, and the increasing foreign direct investments to Malaysia.

## 2. OPERATING CONDITIONS (CONT'D)

### b. Downstream Division (cont'd)

#### Foreign currency (cont'd)

#### RM to USD Exchange Rate



Given the revenue and expenditures are mostly earned and incurred in USD, the Division faces minimal transactional exchange rate risk as they are naturally mitigated / hedged. Accordingly, the Group did not enter into any hedging arrangements.

## 3. FINANCIAL PERFORMANCE

### Results

	FY 2025 RM'000	FY 2024 RM'000	Change RM'000	%
<b>Revenue</b>	<b>352,070</b>	<b>348,019</b>	<b>4,051</b>	<b>1.2%</b>
Direct expenses	(262,316)	(261,466)	(850)	0.3%
<b>Gross profit</b>	<b>89,754</b>	<b>86,553</b>	<b>3,201</b>	<b>3.7%</b>
<b>GP margin</b>	<b>25.5%</b>	<b>24.9%</b>		
Other income	30,756	46,291	(15,535)	(33.6%)
Administrative and other expenses	(37,003)	(30,377)	(6,626)	21.8%
<b>EBIT</b>	<b>83,507</b>	<b>102,467</b>	<b>(18,960)</b>	<b>(18.5%)</b>
Net finance costs	(31,191)	(34,210)	3,019	(8.8%)
<b>Profit before taxation</b>	<b>52,316</b>	<b>68,257</b>	<b>(15,941)</b>	<b>(23.4%)</b>
Taxation	14,148	(494)	14,642	*
<b>Profit after taxation</b>	<b>66,464</b>	<b>67,763</b>	<b>(1,299)</b>	<b>(1.9%)</b>

### 3. FINANCIAL PERFORMANCE (CONT'D)

#### Results (cont'd)

	FY 2025 RM'000	FY 2024 RM'000	Change RM'000	%
<b>Profit after taxation</b>	<b>66,464</b>	<b>67,763</b>	<b>(1,299)</b>	<b>(1.9%)</b>
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences for foreign operations	(15,179)	10,015	(25,194)	251.6%
<b>Other comprehensive income for the financial year, net of tax</b>	<b>51,285</b>	<b>77,778</b>	<b>(26,493)</b>	<b>(34.1%)</b>
<b>No. of vessel deployed (including 3rd party vessels):</b>				
- Upstream Division	20	19	1	5.3%
- Downstream Division	6	8	(2)	(25.0%)
<b>No. of vessel charter days:</b>	<b>No. of Days</b>	<b>No. of Days</b>	<b>No. of Days</b>	
- Upstream Division	5,725	6,228	(503)	(8.1%)
- Downstream Division	1,760	2,316	(556)	(24.0%)
<b>Vessel utilisation</b>				
- Upstream Division	70%	78%		(10.3%)
- Downstream Division	83%	84%		(1.2%)

\* Not meaningful.

#### Revenue

During the financial year under review, the Group recorded RM352.1 million revenue, representing a RM4.1 million or 1.2% increase from the revenue recorded in the previous financial year ended 30 April 2024 ("FY 2024"). The increase was mainly attributable to continued increases in vessel charter rates amidst domestic vessel supply strain in the OSV industry and the robust general economic activities in the region.

#### Direct expenses

Direct expenses marginally increased from RM261.5 million in the preceding year to RM262.3 million during the financial year in line with the revenue trend.

#### Gross profit

The Group recorded RM89.8 million gross profit representing RM3.2 million increase in the financial year in line with higher revenue.

**3. FINANCIAL PERFORMANCE (CONT'D)****Other income**

	FY 2025 RM'000	FY 2024 RM'000	Change RM'000	%
Reversal of vessel impairment loss	14,633	27,992	(13,359)	(47.7%)
Insurance compensation on vessel damages	7,635	348	7,287	2,094.0%
Gain on vessel disposals	5,223	17,785	(12,562)	(70.6%)
Foreign currency exchange gain	2,803	154	2,649	1,720.1%
Others	462	12	450	3,750.0%
Total other income	<u>30,756</u>	<u>46,291</u>	<u>(15,535)</u>	<u>(33.6%)</u>

The Group recognised RM30.8 million other income during the financial year, representing RM15.5 million decrease from RM46.3 million recognised in the preceding year. The reduction was mainly attributable to RM13.4 million lower reversal of vessel impairment loss and RM12.6 million lower gain on vessel disposal recognised in the financial year although they have been partially offset by RM7.3 million higher insurance compensation on vessel damages and RM2.6 million higher foreign currency exchange gain.

**Administrative and other expenses**

	FY 2025 RM'000	FY 2024 RM'000	Change RM'000	%
Administrative expenses	28,955	27,370	1,585	5.8%
Other expenses	7,161	2,322	4,839	208.4%
Net loss on impairment of financial instruments	<u>887</u>	<u>685</u>	<u>202</u>	<u>29.5%</u>
Total administrative and other expenses	<u>37,003</u>	<u>30,377</u>	<u>6,626</u>	<u>21.8%</u>

The Group recorded RM6.6 million higher administrative and other expenses during the financial year mainly due to RM2.8 million higher vessel impairment loss incurred in the financial year, and higher employee benefit expenses arising from higher staff headcount and salary increment.

**Net finance costs**

Net finance cost decreased by RM3.0 million in the financial year in line with the repayments of bank borrowings.

### 3. FINANCIAL PERFORMANCE (CONT'D)

#### Core profit (profit before abnormal items)

	FY 2025 RM'000	FY 2024 RM'000	Change RM'000	%
Profit before taxation	52,316	68,257	(15,941)	(23.4%)
Less:				
- net reversal of vessel impairment loss	(9,596)	(25,760)	16,164	(62.7%)
- net gain on vessel disposals	(5,223)	(17,785)	12,562	(70.6%)
Core profit	<u>37,497</u>	<u>24,712</u>	<u>12,785</u>	<u>51.7%</u>

While the Group's profit before taxation ("PBT") decreased by RM15.9 million to RM52.3 million in the financial year, this figure includes the impact of abnormal items. More significantly, the Group's core profit, which excludes such items as net reversal of vessel impairment loss and net gain on vessel disposals, actually improved by 51.7% from RM24.7 million in FY 2024 to RM37.5 million in the financial year.

This underlying operational improvement was primarily driven by higher gross profit and increased insurance compensation, further supported by lower net finance costs as a result of continued reduction in bank borrowings.

The reported decrease in PBT was mainly due to a RM16.2 million lower net reversal of vessel impairment loss and RM12.6 million lower gain on vessel disposal recognised in the financial year, compared to the preceding year.

#### Taxation

During the financial year, the Group recognised a net credit amount of RM14.1 million in relation to taxation in the statement of profit or loss, representing the recognition of net deferred tax assets of RM15.7 million over the current corporate income tax expense of RM1.6 million.

Deferred tax arises due to temporary differences between accounting profit and taxable profit which could result in either deferred tax assets or deferred tax liabilities.

#### Net reversal of vessel impairment loss

	FY 2025 RM'000	FY 2024 RM'000	Change RM'000	%
Reversal of vessel impairment loss	14,633	27,992	(13,359)	(47.7%)
Less vessel impairment loss	(5,037)	(2,232)	(2,805)	125.7%
Net reversal of vessel impairment loss	<u>9,596</u>	<u>25,760</u>	<u>(16,164)</u>	<u>(62.7%)</u>

During the financial year, the Group recorded RM16.2 million lower net reversal of vessel impairment loss amounting to RM9.6 million as compared to RM25.8 million. The reversal / (additional vessel impairment loss) was arrived at after taking into account the vessel market value less estimated cost of disposal and the vessel carrying value. Despite the increase in the vessel age, the vessel market value remains stable when compared with the prior year.



### 3. FINANCIAL PERFORMANCE (CONT'D)

#### Foreign currency translation difference for foreign operations

The Downstream Division operating subsidiaries adopt USD as the functional currency given their revenue and expenditures are mostly earned and incurred in USD.

On consolidation, the Group translated the Downstream Division's statement of profit or loss and other comprehensive income to Ringgit using the average exchange rate for the period while the statement of financial position were translated using the closing rate as at the year-end. In line with lower USD exchange rate as at 30 April 2025 of RM4.3170 as compared to RM4.7700 as at 30 April 2024, the Group recorded a loss amounting to RM15.2 million in other comprehensive income from the foreign currency translation difference.

Given that the loss on translation difference does not involve any cash flow, and the complexity and hedging cost involved, the Group did not hedge against the translational exchange rate risk.

### 4. FINANCIAL POSITION

#### Assets and liabilities

	FY 2025 RM'000	FY 2024 RM'000	Change RM'000	%
Non-current assets	630,011	692,358	(62,347)	(9.0%)
Current assets	237,985	164,904	73,081	44.3%
<b>Total assets</b>	<b>867,996</b>	<b>857,262</b>	<b>10,734</b>	<b>1.3%</b>
<b>Equity</b>	<b>209,524</b>	<b>162,239</b>	<b>47,285</b>	<b>29.1%</b>
Non-current liabilities	474,207	558,844	(84,637)	(15.1%)
Current liabilities	184,265	136,179	48,086	35.3%
<b>Total liabilities</b>	<b>658,472</b>	<b>695,023</b>	<b>(36,551)</b>	<b>(5.3%)</b>
<b>Total equity and liabilities</b>	<b>867,996</b>	<b>857,262</b>	<b>10,734</b>	<b>1.3%</b>
<b>Equity attributable to owners of the Company</b>	<b>168,397</b>	<b>133,895</b>	<b>34,502</b>	<b>25.8%</b>
<b>Net current assets</b>	<b>53,720</b>	<b>28,725</b>	<b>24,995</b>	<b>87.0%</b>
Gearing	74%	79%	(5.0%)	(6.3%)

Total assets of the Group increased by RM10.7 million from RM857.3 million as at 30 April 2024 to RM868 million as at 30 April 2025. Current assets increased by RM73.1 million mainly due to RM24.3 million increase in trade receivables, RM30.7 million vessel disposal proceeds held by solicitors and RM9.5 million insurance compensation receivable. However, this increase has been partially offset by RM62.3 million lower non-current assets in line with the recognition of depreciation expenses and amortisation of dry-docking expenditures.

On the other hand, total liabilities contracted by RM36.6 million from RM695 million as at 30 April 2024 to RM658.5 million as at 30 April 2025. The reduction was mainly due to RM63.5 million reduction in borrowings via financing repayments during the financial year.

#### 4. FINANCIAL POSITION (CONT'D)

##### Share capital

As part of the debt restructuring of a subsidiary, Jasa Merin (Malaysia) Sdn Bhd ("JMM") in 2020, JMM has issued 150 million preference shares to its lenders to reduce its borrowings. Among the key terms of the preference shares, any preference shares which have not yet been converted at the 10th anniversary of the issue date, will eventually be converted into ordinary shares of the Company.

In line with this, during the financial year under review, the Company increased its share capital by the issuance of 57 million new ordinary shares in exchange with 5.7 million JMM's preference shares.

##### Liquidity

The Group has maintained sufficient liquidity level during the year in line with higher net cash inflows from its operating activities to meet its capital expenditures and borrowing obligations. This was further aided by the disposal of a vessel during the financial year that generated net cash amounting to RM30.5 million, although the proceeds are held by the escrow agent as at the year end.

##### Contingent liabilities and legal matters

A long-standing contingent liability stemming from the dispute over land compensation for the Kajang Traffic Dispersal Ring Road (Expressway), which arose from the disposal of Sistem Lingkaran Lebuhraya Kajang Sdn Bhd ("SILK"), reached a resolution during the financial year. On 12 March 2025, the Federal Court dismissed SILK's appeal, upholding the Court of Appeal's earlier decision to remit the case back to the High Court for re-assessment.

Subsequently, on 12 June 2025, the Shah Alam High Court awarded the landowner additional land compensation amounting to RM4.84 million with interest. Crucially, as per the Turnkey Contract dated 31 July 2001, this additional compensation and related late payment interest will be borne by the land acquisition turnkey contractor, Sunway Construction Sdn Bhd. As a result, the Directors are of the opinion that no provision is required by Marine & General Berhad in respect of this matter, as it is not probable that a future outflow of economic benefits will be required.

##### Gearing

Following the all-round improvement in the operation, scheduled borrowing repayments and the disposal of a vessel, the Group has improved its capital and net debt position as at the financial year-end. Consequently, the Group has reduced its gearing ratio from 79% as at 30 April 2024 to 74% as at 30 April 2025.

##### Capital expenditures and commitments

Capital commitments of the Group are mainly relating to the balance purchase price of a tanker and vessel docking expenditures.

Given the industry conditions, the Group's main objective in its capital expenditures for the financial year under review and the subsequent financial year is to ensure all of its vessels continue to be seaworthy and are capable of being deployed to serve clients. As part of the compliance with the International Convention for the Safety of Life at Sea ("SOLAS"), 1974, which is administered by the International Maritime Organisation, the Group undertakes intermediate and special (major) docking of its vessels every two and half (2 ½) years and every five (5) years respectively to ensure their continued seaworthiness.

#### 4. FINANCIAL POSITION (CONT'D)

##### Capital expenditures and commitments (cont'd)

Further, in relation to the acquisition of a tanker, the Group has a commitment to complete the acquisition in the subsequent financial year with the payment of balance acquisition price of RM35.2 million.

	Capital expenditures in FY 2025	Commitments for FY 2026
	RM'000	RM'000
Vessel major maintenance	37,244	10,770
Acquisition of property, vessel and equipment		
- acquisition of a tanker	-	35,186
- acquisition of other property and equipment	1,048	90
Total capital expenditures and commitments	<u>38,292</u>	<u>46,046</u>

The Group expects to incur higher capital expenditures in FY 2026 in line with the acquisition of a tanker and the planned docking activities.

#### 5. SUBSEQUENT EVENT

The Group, through its wholly-owned subsidiary M&G Marine Services Sdn Bhd ("MGMS"), entered into a Joint Venture Agreement ("JVA") with WHS Global Engineering Sdn Bhd ("WHS") on 7 May 2025, to further diversify its business activities.

This collaboration led to the incorporation of M&G WHS Engineering Sdn Bhd on 15 May 2025, which is poised to spearhead the Group's entry into the oil and gas engineering service sector. This new joint venture will undertake engineering contracts, including steel fabrication and hook-up works, as well as the provision of specialised equipment.

This strategic initiative is expected to commence operations and contribute positively to the Group's performance in the subsequent financial year, reinforcing the Group's long-term growth prospects beyond traditional marine logistics.

#### 6. PROSPECTS

Malaysia's economic fundamentals remain stable, supported by healthy private consumption and investment. However, external uncertainties, including geopolitical tensions, the rising potential for a global economic slowdown, and domestic fiscal constraints, are increasing risks to overall business conditions.

In relation to the oil and gas activities, Fitch Solutions Group reported that the upstream sector in Asia is expected to remain robust and will drive capital expenditure growth for exploration and production activities. Malaysia is expected to be an important area for investment in upstream activities. In line with its goal of maintaining the national oil and gas production to 2 million barrels of oil equivalent ("boe") per day, PETRONAS has entered into 14 production sharing contracts in 2024 and is offering five exploration blocks and three discovered resource opportunities clusters in its 2025 bid round. To sustain this, Malaysia is targeting 500–600 million boe in annual replenishment through new discoveries, a goal that requires 20-25 exploration wells per year, with a success rate of 50 per cent.

## 6. PROSPECTS (CONT'D)

This bodes well for the domestic OSV business, which is dependent on the capital expenditure of PETRONAS.

However, the Board advises caution as the industry is facing challenges from the lingering uncertainty in relation to oil and gas activities in Sarawak, amidst the evolving regulatory requirements, which was reported to have delayed certain greenfield projects, the expected declining oil prices as global oil supply continues to exceed demand, climate and environment considerations, the development of green energy sources and the geo-political conflicts in the Middle East and Europe that could both affect oil supply and demand.

The Downstream Division anticipates steady operational levels, supported by consistent demand for Malaysian-flagged tankers. The disposal of three (3) vessels in the last two (2) years has reduced the Division's fleet capacity, and any future expansion will be assessed based on market conditions and operational requirements.

In addition, the Board expects the Engineering Services Division via M&G WHS to commence operation in the subsequent financial year and contribute positively to the Group.

The Board recognises both opportunities and challenges within the sector. External risks, including geopolitical instability and shifts in global economic policies, remain key considerations.

For this subsequent financial year, the Group maintains a neutral outlook, with operational decisions guided by market developments and economic conditions.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Marine & General Berhad (“M&G” or “the Company”) and its group of companies (“the Group”) fully appreciates the role good governance plays in enhancing shareholder value. The Board is committed towards complying with the requirements set out in the Malaysian Code on Corporate Governance (“the Code”) and strives to adopt the substance behind the corporate governance prescriptions to the best of its ability.

The Board is pleased to report to its shareholders on the application of the Principles as set out in the Code within the Company during the financial year.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### (I) Board Responsibilities

#### Functions of the Board

The Company is led and controlled by an effective Board that assumes, amongst others, the following principal responsibilities in discharging its stewardship and fiduciary functions:

- a) Setting the objectives, goals and strategic plans with a view to maximising shareholder value;
- b) Adopting and monitoring the progress of strategies, budgets, plans and policies;
- c) Overseeing the conduct of businesses to evaluate whether the businesses are properly managed;
- d) Identifying principal risks and ensuring the implementation of appropriate systems to mitigate and manage these risks;
- e) Considering Management’s recommendations on key issues including acquisitions, divestments, restructuring, funding and significant capital expenditure;
- f) Human resources planning and development; and
- g) Reviewing the adequacy and integrity of internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

On a more routine level, the Board sets the annual business targets and budgets for the coming year. This is usually undertaken in the fourth quarter of the financial year. Resources required by Management to meet their targets are considered and approved by the Board at the same time it considers and sets targets for the coming year.

In terms of oversight, the Board also sets clear, pre-defined Financial Authority Limits on Management to ensure major decisions, specifically for investments or capital expenditures, are only undertaken after careful consideration by the Board and its various Board Committees, where appropriate. In essence, decisions affecting key business considerations or where they involve a value higher than what has been approved for Management, are all reserved for the Board.

The Company had convened a total of five (5) Board Meetings during the financial year ended 30 April 2025.

#### Board Committees

The Board has set up three (3) Board Committees to assist the Board in discharging its functions, namely the Audit Committee, Nomination & Remuneration Committee and Risk Management Committee (*the details and membership of each Committee are elaborated in their respective sections*). The Committees are required to report to the Board on all their deliberations and recommendations and such reports are incorporated into the minutes of the Board Meetings.



## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (I) Board Responsibilities (cont'd)

#### Appointment of a Chairman

Tan Sri Mohammed Azlan bin Hashim ("Tan Sri Mohammed Azlan") was appointed to the role of Executive Chairman on 24 June 2008.

Tan Sri Mohammed Azlan is an experienced company director and corporate leader having served leadership roles at Amanah Capital Malaysia Berhad and Bursa Malaysia Berhad in the past. As Chairman of the Board of Directors, Tan Sri Mohammed Azlan carries out a leadership role in guiding the conduct of the Board and its relationships with shareholders and other stakeholders. He maintains a close professional relationship with his management team. In addition, he chairs Board meetings, as well as general meetings of shareholders, and concerns himself with the good order and effectiveness of the Board and its processes.

#### Separation of Positions of Chairman and Chief Executive Officer ("CEO") / Managing Director

Given Tan Sri Mohammed Azlan's strong leadership, business acumen and wide experience, the Board continues to maintain this arrangement of combining the two (2) positions which it feels is in the best interest of the Company. Decisions by the Board are only made after the issues have been deliberated at length by the Board, wherein the views of each Board member are sought. Tan Sri Mohammed Azlan is not a member of any of the Board Committees established by the Board. This ensures the various Committees are able to discharge their functions independently of the Executive Chairman.

The Executive Chairman's role in the day-to-day operations of the Company is explained in the Board Charter and is mainly to provide leadership, strategic vision, high-level business judgment and wisdom, and the ability to meet immediate performance targets without neglecting longer-term growth opportunities of the Company.

In addition, the day-to-day operations of the operating subsidiaries within the Group are carried out by the respective Heads of Division, who report to their respective Boards. The Executive Chairman does not sit on the Boards of the operating subsidiaries and is therefore not a party to the decisions made at the operating subsidiary level.

The Executive Chairman is also subject to the Financial Authority Limits which set pre-defined limits on his authority. For example, under the current limits, the Executive Chairman is only allowed to approve unbudgeted transactions up to RM500,000. Meanwhile, key investment and disposal decisions of the holding company, i.e. those with a value of RM500,000 or more, are only considered by the Board of Directors after a recommendation from the Risk Management Committee.

The Board is satisfied with the adequacy of the controls and limits in place and is of the opinion that retaining the existing arrangement is in the best interest of the Company given its business, size and complexity.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (I) Board Responsibilities (cont'd)

#### Qualified and competent Company Secretaries

In order to assist the Board with its functions, the Company has appointed two (2) qualified Company Secretaries:

1. Ms Chia Poh Tin; and
2. Ms Theresa Wee Swee Ling

Both are suitably qualified and competent Company Secretaries with valid practising certificates approved by the Companies Commission of Malaysia ("CCM") and who are supported by appropriately qualified secretarial staff to ensure they are able to discharge their duties effectively and efficiently.

At least one of the Company Secretaries will attend the Company's Board or Committee meetings and ensure that accurate and proper records of the proceedings and resolutions passed are properly maintained. The Company Secretary in attendance acts as a reference point on matters relating to procedures, governance as well as regulatory requirements.

The Company Secretaries also provide updates and assist the Board with interpreting regulatory and listing requirements related to the Company. Outside of scheduled meetings, the Company Secretaries also play a key role in advising and guiding Management with respect to compliance matters. From time to time, the Company Secretaries also update the Board members in relation to relevant training courses that are available for their consideration and assist in the registration of the training seminars / workshops attended by the Directors, if any.

During the Annual General Meetings of the Company, the Company Secretaries also coordinate with the Share Registrar, Independent Scrutineer, Shareholders, Board of Directors, the Management, etc. to ensure smooth running of the meetings.

The Company Secretaries constantly keep themselves abreast of the evolving environment, regulatory changes and developments in Corporate Governance through attendance at relevant conferences and training programmes. They have also attended continuous professional development programmes as required by the CCM, The Malaysian Institute of Chartered Secretaries and Administrators and other professional bodies.

#### Board Charter

The Board has formally adopted its Board Charter which is periodically reviewed and kept up-to-date with changes in regulations and best practices to ensure its effectiveness and relevance to the Board objectives. The Board Charter was last reviewed in September 2022 to incorporate changes made by the Code. The revised Board Charter was subsequently adopted with effect from 28 October 2022.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (I) Board Responsibilities (cont'd)

#### Board Charter (cont'd)

The Board Charter of the Company sets out the role of the Board and it also lists the broad powers of the Board. It clearly sets out the various Board Committees formed to oversee and address matters which require detailed review or in-depth consideration. In detail, the Board Charter covers the following:

- Composition
  - Composition of the Board;
  - The Executive Chairman's role;
  - The Executive Chairman's day-to-day management role; and
  - Non-Executive Directors' roles;
- Board structure and procedures
  - Board's role;
  - Board's power;
  - Board's performance;
  - Board's committees; and
  - Board meetings;
- Access
- Independent Professional Advice
- Remuneration
- Indemnification and Directors and Officers insurance

The Board Charter is available for viewing on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)).

#### Demarcation of responsibilities

The Board takes it upon itself to ensure that shareholders' interests and its goal of creating sustainable value over the long-term are always kept in view in any major decision it makes. The Board does so by segregating its role into that of overall stewardship and setting the strategic direction for the Company.

The Management manages the day-to-day operations and administration of the Company, in accordance with the strategic direction and delegations of the Board. The Board continuously oversees the activities of Management in carrying out these delegated duties.

The daily running of the business is entrusted to the respective Heads of Division of the Company who report directly to the Executive Chairman. At the operating subsidiary level, the Chief Executive Officer ("CEO") of Jasa Merin (Malaysia) Sdn Bhd ("JMM"), reports directly to the Executive Vice-Chairman of JMM and its Board while in the case of Jasa Merin (Labuan) Plc, its Chief Operating Officer ("COO") oversees the various functions and reports directly to its Board.

Management at both the holding company and operating subsidiaries all carry out their duties under pre-defined Financial Authority Limits set by their respective Boards. These Financial Authority Limits are reviewed from time to time to ensure continued relevance, effectiveness and efficiency.

The Board is satisfied with the existing demarcation of responsibilities given the business, size and complexity of the Company.



**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****(I) Board Responsibilities (cont'd)**Code of Conduct and Ethics

The Company has an Employee Code of Conduct to guide employees on the Company's expectations as well as to set parameters for acceptable professional behaviour.

The Code of Conduct for the Company was originally part of the Staff Handbook made available to employees of the Company. It has, since November 2017, been adopted separately to provide more prominence to the provisions therein. It has also been revised and expanded to add provisions on anti-bribery, corruption, insider trading and money laundering as a means to further strengthen the Code of Conduct and bring it more in-line with the requirements of the Code.

The Employee Code of Conduct was reviewed and amended on 19 May 2020. Revisions were made to reduce ambiguities with respect to the terminology used, improve the connectivity of the Employee Code of Conduct with other relevant corporate policies and enhance the existing section on anti-bribery and corruption.

The latest Employee Code of Conduct is also published on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)) for reference.

In addition to the above, the Board constantly observes the Directors' Code of Ethics, which forms part of the Board Charter and upholds integrity in discharging its fiduciary duties.

Anti-Bribery & Corruption Policy

In response to the latest Malaysian regulatory development pertaining to anti-corruption, M&G established a stand-alone Anti-Bribery and Corruption ("ABAC") Policy that is applicable to all the Directors and employees of the Group effective from 28 April 2020. The ABAC Policy was last reviewed on 27 March 2023 and consequently the latest version was adopted with effect from 1 June 2023.

Whistle-Blowing Policy

The Company adopted a Whistle-Blowing Policy in 2012 to introduce a safe and acceptable platform for employees to channel concerns about illegal, unethical or improper business conduct affecting the Company and about business improvement opportunities so as to ensure that no member of staff should feel at a disadvantage in raising legitimate concerns.

The Whistle-Blowing Policy was reviewed and updated recently on 15 December 2023. The updated Whistle-Blowing Policy has kept the safeguards put in place by the original policy but also takes into account recent changes to the organisational structure of the Company and its subsidiaries.

The Whistle-Blowing Policy is available for viewing on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)).

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (II) Board Composition

#### Composition of independent members

During the financial year under review, the Company's Board of Directors had a total of nine (9) Directors. Five (5) of the Directors who served on the Board during the financial year under review are Independent Directors. The Independent Directors are from diverse professional and business backgrounds, including members with experience in banking and finance, accounting and legal practice. The profile for each of the members of the Board is contained on pages 4 to 8 of this Annual Report.

With five (5) Independent Directors out of the total nine (9) Directors, this complies with Practice 5.2 of the Code.

#### The Nomination & Remuneration Committee

The Company's Nomination & Remuneration Committee for the financial year ended 30 April 2025, comprised the following:

1. Shariffuddin bin Khalid (Chairman of the Nomination & Remuneration Committee, Independent Non-Executive Director);
2. Kamarul Ariffin bin Mohd Jamil (Independent Non-Executive Director);
3. Tai Keat Chai (Non-Independent Non-Executive Director); and
4. Megat Joha bin Megat Abdul Rahman (Independent Non-Executive Director).

The Nomination & Remuneration Committee is currently chaired by En Shariffuddin, an Independent Director of the Company. As the Chairman of the Nomination & Remuneration Committee, he oversees the evaluation process for new appointments to the Board, annual review of the Board and Board Committees' effectiveness, independent assessment of the performance of each individual Director and reviews the succession planning initiative of the Group.

The Company's Nomination & Remuneration Committee is guided by a clear Terms of Reference, which is made available on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)).

During the financial year, the Nomination & Remuneration Committee convened a total of two (2) meetings, to discuss and deliberate matters within the ambit of its Terms of Reference. Among the matters deliberated during the year include:

1. Annual review of the composition of the Board and various Board Committees.
2. Annual assessment of the performance of the Board and Board Committees.
3. Annual review of the Audit Committee's term of office and performance.
4. Annual assessment of the Independent Directors.
5. Annual assessment of the performance of Key Officers and the Executive Chairman.
6. The Succession Plan for the key operating subsidiaries of the Group.
7. Proposed appointment of additional director on the board of subsidiary.
8. Review of the remuneration of the executive directors and non-executive directors.

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****(II) Board Composition (cont'd)***Annual assessment of the Board, Board Committees and Key Officers*

The Company's Board has delegated the task of the preliminary annual evaluation of the effectiveness of the Board, the Board Committees and their respective members to the Nomination & Remuneration Committee.

For the financial year ended 30 April 2025, evaluation questionnaires seeking feedback on how each Board member views the performance of the Board as a whole and the respective Board Committees reporting to it as well as the Key Officers had been circulated to the Board in early March 2025. The questionnaires were derived from the Exhibits of the Corporate Governance Guide of Bursa Malaysia Berhad. The questionnaires provide a useful basis from which the key factors / criteria to determine effectiveness may be inferred. The Nomination & Remuneration Committee subsequently deliberated on the summary of the responses provided.

The Nomination & Remuneration Committee, after considering input provided by each Director, concluded, amongst others, that the skills and experience mix and composition of the Company's Board of Directors and all Board Committees reporting to it, are generally suitable for the Company, given its size, complexity and the industry it operates in.

The Nomination & Remuneration Committee further concluded that the Key Officers discharged their role competently and have the necessary character, experience, integrity and competence to continue to effectively discharge their respective roles.

The Board subsequently considered and endorsed the findings and conclusions of the Nomination & Remuneration Committee.

*Recruitment of new Directors*

From time to time, there will be a need to recruit new directors to fill a vacancy or to enhance the effectiveness of the Board by adding new skillsets to it. After the Nomination & Remuneration Committee determines the actual additional skillsets and / or experience required by the Company during its annual evaluation of Board effectiveness, the Board will begin sourcing potential candidates primarily through the professional network of the various Board members, and occasionally via industry contacts. Where appropriate, the Board may also authorise the engagement of external consultants to assist with the search for potential candidates for consideration.

The candidates identified will be evaluated by the Nomination & Remuneration Committee. The evaluation will focus on the candidate's suitability in terms of skillsets and experience being brought to the Board. The evaluation will not take into account the ethnicity or gender of the proposed new director in keeping with norms set by the Board that neither the ethnicity nor gender of a particular candidate for appointment to the Board is an influencing factor.

Upon satisfaction that the candidate is suitable, the Nomination & Remuneration Committee will make a recommendation to the Board of Directors accordingly. Only when a candidate is approved by the Board will he / she be appointed to the Board.

New Directors are expected to have such expertise to qualify them to make positive contributions to the Board, performance of its duties and to give sufficient commitment, time and attention to the affairs of the Company. They are also briefed by the Chairman, Company Secretaries and members of the management on the nature of business and current issues within the Company and the Group.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (II) Board Composition (cont'd)

#### Tenure of an Independent Director

The Company's Board Charter states that the tenure of an Independent Director shall be up to the maximum period of nine (9) years. At any stage up to the completion of nine (9) years, an Independent Director may be re-designated to be a Non-Independent Director if the Nomination & Remuneration Committee so finds that the Director no longer qualifies to be an Independent Director. An Independent Director so re-designated, may continue to serve on the Board as a Non-Independent Director.

During the financial year under review, the Nomination & Remuneration Committee evaluated the independence of the Company's Independent Directors, where focus went beyond the Independent Director's background, economic, family and work relationships. Due considerations were also given as to whether an Independent Director can continue to bring independent and objective judgement to the Board.

There is no Independent Director serving the Board for a tenure approaching or past nine (9) years presently.

#### Board Diversity

The Board recognises the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining good governance. A truly diversified Board will include and make good use of differences in the skills, regional origins, industry experience, background, gender, age, ethnicity and other qualities of Directors. With this in mind, the Board adopted a Corporate Diversity Policy on 29 November 2017 to serve as a guide for it, moving forward.

This Corporate Diversity Policy is appended as follows and published on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)) for reference:-

#### **MARINE & GENERAL BERHAD'S CORPORATE DIVERSITY POLICY**

##### **1.0 BOARD DIVERSITY POLICY ("BDP")**

###### **1.1 Statement of the Policy**

- 1.1.1 The Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining a competitive advantage.
- 1.1.2 A truly diversified Board will include and make good use of differences in the skills, regional origins, industry experience, background, gender, age, ethnicity and other qualities of Directors.
- 1.1.3 These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.
- 1.1.4 All Board appointments are made on merit, in the context of skills and experience ensuring that the Board as a whole, is effective.

###### **1.2 Procedures**

- 1.2.1 The Board's Nomination & Remuneration Committee ("the Committee") reviews and assesses the Board composition on behalf of the Board and recommends the appointment of new Directors.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (II) Board Composition (cont'd)

#### Board Diversity (cont'd)

#### **MARINE & GENERAL BERHAD'S CORPORATE DIVERSITY POLICY (CONT'D)**

##### **1.0 BOARD DIVERSITY POLICY ("BDP") (CONT'D)**

##### **1.2 Procedures (cont'd)**

1.2.2 The Committee also oversees the conduct of the annual review of Board effectiveness:

- a) In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to maintain an appropriate range and balance of skills, experience and background on the Board.
- b) In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

1.2.3 As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the Committee will consider the balance of skills, experience, independence and the diversity representation of the Board.

##### **1.3 Measurable Objectives**

- 1.3.1 The Committee will discuss and agree all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption.
- 1.3.2 At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.
- 1.3.3 The Board recognises the recommendation of the Malaysian Code of Corporate Governance issued by the Securities Commission for maintaining at least 30% of the Board with women and will take appropriate measures to meet the target.
- 1.3.4 However, the selection of female candidates to join the Board will be, in part, dependent on the pool of female candidates with the necessary skills, knowledge and experience.
- 1.3.5 The ultimate decision to appoint female candidates will be based on merit and contribution that the chosen candidate will bring to the Board.

##### **1.4 Monitoring and Reporting**

- 1.4.1 The Committee will report annually, in the corporate governance section of the Company's Annual Report, on the process it has used in relation to Board appointments.
- 1.4.2 Such report will include a summary of the BDP, the measurable objectives set for implementing the BDP and progress made towards achieving those objectives.

##### **1.5 Review of the BDP**

- 1.5.1 The Committee will review the BDP from time to time, which will include an assessment of the effectiveness of the BDP.
- 1.5.2 The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (II) Board Composition (cont'd)

#### Board Diversity (cont'd)

#### MARINE & GENERAL BERHAD'S CORPORATE DIVERSITY POLICY (CONT'D)

##### 2.0 EMPLOYEE DIVERSITY POLICY ("EDP")

###### 2.1 Statement of the Policy

- 2.1.1 The Company is committed to actively managing diversity as a means of enhancing its performance by recognising and utilising the contribution of diverse skills and talent from its directors, officers and employees.
- 2.1.2 Diversity involves valuing and recognising the unique contribution people make because of their individual background and different skills, experiences and perspectives, including persons with co-existing domestic responsibilities. Diversity may result from a range of factors including gender, age, ethnicity, cultural background or other personal factors. The Company values the differences between the people and the contribution these differences make to the Company.

###### 2.2 Procedures

- 2.2.1 The Board of Directors ("the Board") assisted by the Management, is responsible for developing strategies to meet the objectives of the Policy and monitoring the progress of achieving the objectives through the monitoring and evaluation mechanism.
- 2.2.2 While it is important to promote diversity in terms of gender, age and ethnicity, the Company would take into consideration the following diversity strategies but not limited to:
  - a) recruiting from a diverse pool of candidates for all positions, including senior management;
  - b) identifying specific factors to take into account of the recruitment and selection processes to encourage diversity; and
  - c) any other strategies the Board develops from time to time.
- 2.2.3 The Company will not set any fixed targets around age, gender and ethnicity, but will actively work towards having the appropriate diversity based on the strategies outlined above.

###### 2.3 Measurable Objectives

- 2.3.1 The Company encourages diversity in employment, and in the composition of its Board, as a means of ensuring the Company has an appropriate mix of skills and talent to conduct its business and achieve the Company's goals. The Company will provide equal opportunities in respect to employment and employment conditions, including:
  - a) Hiring: The Board will ensure appropriate selection criteria based on diverse skills, experience and perspectives are used when hiring new staff, including Board members. Job specifications, advertisements, application forms and contracts will not contain any direct or inferred discrimination. The Board is empowered to engage professional consultants to assist in the hiring process where it deems necessary.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (II) Board Composition (cont'd)

#### Board Diversity (cont'd)

#### MARINE & GENERAL BERHAD'S CORPORATE DIVERSITY POLICY (CONT'D)

#### 2.0 EMPLOYEE DIVERSITY POLICY ("EDP") (CONT'D)

#### 2.3 Measurable Objectives (cont'd)

- 2.3.1 The Company encourages diversity in employment, and in the composition of its Board, as a means of ensuring the Company has an appropriate mix of skills and talent to conduct its business and achieve the Company's goals. The Company will provide equal opportunities in respect to employment and employment conditions, including: (cont'd)
- b) Training: All internal and external training opportunities will be based on merit and in light of the Company's and individual needs. The Board will consider senior management training and executive mentoring programs to develop skills and experience to prepare employees for senior management and Board positions.
  - c) Career Advancement: All decisions associated with career advancement, including promotions, transfers, and other assignments, will meet the Company's needs and be determined on skill and merit.

#### 2.4 Monitoring and Reporting

- 2.4.1 The Board, through the Nomination & Remuneration Committee, will monitor the scope and applicability of this policy, from time to time.
- 2.4.2 The Management is responsible for implementing, monitoring and reporting on the progress of achieving the objectives.

#### 2.5 Review of the EDP

- 2.5.1 The Committee will review the EDP from time to time, which will include an assessment of the effectiveness of the Policy.
- 2.5.2 The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

The Policy has been approved by the Board of Directors on 29 November 2017.

#### Access to appropriate continuing education programmes

The Board recognises the significance of training which can help Directors to fulfil their role more effectively and make a difference to the performance of the Company, and has undertaken an assessment of training needs of the Board Members. During the financial year, the Directors attended various training programmes and seminars organised by the relevant regulatory authorities and professional bodies to broaden their knowledge and to keep abreast with the relevant changes in law, regulations and the business environment. These have been summarised as follows:

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**(II) Board Composition (cont'd)**

*Access to appropriate continuing education programmes (cont'd)*

Name of Director	Topic / Organiser	Date
Tan Sri Mohammed Azlan bin Hashim	• International Social Well Being 2024 - Setting the Context (Employees Provident Fund)	4 – 5 June 2024
	• EPF Sustainability Day 2024 (Employees Provident Fund)	17 July 2024
	• EPF Investment Seminar 2024 (Employees Provident Fund)	26 August 2024
	• Bursa Academy: Conflict Of Interest (“COI”) And Governance of COI (Bursa / Asia School of Business)	17 October 2024
	• EPF Strategy Meeting 2024 (Employees Provident Fund)	21 – 22 October 2024
	• DTX Summit 2024 (Employees Provident Fund)	29 October 2024
	• Sustainability Journey In Malaysia: National Sustainability Reporting Framework (D&O Green Technologies Berhad)	22 November 2024
	• Transfer Pricing for Intragroup Financing (Chartered Accountants Malaysia)	6 March 2025
	• The Future of Platform Lending: Opportunities, Risks, And Innovations (Chartered Accountants Malaysia)	8 April 2025
Haji Abdul Rahman bin Ali	• Team Building - It's Showtime 2024 (Intellect Academy & Terengganu Training Safety Centre)	9 – 11 July 2024
	• Mental Health 2024 (Terengganu Training Safety Centre)	1 October 2024
Tai Keat Chai	• SSM National Conference 2024 on Enhancing Corporate Transparency. Building Resilience. (Companies Commission of Malaysia)	27 – 28 August 2024
Nik Abdul Malik bin Nik Mohd Amin	• Cybersecurity Oversight: Board Responsibilities In Light of the Cybersecurity Bill 2024 (KPMG)	11 September 2024
Shariffuddin bin Khalid	• MIA Webinar Series: Preparation for e-Invoicing Implementation - What You Should Do (Malaysian Institute of Accountants)	2 July 2024
	• Preventing Fraud: The Board's Roles and Responsibilities (FIDE Forum)	8 August 2024
	• Distinguished Board Leadership Series 2024: Digital Transformation of the World's Best Bank (FIDE Forum)	3 September 2024
	• Understanding The Challenging Role of an Independent Director (Minority Shareholders Watch Group)	19 November 2024



**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****(II) Board Composition (cont'd)***Access to appropriate continuing education programmes (cont'd)*

Name of Director	Topic / Organiser	Date
Datin Shelina binti Razaly Wahi	• Drone Awareness Seminar “Insights on Malaysia’s Urban Air Mobility” (MRANTI)	3 May 2024
	• Defence Services Asia (DSA)	6 – 7 May 2024
	• Webinar: Economic Market Updates by OCBC Singapore (ALCOM Berhad)	24 May 2024
	• PNB Knowledge Forum 2024 – Economic Complexity: Navigating the Threads of Economic Relatedness (Permodalan Nasional Berhad)	4 July 2024
	• Malaysian Code on Corporate Governance “MCCG” 2021 with Highlights of Departures & Gaps by Tricor Hive Sdn Bhd (Pekati Group Berhad)	10 July 2024
	• Understanding the Amendments to Listing Requirements 2022, Guidelines on Conduct of Directors of Listed Corporation & their Subsidiaries as Issued by Securities Commission and the Application of Fit & Proper Policy by Tricor Hive Sdn Bhd (Pekati Group Berhad)	10 July 2024
	• Navigating ESG reporting and Understanding Carbon Neutrality for Products and Services (BSI)	17 July 2024
	• Personal Liabilities of Directors (MAICSA)	9 August 2024
	• Fireside Chat with PNB Nominee Directors (Permodalan Nasional Berhad)	14 August 2024
	• ESG / Impact Investing – What are Investors Looking for? (ICLIF)	19 August 2024
	• Malaysia Aerospace Summit 2024 (MITI)	20 – 21 August 2024
	• Cyber Security Awareness Day (Projek Lintasan Kota Holdings Sdn Bhd)	4 September 2024
	• Building Sustainable Credibility: Assurance, Greenwashing and the Rise of Green-hushing (ICDM)	24 September 2024
	• Conflict of Interest and Governance of COI (Bursa)	2 October 2024
	• Aligning Risk Management to Strategy and Purpose (ICDM)	7 October 2024
	• A comprehensive Introduction to Corporate Governance – Role of the Board and Senior Management (Projek Lintasan Kota Holdings Sdn Bhd)	23 October 2024
	• Futurise Legal / Regulatory Forum (Futurise)	30 October 2024
	• Fireside Chat Session with PNB Nominee Directors (Permodalan Nasional Berhad)	6 November 2024
	• British Malaysia Chamber of Commerce (“BMCC”) Economic Outlook & Post-Budget 2025 Forum (BMCC)	14 November 2024

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**(II) Board Composition (cont'd)**

*Access to appropriate continuing education programmes (cont'd)*

Name of Director	Topic / Organiser	Date
Datin Shelina binti Razaly Wahi	• Industry Linkages Session on Aerospace Infrastructure 2030: Trends, Challenges and Opportunities (Malaysia Aerospace Industry Association / National Aerospace Industry Corporation)	4 February 2025
	• Beyond Fire walls: A Director's Guide to Cybersecurity in an Uncertain World (Projek Lintasan Kota Holdings Sdn Bhd)	18 February 2025
	• Innovate Her: Championing, Inspiring, Bridging the Gap in STEM Professionals (BMCC)	27 February 2025
	• Business Aviation Asia Forum and Expo (BAAFEx)	5 March 2025
	• Pioneering Sustainable Aerospace – an Airbus Special Industry Event (Airbus)	10 April 2025
Kamarul Ariffin bin Mohd Jamil	• Mandatory Accreditation Programme Part II: Leading For Impact (ICDM)	28 – 29 October 2024
	• National Sustainability Reporting Framework (NSRF) (Minority Shareholders Watch Group)	18 November 2024
	• In-house Board Training (Fullrich Malaysia Sdn Bhd)	12 December 2024
Megat Joha bin Megat Abdul Rahman	• Bursa Academy: Conflict of Interest ("COI") and Governance of COI (Asia School of Business)	13 August 2024
	• Cyber Security Awareness for Board of Directors & Senior Management (Cyber Intelligence Sdn Bhd)	3 October 2024
	• Audit Committee Conference 2024 (Malaysian Institute of Accountants)	5 September 2024
	• Financial Fraud & Forensics Conference 2025 (Malaysian Institute of Accountants)	27 February 2025
Rozhan Anwar bin Abdul Halim	• Power Talk: Being Sued as an INED-personal Journey (Institute of Corporate Directors)	10 May 2024
	• Mandatory Accreditation Programme Part II; Leading for Impact (ICDM)	21 – 22 October 2024
	• National Sustainability Reporting Framework (NSRF) (Minority Shareholders Watch Group)	18 November 2024
	• Understanding the Challenging Role of an Independent Director (Minority Shareholders Watch Group)	19 November 2024
	• Navigating Governance, Risk and Strategic Foresight (Institute of Corporate Directors)	17 December 2024
	• Power Talk: Strategic data and Frameworks in Board Governance (Institute of Corporate Directors)	2 December 2024

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### (III) Board Remuneration

#### *Formal and transparent remuneration policies and procedures*

The Board adopted the Board Remuneration Policy on 29 November 2017. The Board Remuneration Policy was last reviewed on 19 December 2022 and adopted with effect from 1 January 2023. The latest Board Remuneration Policy is available for viewing on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)).

The remuneration of the Executive Directors is structured on the basis of linking rewards to corporate and individual performance. For Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities. The Board as a whole recommends the fees for the Directors with individual Directors abstaining from decisions in respect of their individual remuneration. The fees payable to the Directors are subject to the approval of shareholders. The breakdown of the remuneration for the Directors of the Company during the financial year is as follows:

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****(III) Board Remuneration (cont'd)**

*Formal and transparent remuneration policies and procedures (cont'd)*

No	Name	Directorate	Company ('000)						Group ('000)							
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Mohammed Azlan bin Hashim	Executive Chairman	-	36.0	1,232.0	300.0	172.5	147.8	1,888.3	-	36.0	1,232.0	300.0	172.5	147.8	1,888.3
2	Tai Keat Chai	Non-Independent Non-Executive Director	100.0	12.0	-	-	-	-	112.0	100.0	12.0	-	-	-	-	112.0
3	Nik Abdul Malik bin Nik Mohd Amin	Non-Independent Non-Executive Director	75.0	8.0	-	-	-	-	83.0	87.0	11.0	-	-	-	-	98.0
4	Shariffuddin bin Khalid	Independent Non-Executive Director	85.0	8.0	-	-	-	-	93.0	85.0	8.0	-	-	-	-	93.0
5	Datin Shelina binti Razaly Wahi	Independent Non-Executive Director	85.0	9.0	-	-	-	-	94.0	85.0	9.0	-	-	-	-	94.0
6	Haji Abdul Rahman bin Ali	Non-Independent Executive Director	-	-	-	-	-	-	-	-	171.6	1,148.9	566.1	117.9	226.4	2,230.9
7	Kamarul Ariffin bin Mohd Jamil	Independent Non-Executive Director	90.0	13.0	-	-	-	-	103.0	108.0	17.0	-	-	-	-	125.0
8	Megat Joha bin Megat Abdul Rahman	Independent Non-Executive Director	90.0	13.0	-	-	-	-	103.0	90.0	13.0	-	-	-	-	103.0
9	Rozhan Anwar bin Abdul Halim	Independent Non-Executive Director	90.0	15.0	-	-	-	-	105.0	102.0	19.0	-	-	-	-	121.0

**PRINCIPLE B: EFFECTIVE AUDIT & RISK MANAGEMENT****(I) Audit Committee***Effective and independent Audit Committee*

The Company's Audit Committee was formed by the Board at its meeting on 16 August 2002. During the financial year ended 30 April 2025, the Audit Committee comprised the following:

1. Datin Shelina binti Razaly Wahi (Chairperson of the Audit Committee, Independent Non-Executive Director);
2. Kamarul Ariffin bin Mohd Jamil (Independent Non-Executive Director);
3. Megat Joha bin Megat Abdul Rahman (Independent Non-Executive Director); and
4. Rozhan Anwar bin Abdul Halim (Independent Non-Executive Director).

The Company convened a total of five (5) Audit Committee Meetings during the financial year ended 30 April 2025. Among the matters deliberated during the year include:

1. The internal audit plan and internal audit reports by the Company's internal auditors.
2. The Company's quarterly financial results and audited financial statements.
3. The Company's audit plan and audit status by the Company's external auditors.
4. External auditors' independence assessment.
5. Audit Committee report for inclusion into annual report.
6. Related party transactions and recurrent related party transactions.
7. Review and evaluate conflict of interest situations based on the disclosure made by the board members.
8. Review the terms of reference of the Audit Committee.

Please refer to the Audit Committee Report for the summary of work on pages 48 to 54 of this Annual Report for further details.

The Company's Audit Committee is made up of members with a wide range of skills and experience.

The Chairperson of the Audit Committee, Datin Shelina binti Razaly Wahi, a legal practitioner, lends legal acumen to the Audit Committee. In terms of originating from a financial or accounting background, En Kamarul Ariffin bin Mohd Jamil is a former banker. En Megat Joha bin Megat Abdul Rahman is a Chartered Accountant, certified public accountant and member of the Malaysian Institute of Accountants (MIA). En Rozhan Anwar bin Abdul Halim meanwhile has held senior roles in finance and risk related positions and responsible for the management of financial affairs. The diverse background of the four (4) members ensures that the Audit Committee is able to discuss issues presented to it from various perspectives.

*Policies and procedures to assess the suitability and independence of external auditors*

The Board maintains, via the Audit Committee, an active, transparent and professional relationship with its External Auditors. The role of the Audit Committee in relation to the External Auditors is disclosed in the Audit Committee Report set out on pages 50 to 52 of the Annual Report. The Company's current External Auditors, Messrs. BDO PLT, were formally appointed to the position with effect from 14 April 2023.

The Company adopted its External Auditor Independence Policy on 23 August 2018 and updated the same on 30 March 2022. The policy sets out the applicable requirements for selection and appointment, independent requirements, approvals for services to be rendered by the external auditor, monitoring and reporting requirements, independence statements by directors, external audit performance review, consequences breach, hiring personnel of the external auditors and performance measures and non-conformance criteria.

## PRINCIPLE B: EFFECTIVE AUDIT & RISK MANAGEMENT (CONT'D)

### (I) Audit Committee (cont'd)

#### Policies and procedures to assess the suitability and independence of external auditors (cont'd)

In addition, a written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements has been obtained by the Company.

### (II) Risk management and internal control framework

#### Establishment of a risk management and internal control framework

The Board acknowledges its overall responsibility for ensuring that a sound system of internal control is maintained throughout the Group and the need to review its effectiveness regularly. The Board recognises that risks cannot be totally eliminated, and the system of internal controls instituted can only help to minimize and manage risks and provide some assurance that the assets of the Company and of the Group are safeguarded against material loss and unauthorized use, and that the financial statements are not materially misstated.

The Audit Committee is tasked by the Board with the duty of reviewing and monitoring the effectiveness of the Company's system of internal controls. The Statement on Risk Management and Internal Control set out on pages 55 to 59 of this Annual Report provides an overview of the Group's approach to risk management and internal control framework, and the adequacy and effectiveness of this framework.

#### Internal Audit function

The Company's internal audit function is outsourced to Messrs. Axcelasia Sdn Bhd. The internal audit staff on the engagement team are free from any relationships or conflicts of interest, which could impair their objectivity and independence.

The number of staff deployed for the internal audit reviews ranged from two (2) to five (5) staff per visit including the Engagement Partner. The staff involved in the internal audit reviews possess the necessary qualifications to discharge their function. Most of them are also members of the Institute of Internal Auditors Malaysia.

The Engagement Partner, David Low Tak Wei, has diverse professional experience in internal audit. He is a Certified Internal Auditor ("CIA"), a professional member of the Malaysian Institute of Internal Auditors ("CMIIA"), Fellow Member of the Association of Chartered Certified Accountants ("FCCA"), a Chartered Accountant and member of the Malaysian Institute of Accountants ("MIA") (CA(M)), as well as an Associate Member of the Associate of Certified Fraud Examiners ("ACFE").

The internal audit for the year under review was conducted using a risk-based approach and was guided by the International Professional Practice Framework (IPPF).

#### Risk Management Committee

The Board has also set up a Risk Management Committee, to assist the Board to oversee the risk management framework and policies of the Company. In addition, it also oversees investment activities and cash flow position of the Group.

## PRINCIPLE B: EFFECTIVE AUDIT & RISK MANAGEMENT (CONT'D)

### (II) Risk management and internal control framework (cont'd)

#### *Risk Management Committee (cont'd)*

During the financial year, the Risk Management Committee was comprised as follows:

1. Tai Keat Chai (Chairman of the Risk Management Committee, Non-Independent Non-Executive Director);
2. Nik Abdul Malik bin Nik Mohd Amin (Non-Independent Non-Executive Director);
3. Rozhan Anwar bin Abdul Halim (Independent Non-Executive Director); and
4. Mohd Nizam bin Abd Wahab (Management).

The Company convened a total of four (4) Risk Management Committee Meetings during the financial year ended 30 April 2025. Among the matters deliberated during the year include:

1. Review of the cashflow position of subsidiaries.
2. Review of the financing arrangements of the subsidiaries.
3. Proposed disposal of vessels.
4. Proposed investment of new vessels.
5. Proposed joint venture.
6. Review of the terms of reference of the Risk Management Committee.

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

### (I) Engagement with stakeholders

#### *Transparent and regular communication with stakeholders*

The Board values constant dialogue and is committed to having effective and transparent communication with its stakeholders. While it endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information. As such, the Company's General Meetings represent the platform by which the Board maintains its communication with shareholders. During such meetings, shareholders in attendance freely interact with the Board as well as Management, using this opportunity to seek clarification or voice their opinions and concerns regarding the business of the Company.

The Company has also established a website, [www.marine-general.com.my](http://www.marine-general.com.my) where investors and shareholders can access information relating to the Company, its businesses and periodic performance reports. The website is updated periodically to reflect key changes to the Company. In addition, a designated person is assigned with the email address and contact number to address any queries from the stakeholders and the public.

Regarding communication with staff, this is done via the quarterly Board meetings and various Committee meetings attended by both Board members and Management. On a less formal level, the Board will engage with the Management as and when the need arises throughout the year.

In addition to the above, the Company, via its Management, also conducts periodic meetings with its bankers / financiers to ensure they are apprised of important business developments at the Company.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

### (I) Engagement with stakeholders (cont'd)

#### Existence of appropriate corporate disclosure policies and procedures

The Board acknowledges the importance of ensuring that it has in place appropriate corporate disclosure policies and procedures which leverage on information technology as recommended by the Code. The Company currently observes and complies with the disclosure requirements as set out in Bursa Securities' Main Market Listing Requirements, guided by Bursa Securities' Corporate Disclosure Guide. The Board has also approved and adopted a Corporate Disclosure Policy which outlines the Group's approach towards the determination and dissemination of material information, the circumstances under which the confidentiality of information will be maintained, response to market rumours and restrictions on insider trading. This Policy also provides guidance and structure in disseminating corporate information to, and in dealing with, investors, analysts, media and the investing public. The Corporate Disclosure Policy is available for viewing on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)).

### (II) Conduct of General Meetings

#### Issuance of Notice

The Board is cognizant of the value of General Meetings as a means whereby the Board and Management of the Company can interact with shareholders. Given this, the Company has always issued notices for its General Meetings in compliance with the prevailing laws and regulations. It is the Board's intention to ensure that the Company continues to observe the prevailing regulations.

The Company had issued the notice of the 27th Annual General Meeting ahead of time in compliance with the prevailing laws and the best practice of the Code and is endeavouring to maintain this practice in sending the notice of the upcoming 28th Annual General Meeting.

#### Attendance by Directors

Based on record, all nine (9) members of the Board attended the Company's 27th Annual General Meeting. All relevant members of senior management were also in attendance with the General Manager, Finance providing a briefing on the financial performance of the Group for the financial year ended 30 April 2024. Shareholders were also invited to ask questions which were addressed by the Directors and management.

#### Use of technology to facilitate voting in absentia and remote participation

The Board values the participation of its shareholders at the Company's General Meetings. As such, it has been conducting its General Meetings in easily accessible locations within the Kuala Lumpur / Petaling Jaya area to ensure the majority of its shareholders are able to attend and participate in the meetings, should they choose to do so.

For the forthcoming 28th Annual General Meeting, the Company plans to conduct a physical meeting as the level of interaction achievable through physical meetings allows for more meaningful discussions.



## **COMPLIANCE STATEMENT**

The Board recognises and views that Corporate Governance is an on-going process and is of the view that the Company has substantially complied with the principles of the Code and will take appropriate steps towards embracing the Principles under the Code at a pace and time frame consistent with the size, priority and dynamics of the Group.

This statement is made in accordance with the approval of the Board on 20 August 2025. The accompanying Corporate Governance Report in relation to the Company's application of the Code may be viewed on the Company's website ([www.marine-general.com.my](http://www.marine-general.com.my)).

**TAN SRI MOHAMMED AZLAN BIN HASHIM**  
Executive Chairman



# AUDIT COMMITTEE REPORT

## FORMATION

The Audit Committee was formed by the Board of Directors at its meeting on 16 August 2002. The objective of the Audit Committee is to assist the Board of Directors in fulfilling its fiduciary responsibilities relating to internal controls, financial and accounting records and policies as well as financial reporting practices of the Company and its subsidiaries ("the Group").

## ROLES OF THE AUDIT COMMITTEE

The primary role of the Audit Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities for oversight of the quality and integrity of the Group's accounting, auditing, financial reporting, and monitoring the effectiveness of the internal control systems.

In carrying out its duties and responsibilities, the Audit Committee has the following authorities;

- Approve the appointment and termination of the outsourced Internal Auditors;
- Convene meetings with External and Internal Auditors or both, excluding the attendance of other directors and employees of the Group as deemed necessary. Meetings with the External Auditors shall be held at least twice a year;
- Obtain independent or other relevant advice and invite persons with relevant experience to attend meetings, if necessary;
- Investigate any matter within its terms of reference ("TOR"), ensuring it has the necessary resources and has full and unrestricted access to information pertaining to the Group and Management. All employees of the Group are required to comply with the Audit Committee's requests;
- Maintain direct communication channels with External Auditors, Internal Auditors and Senior Management, including the Executive Chairman, Chief Executive Officer, Chief Operating Officer and the Chief Financial Officer of the Group and its operating subsidiaries in order to stay informed on matters affecting the Group;
- Appoint independent parties to conduct or assist in conducting any investigation, with the terms of appointment approved by the Audit Committee;
- Authorize the Audit Committee Chairperson to carry out the Audit Committee's responsibilities as required under the Group's Whistle-Blowing Policy; and
- Have access to the advice and services of the Company Secretary.

## TERMS OF REFERENCE

The Audit Committee is governed by a clearly defined and documented TOR. The TOR of the Audit Committee are periodically reviewed and updated as necessary to ensure they remain current and in compliance with applicable regulations and the Group's policies, and were last reviewed and approved by the Audit Committee and the Board of Directors on 18 March 2024.

The TOR of the Audit Committee are available for viewing on the Company's website at [www.marine-general.com.my](http://www.marine-general.com.my).

## COMPOSITION AND MEETINGS

The Audit Committee is composed exclusively of independent non-executive directors. The Audit Committee members bring diverse backgrounds and extensive experiences in oil and gas, finance, audit, business strategy, risk management, legal and corporate governance. The composition of the Audit Committee and the qualifications of its members comply with Paragraph 15.09 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("MMLR"), whereby the Audit Committee consists of four (4) Independent Non-Executive Directors and that two (2) of the Audit Committee members fulfill the requirements under paragraph 15.09(1)(c) (iii) and paragraph 7.1 of the Practice Note 13 of MMLR.

## **COMPOSITION AND MEETINGS (CONT'D)**

The Board believes that the composition of the Audit Committee provides appropriate balance in terms of skills, experience, gender and knowledge to ensure the effective functioning of the Audit Committee. During the financial year ended 30 April 2025, the Audit Committee met five (5) times. The composition of the Audit Committee and the attendance record of its members for the financial year under review are as follows:

<b>Directors</b>	<b>Number of Meetings Attended</b>
1. Datin Shelina binti Razaly Wahi – Chairperson (Independent Non-Executive Director)	4/5
2. Kamarul Ariffin bin Mohd Jamil (Independent Non-Executive Director)	5/5
3. Megat Joha bin Megat Abdul Rahman (Independent Non-Executive Director)	5/5
4. Rozhan Anwar bin Abdul Halim (Independent Non-Executive Director)	5/5

The Audit Committee meetings were attended by the Senior Management and the Internal Auditors of the Group who provided briefings on the relevant agenda items. In addition, the External Auditors also attended the Audit Committee meetings offering insights on matters related to the external audits.

Minutes of the Audit Committee meetings were circulated to all members for comments and decisions made by the Audit Committee were communicated to the relevant process owners for action. The Chairperson of the Audit Committee provided a report highlighting significant points of the decisions and recommendations made by the Committee to the Board, as well as matters reserved for the Board's approval, if any.

## **SUMMARY OF ACTIVITIES**

The meetings of the Audit Committee and their tentative agendas were scheduled in advance at the beginning of the new financial year to facilitate the Audit Committee to plan and fit the meetings into their schedules. The Audit Committee meets at least once every quarter to review and deliberate on quarterly financial reports and annual financial statements, the enterprise risk management reports, the Group internal audit reports and other relevant matters within the Audit Committee's terms of reference.

Minutes of the Audit Committee meetings which include records of the deliberations, decisions and resolutions of the meetings are properly maintained by the Company Secretaries, who are also the Secretaries of the Audit Committee.

The General Manager, Finance is invited to the Audit Committee meetings to facilitate the discussion as well as to provide explanation on audit issues, risk management, financial and other relevant matters within the terms of reference of the Audit Committee. The heads of the Upstream Division and the Downstream Division, namely their respective Chief Executive Officer and Chief Operating Officer, together with the relevant financial management personnel are also invited to provide clarification on any relevant internal audit report tabled to the Audit Committee. The External Auditors are also invited to present their audit plan and audit results and other relevant matters.

## **SUMMARY OF ACTIVITIES (CONT'D)**

### **Summary of Work of the Audit Committee**

During the financial year ended 30 April 2025, the Audit Committee undertook the following activities in discharging its functions and duties:

#### **1. Financial reporting**

At its quarterly meetings held on 20 June 2024, 18 September 2024, 12 December 2024 and 20 March 2025, the Audit Committee reviewed and discussed with the Management the quarterly and annual management accounts and financial reports to be released to Bursa Securities with particular attention to the processes and controls to ensure the preparation of accurate financial reports.

During the scheduled quarterly meetings, the General Manager, Finance presented the quarterly financial reports and confirmed to the Audit Committee the following matters:

- i. the accounting policies and methods of computation adopted by the Group were consistent with those adopted in the previous audited financial statements except for the adoption of new or amended accounting standards that were effective for the financial year 2025;
- ii. that there were no significant and unusual issues other than those reported in the financial statements;
- iii. the Company and the Group continued to operate as going concerns; and
- iv. the accounting standards, regulatory and other legal requirements had been complied with in the preparation of the financial statements.

The Audit Committee scrutinised the quarterly results with Management to ensure appropriateness of the accounting treatment and accuracy of the reported financial figures. The Audit Committee also reviewed the analysis of the financial performance of the key operating subsidiaries and debtors aging, and the material variances or movements during the relevant quarters.

In addition, the Audit Committee reviewed the implementation status of the corrective actions arising from the audit recommendations to ensure that key risks and control lapses were addressed in a timely manner, and that adequate resources were available in preparing the financial reports.

Having reviewed the quarterly financial results, the Audit Committee was satisfied that the unaudited quarterly financial results have been prepared in accordance with the MMLR and the relevant approved accounting standards to give a true and fair view of the financial position of the Group and its financial performance and cash flows for each quarter.

The Audit Committee's recommendations of the quarterly financial results were presented to the Board for approval at each subsequent Board meeting for release to Bursa Securities.

#### **2. External audit**

- a. On 20 June 2024, the Audit Committee reviewed the findings of the External Auditors' reports for the financial year ended 30 April 2024, particularly the issues raised on the property, vessel and equipment ("PVE"), specifically on the vessel impairment assessment and the reasonableness of the estimated useful lives and the residual value of the PVE, recoverability of receivables and amounts owing by subsidiaries, loans and borrowings, revenue recognition and inventories together with Management's response to their findings, including the key audit matters.

The audit issues raised by the External Auditors were noted and deliberated and actions were taken where necessary. The Audit Committee paid particular attention to matters considered important by virtue of their impact on the Group financial results particularly those which involved a relatively higher level of complexity, judgment or estimation by Management.

**SUMMARY OF ACTIVITIES (CONT'D)****Summary of Work of the Audit Committee (cont'd)****2. External audit (cont'd)**

- b. On 22 August 2024, the Audit Committee discussed with the External Auditors the final draft of the audited financial statements ("AFS") for the financial year ended 30 April 2024 ("FY 2024"). It was noted that there was no material deviation between the audited financial results for FY 2024 and the unaudited fourth quarter results for the period ended 30 April 2024.

The External Auditors were of the opinion that FY 2024 AFS provided a true and fair view of the financial position of the Company and the Group in accordance with the Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016.

On the recommendation of the Audit Committee, the Board subsequently approved the release of FY 2024 AFS to Bursa Securities.

- c. The Audit Committee had one (1) private session on 20 June 2024 with the representatives of BDO PLT without the presence of Management to discuss issues arising from the audit and any other matters the External Auditors might wish to raise. No major concerns were highlighted and the External Auditors had confirmed that they received full co-operation from the Management and staff during the audit and there was timeliness of information requested.
- d. On 20 March 2025, the Audit Committee reviewed and discussed with the External Auditors and Management the Audit Planning Memorandum for the financial year ended 30 April 2025 ("FY 2025") which outlined the External Auditors' engagement and reporting responsibilities, audit approach, materiality and performance materiality, areas of significant auditor attention, engagement team and reporting and deliverables.

In addition, the Audit Committee reviewed the audit and non-audit fees for FY 2025. The details of the nature of non-audit services rendered by the External Auditors and / or its affiliates for FY 2025 are set out as follows:

Fees paid / payable to the External Auditors or its Affiliates	Group	
	FY 2024	FY 2025
1. Audit fees		
a. Statutory audit	RM368,000	RM380,000
b. Assurance engagement (Review of the Statement on Risk Management and Internal Control)	RM8,000	RM8,000
2. Non-audit fees		
Tax compliance (preparation and submission of income tax returns)	RM45,000	RM50,000

The Audit Committee having considered the nature, scope and amount of the non-audit fees, was satisfied that there was no conflict of interest and it would not impair the independence of the External Auditors. The non-audit fees did not exceed 50% of the total fees paid to the External Auditors. The Audit Committee subsequently recommended the audit and non-audit fees for the Board's approval.

## **SUMMARY OF ACTIVITIES (CONT'D)**

### **Summary of Work of the Audit Committee (cont'd)**

#### **2. External audit (cont'd)**

- e. The Audit Committee had also undertaken an annual assessment on the performance, suitability and independence of the External Auditors for the financial year ended 30 April 2024 based on the following key areas:
- quality of service provided and sufficiency of resources,
  - quality of communication and interaction, and
  - independence, objectivity and professional skepticism.

Based on the assessment, the Audit Committee and Management were satisfied with the External Auditors' independence, performance and their audit quality for FY 2024. Accordingly, the Audit Committee had subsequently recommended to the Board that the External Auditors be re-appointed for the ensuing financial year.

#### **3. Internal audit**

The Group's internal audit function is outsourced to a professional firm that assists the Board and the Audit Committee in providing an independent assessment on the adequacy and effectiveness of the Group's system of internal control.

The internal audit ("IA") and risk management ("RM") activities are planned on a calendar year basis. The IA plans for 2024 and 2025 were presented to the Audit Committee on 12 December 2023 and 12 December 2024 respectively. The IA plans were developed using risk-based audit approach and complied with the best practices of the International Standards for the Professional Practices of Internal Auditing ("SPPIA") issued by the Institute of Internal Auditors ("IIA").

The Audit Committee ensured that the IA Plan was adequate and that the audit scope selected were relevant.

Key areas of the audit covered during the financial year under review were as follows:

- Strategic management, focusing on market and gap analysis, strategic planning objectives and regulatory compliance.
- Fleet management, focusing on fleet utilisation and efficiency, maintenance and repair management, cost control and fuel management and insurance and risk management.
- Human capital management, focusing on succession planning and competency skill challenges.
- Commercial and business development, focusing on handling of the charter contracts, monitoring of the contract validity, business development activities and customer relationship management.
- Information technology ("IT"), focusing on IT policy and disaster recovery plan, data security and integrity, data recovery and backup procedures, network and IT infrastructure management, data privacy and security management and cybersecurity risks.
- Safety, health and environment, focusing on regulatory compliance, risk management and program design and implementation.
- Inventory and warehouse management, focusing on desirable inventory levels, optimum warehousing controls, material access and issuance and stock loss and pilferage.

## SUMMARY OF ACTIVITIES (CONT'D)

### Summary of Work of the Audit Committee (cont'd)

#### 3. Internal audit (cont'd)

At the quarterly Audit Committee meetings, the Audit Committee reviewed the internal audit reports and ensured that appropriate agreed corrective actions are taken by the Management to address the gaps in controls and procedures as identified by the Internal Auditors. Further, the Audit Committee reviewed the status of the corrective actions taken by Management to ensure appropriate remedial actions were taken on a timely basis to address all areas of risks and the internal control issues.

#### 4. Other activities

Besides the above activities, during the financial year the Audit Committee has:

- on 22 August 2024,
  - reviewed the Statement of Risk Management and Internal Control and the Audit Committee Report in respect of the financial year ended 30 April 2024 prior to submission to the Board of Directors for consideration and approval.
  - reviewed and deliberated on the proposed renewal of the Shareholders' Mandate in respect of Recurrent Related Party Transactions ("RRPT") of a revenue or trading nature for the Board's approval. The Audit Committee also reviewed the RRPTs quarterly to ascertain that the guidelines and procedures established to monitor the RRPTs have been complied with and to ensure that they are within the obtained mandate.

The Audit Committee further reviewed and recommended to the Board for approval the Circular to Shareholders in respect of the proposed renewal of existing shareholders' mandate for RRPTs ("RRPT Mandate") as well as the statements made by the Audit Committee in respect of the RRPT Mandate.

- on 20 March 2025, discussed the proposed reclassification of a Related Party ("RP") and the RRPT with the RP in line with MMLR. On the recommendation of the Audit Committee, the Board has approved the reclassification of the RP culminating with the cessation of the party being recognised as a RP,
- in the quarterly Audit Committee meetings, discussed the progress of e-invoicing and compliance, and
- on 20 March 2025, reviewed and monitored any conflict of interest ("COI") and / or potential COI situation that arose, persist or may arise within the Group.

To ensure proper management of the COI and / or potential COI, M&G has established an internal governance policy i.e. Group Related Party Transaction Manual which includes the annual COI declaration by the Board of Directors and officers with the rank of executive and above.

## **SUMMARY OF ACTIVITIES (CONT'D)**

### **Summary Of Work of Internal Audit Functions**

The Company outsources its internal audit functions to Messrs. Axcelasia Sdn Bhd. The Internal Auditors performed the internal audits independently to ensure that there was effective risk monitoring, internal controls, governance process and compliance procedures to provide the level of assurance required by the Board. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.

The number of staff deployed for the internal audit reviews ranged from two (2) to five (5) staff per visit including the Engagement Partner. The staff involved in the internal audit reviews possess professional qualifications and / or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The Engagement Partner, David Low Tak Wei, has diverse professional experience in internal audit. He is a Certified Internal Auditor ("CIA"), a professional member of the Malaysian Institute of Internal Auditors ("CMIIA"), Fellow Member of the Association of Chartered Certified Accountants ("FCCA"), a Chartered Accountant and member of the Malaysian Institute of Accountants ("MIA") (CA(M)), as well as an Associate Member of the Associate of Certified Fraud Examiners ("ACFE").

The professional fees, service tax and other incidental expenses incurred for the internal audit function in respect of the financial year ended 30 April 2025 amounted to RM71,000.

### **Summary of COI or potential COI**

During the financial year under review, two (2) potential COI have been identified as follows:

<b>Name of Directors/ Key Senior Management</b>	<b>Potential COI situation</b>
Shariffuddin bin Khalid	by virtue of him being a director with Malayan Banking Berhad ("MBB"), which provides banking facilities to the subsidiaries of M&G
Kamarul Ariffin bin Mohd Jamil	by virtue of him being a director with Maybank Asset Management Group Berhad and Maybank Islamic Asset Management Sdn Bhd, both of which are part of the MBB Group

In the event that the Group decides to obtain new financings from MBB, Paragraph 1.5 of the Directors' Code of Ethics (part of the Company's Board Charter) provides guidance for and the steps to be taken, whereby the affected Directors:

- shall declare that conflict of interest;
- shall not receive the relevant papers;
- shall not be present at the meeting when the matter is being considered; and
- shall not participate in any decision on the matter;

where applicable.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Malaysian Code on Corporate Governance 2021 stipulates that the Board of Directors (“the Board”) of listed companies shall maintain a sound system of internal control to safeguard shareholders’ investment and the Group’s assets. Set out below is the Group’s Statement on Risk Management and Internal Control (“Statement”), made in compliance with Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

## THE BOARD’S RESPONSIBILITY

The Board places importance on and is committed to maintaining effective risk management practices and a sound system of internal control within the Group to ensure good corporate governance. The Board affirms its responsibility for reviewing the adequacy and integrity of the Group’s internal control and management information systems, including systems for compliance with applicable laws, rules, directives, guidelines and risk management practices.

The Board, particularly at the operating subsidiary level, sets the budgets for the coming year as well as clear, predefined Financial Authority Limits to ensure major decisions, specifically with respect to investments or capital expenditures, are only undertaken after careful consideration by the Board and its various Board Committees, where appropriate. In addition to this, the Board also undertakes scrutiny of key decisions through its Risk Management Committee. The Risk Management Committee is tasked with thoroughly reviewing major investments being proposed and / or major commitments being considered, refining them when necessary before making final recommendations to the Board.

Notwithstanding, as with any internal control system, the Group’s system of internal control is designed to manage rather than to eliminate the risk of failure to achieve business objectives. It follows, therefore, that the system of internal control can only provide reasonable but not absolute assurance against material misstatement or loss.

The Group has in place an on-going process of identifying, evaluating, monitoring and managing the key risks affecting the achievement of its business objectives throughout the year.

## ASSURANCE MECHANISM

The Audit Committee is tasked by the Board with the duty of reviewing and monitoring the effectiveness of the Group’s system of internal control. In carrying out its responsibilities, the Group has appointed Messrs. Axcelasia Sdn Bhd (“Axcelasia”) to carry out internal audits based on a risk-based audit plan approved by the Audit Committee. Based on these audits, the Audit Committee is provided by Axcelasia with reports highlighting observations, recommendations and management action plans to improve the system of internal control.

In addition to internal audit, the Group receives extensive and detailed briefings and management letters from its External Auditors that primarily focus on internal controls related to the preparation of the financial statements which are presented to the Audit Committee for deliberation. Subsequently, appropriate recommendations and targets are put in place for Management to rectify any weaknesses or non-compliances.

The Audit Committee Report is set out on pages 48 to 54 of the Annual Report.

## **THE GROUP'S SYSTEM OF INTERNAL CONTROL**

### **Monitoring mechanisms and management style**

Scheduled quarterly meetings of the Board, Board Committees and Management at the operating subsidiary level, represent the main platform by which the Group's performance and conduct are monitored.

Major business proposals and forecasts for the coming year are generally recommended by the respective Divisional Management and evaluated and refined by the Risk Management Committee before being presented for consideration by the Board.

The daily running of the business is entrusted to the Chief Executive Officer ("CEO") of Jasa Merin (Malaysia) Sdn Bhd ("JMM") for the Marine Logistics – Upstream Division, and the Chief Operating Officer ("COO") of the Marine Logistics – Downstream Division ("Downstream Division") and their management teams. The CEO of JMM reports directly to the Executive Vice-Chairman of JMM while in the case of the Downstream Division, the COO reports to the Board of the Downstream Division holding company - M&G Marine Logistics Holdings Sdn Bhd. The CEO and the COO carry out their duties under pre-defined Financial Authority Limits set by the respective Boards.

Under the purview of the CEO and the COO, the heads of department are empowered with the responsibility of managing their respective areas of operations. The CEO and the COO communicate the Board's expectations to Management at Management meetings as well as through attendance at various operations meetings. At these meetings, operational and financial risks are discussed and dealt with.

The Board is responsible for setting the business direction and overseeing the conduct of the Group's operations through various management reporting mechanisms. Through these mechanisms, the Board is informed of all major control issues pertaining to internal controls, regulatory compliance and risk-taking.

### **Enterprise risk management framework**

In dealing with its stewardship responsibilities, the Board recognises that effective risk management is part of good business management practice. The Board acknowledges that all areas of the Group's activities involve some degree of risk, and is committed to ensuring that the Group has an effective risk management framework which will allow the Group to be able to identify, evaluate and manage risks that affect the achievement of the Group's business objectives within defined risk parameters in a timely and effective manner.

The risk management framework has been embedded in the Company's management systems. The Management assists the Board in implementing the process of identifying, evaluating and managing significant risks applicable to their respective areas of business, and in formulating suitable internal controls to mitigate and control these risks.

The key elements of the Enterprise Risk Management ("ERM") activities include:

- Establishing the ERM framework
- Risk assessment process
- Risk action implementation process
- Risk action monitoring process
- Continuous ERM monitoring and communication

**THE GROUP'S SYSTEM OF INTERNAL CONTROL (CONT'D)****Enterprise risk management framework (cont'd)**

The Group has completed a comprehensive risk assessment process whereby significant risks are summarised into a risk map and presented to the Risk Management Committee for its consideration. Risk registers have been developed for each of the risks identified. Having identified those risks that can significantly affect the business and operations, dedicated risk owners were appointed (from the Management team) to work on the development of key risk action plans required (as well as the implementation of such action plans) together with a group of risk co-owners across departments. New developments in business and operations are subject to the risk assessment process as the risk profile of the business changes.

The risk management framework is based on the internationally recognised ISO31000 risk management standard. In the past, the internal control and risk management framework were reviewed by the Audit Committee annually. During the financial year, the Group has transferred enterprise risk management from the purview of the Audit Committee to the Risk Management Committee. Accordingly, the Audit Committee and the Board reviewed the internal control whilst the Risk Management Committee reviewed the risk management framework this year. No significant changes were made to the internal control and risk management framework arising from the review.

During the financial year under review, the Audit Committee and the Board assessed the key risks for the operating subsidiaries of both the Upstream and Downstream Divisions. Various initiatives and proposals were adopted in the financial year for the improvement of the internal controls and risk management of the Group.

**Key elements of the Group's System of Internal Control**

The current system of internal control in the Group has within it, the following key elements:

- Group vision, mission and corporate philosophy and strategic direction, which are communicated to employees.
- A Board that retains control over the Group with appropriate management reporting mechanisms that enable the Board to review the Group's progress.
- The Board approved annual budgets and management plans.
- Review of proposals for acquisition / disposal undertaken by the Group.
- Management meetings involving discussions on operational issues at the subsidiary level.
- Comprehensive and clearly documented standard operating policies and procedures manuals that provide guidelines and authority limits over various operating, financial and human resource matters, which are subject to review for improvement as and when required.
- The use of the intranet as an effective means of communication and knowledge sharing.
- Communication of policies and guidelines in relation to human resource matters to all employees through a staff handbook which is also available on the intranet.
- A systematic performance appraisal system for all levels of staff.
- Relevant training is provided to personnel across all functions to maintain a high level of competency and capability.

## **THE GROUP'S SYSTEM OF INTERNAL CONTROL (CONT'D)**

### **Internal policies to promote governance**

Management has put in place clear Financial Authority Limits, which set pre-defined limits on the authority levels for each member of Management up to the Executive Chairman / Vice-Chairman. The Financial Authority Limits were last reviewed and adopted on 30 June 2023, where a new section on the provision of gifts, entertainment and hospitality and charitable contributions, donations and sponsorships were added to the Financial Authority Limits. The Group also adheres to several other sets of policies to ensure the governance structure remains robust, such as the Whistle-Blowing Policy, Anti-Bribery and Corruption Policy, Employee Code of Conduct and Related Party Transaction Manual.

The Group is committed to high standards of honesty, openness, and accountability. An important aspect of accountability and transparency is a mechanism to enable staff and other members of the Group to voice concerns in a responsible and effective manner. It is a fundamental term of every contract of employment that an employee will faithfully serve his or her employer and not disclose confidential information about the employer's affairs. Nevertheless, where an individual discovers information which he / she believes shows serious malpractice or wrongdoing within the organisation then this information should be disclosed internally without fear of reprisal.

As such, the Group has in place a Whistle-Blowing Policy ("Policy") which provides a safe and acceptable platform for employees to channel concerns about illegal, unethical or improper business conduct affecting the Group and about business improvement opportunities, so as to ensure that no member of staff should feel at a disadvantage in raising legitimate concerns.

The Policy allows the Management to take appropriate preventive and corrective actions without the negative effects that come with public disclosure, such as loss of image or reputation, financial distress, loss of investor confidence or a drop in value of the share price. Through this Policy, employees are encouraged to disclose concerns about illegal, unethical or improper business conduct which otherwise may not be easily detected through normal processes or transactions.

The Group is committed to conducting business dealings with the highest level of integrity and ethics and to comply fully with applicable laws and regulatory requirements on anti-corruption. The Group has adopted a zero-tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts by the adoption of the Anti-Bribery and Corruption Policy, which sets out the policies to prevent acts of bribery and corruption.

Lastly, a manual for treatment and reporting of related party transactions namely, the Related Party Transaction Manual ("RPT Manual") was adopted with effect from 1 May 2021 to guide management actions when dealing with related parties. The RPT Manual, specifically the forms relating to the Annual Conflict of Interest Declaration was last reviewed in 2023 to incorporate disclosures relating to potential conflict of interest.

## **THE BOARD'S COMMITMENT**

The Board recognises that the Group operates in a dynamic business environment in which the internal control system must be responsive in order to be able to support its business objectives. To this end, the Board remains committed to maintaining a sound system of internal control and believes that a balanced achievement of its business objectives and operational efficiency can be attained.

## ADEQUACY AND EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL

The Executive Chairman and the General Manager, Finance of the Company have provided the Board with an assurance that the Group risk management and internal control systems are operating adequately and effectively, in all material aspects, to ensure achievement of corporate objectives.

Taking into consideration the assurance from the management team, the Board is of the view that the system of risk management and internal controls in place for the year under review is sound and is adequate to safeguard the Group's assets.

## REVIEW OF THE STATEMENT BY INDEPENDENT AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the financial year ended 30 April 2025, and reported to the Board that nothing has come to their attention that would cause them to believe that the Statement intended to be included in the annual report of the Group, in all material respects:

- a. has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- b. is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

This statement is made in accordance with the approval of the Board dated 20 August 2025.

# SUSTAINABILITY STATEMENT

## 1. COMMITMENT TO SUSTAINABILITY

Marine & General Berhad (“M&G” or “the Company”) and its subsidiaries (collectively “the Group”) acknowledge that its business activities have consequences for the economy, environment and society. As such, M&G is committed to addressing these impacts by incorporating sustainability into its business practices. M&G strives to position itself as one of the leading providers of offshore support vessels (“OSV”) and tankers services in Malaysia.

This Sustainability Statement (“the Statement”) highlights the Group’s commitment to reporting its sustainability efforts across all aspects of business operations. M&G strives to conduct business in a way that benefits all its stakeholders, while also operating sustainably and creating a positive impact on society, the economy, and the environment.

### Reporting Framework

The Statement has been prepared in accordance with the regulatory standards and guidance set out below:



Practice Note 9 of the Main Market  
Listing Requirements

Sustainability Reporting Guide, 3rd  
Edition (“SRG”), September 2022



Malaysian Code on Corporate  
Governance (“MCCG”), updated April  
2021

### Reporting Scope and Boundary

This statement encompasses the sustainability activities and performance of M&G for the financial year from 1 May 2024 to 30 April 2025, with primary focus on M&G’s main operating subsidiary companies, as outlined below:



## 2. SUSTAINABILITY GOVERNANCE

Sustainability at M&G is governed by a three-tier framework that covers all levels of governance, ensuring that relevant sustainability issues are given proper consideration. The Group acknowledges the importance of having a strong governance structure to oversee its sustainability strategies and ensure successful implementation of sustainability practices in the organisation. At present the governance for sustainability matters is overseen by the M&G Board of Directors, the Boards of the affected subsidiaries, Senior Management and Management of the Company.

The responsibilities and composition of each tier within the governance framework are detailed as follows:

### M&G BOARD OF DIRECTORS

- Consists of two (2) Non-Independent Executive Directors, two (2) Non-Independent Non-Executive Directors and five (5) Independent Non-Executive Directors.
- Oversee the Group's sustainability related matters including adoption of relevant governance policies.
- Delegate the responsibility to the respective Boards and Senior Management at subsidiary-level to ensure implementation of sustainability matters.

### BOARDS AT SUBSIDIARY-LEVEL & SENIOR MANAGEMENT

- Comprises of Boards and Senior Management at each operating subsidiary.
- Oversee and manage sustainability matters across the business including those pertaining to health and safety.
- Provide and report updates on sustainability matters to the M&G Board on quarterly basis.
- Monitor communication and awareness efforts relating to sustainability.

### MANAGEMENT

- Represented by various department heads.
- Execute and implement strategies on a day-to-day basis and report all sustainable activities to Senior Management.
- Analyse data available to assess the Group's sustainability progress.

### Governance and Oversight Policies and Procedures

M&G established a set of guidelines and protocols to ensure effective management, supervision and accountability across its operation and decision-making processes. The policies and guidelines listed below demonstrate how M&G integrates its business operations with the management of economic, environmental and social issues.






- |   |   |
|---|---|
| • Corporate Diversity Policy                | • Employee Code of Conduct              |
| • Whistle-Blowing Policy                    | • Personal Data Protection Policy       |
| • Anti-Bribery & Corruption ("ABAC") Policy | • Health, Safety & Environmental Policy |

## 2. SUSTAINABILITY GOVERNANCE (CONT'D)

### Stakeholder Engagement

M&G interacts with its stakeholders in a transparent and meaningful way to drive sustainable business operation. Effective engagement with stakeholders helps the Company gain a deeper understanding of their needs, concerns and expectations, leading to more informed decision-making.

The Company regularly updates its stakeholders of its progress to help them understand the Group's business operations and solicit their feedback on matters that are pertinent to them. The table below outlines in detail on the Group's stakeholders, key focus areas, engagement approach and frequency of engagement with the stakeholders.

NO.	STAKEHOLDERS	DESCRIPTION	KEY FOCUS AREA	ENGAGEMENT APPROACH
1.	<b>Shareholders / Investors</b> 	Shareholders and investors contribute financial resources that enable the Group to operate and expand its business activities.	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Annual Report</li> <li>Bursa Securities announcements</li> <li>Corporate website</li> </ul>
2.	<b>Customers</b> 	Customers drive the demand for our services, influencing our revenue and growth. Our customers comprise of oil majors, oil / chemical traders and palm oil traders.	<ul style="list-style-type: none"> <li>Service quality and pricing</li> <li>Customer service</li> <li>Environmental, security and safety concerns</li> </ul>	<ul style="list-style-type: none"> <li>Daily through various channels such as emails</li> <li>Corporate events</li> </ul>
3.	<b>Industry Associations &amp; Non-Governmental Organisations (NGOs)</b> 	The Group collaborates with peers that are part of common Industry Associations to pursue common goals.	<ul style="list-style-type: none"> <li>Environmental concerns</li> <li>Seafarers' welfare</li> </ul>	<ul style="list-style-type: none"> <li>Periodic association meetings</li> <li>Continuous contribution of ideas and feedback on industry issues</li> <li>Involvement in associations activities</li> </ul>
4.	<b>Employees</b> 	Employees are vital to M&G's success, contributing skills and expertise that drive our operations.	<ul style="list-style-type: none"> <li>Health and safety of employees</li> <li>Employee well-being and workplace culture</li> </ul>	<ul style="list-style-type: none"> <li>Company events and functions</li> <li>Departmental meetings</li> <li>Internal emails</li> </ul>
5.	<b>Suppliers / Contractors</b> 	Suppliers play a key role by providing the necessary resources and materials to support operations.	<ul style="list-style-type: none"> <li>Anti-bribery</li> <li>Prompt payment practices</li> <li>Supplier / Contractors performance</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers audit and review</li> <li>Periodic meetings</li> <li>Emails and phone calls communication</li> <li>Suppliers' briefing</li> </ul>



### 3. MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS

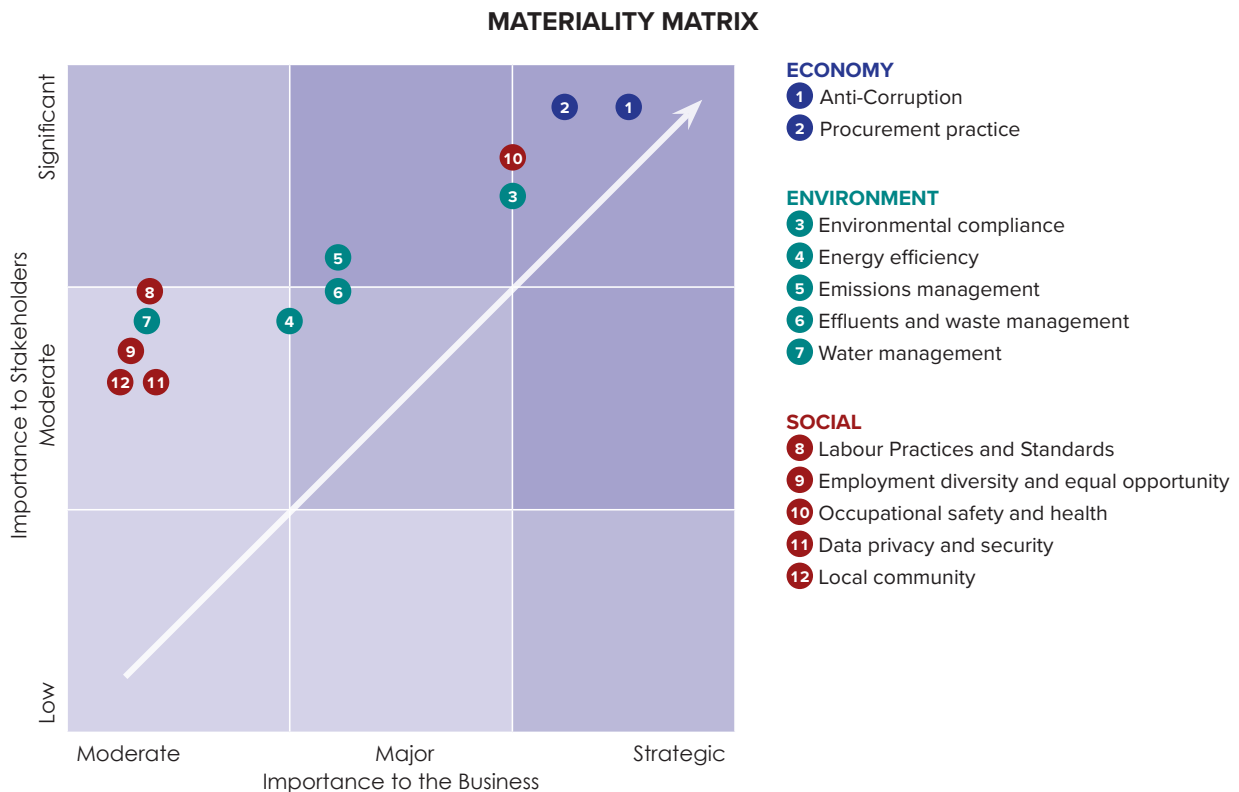
The Group conducted a materiality assessment to identify and categorise its sustainability concerns into Economy, Environment and Social (“EES”) categories. This assessment considered both internal and external factors, including the impact and relevance of these sustainability issues to the business and stakeholders.

The diagram below summarises the key activities undertaken prior to identification and evaluating the relevancy of the material matters to the business and stakeholders.







During the financial year, the Management reviewed the key material matters, and the Board of Directors (“Board”) determined to maintain these material matters.

This matrix highlights the importance of each aspect with consideration to both its relevance to the Group and its perceived significance to stakeholders. The following diagram represents the twelve (12) sustainability matters:



### 3. MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS (CONT'D)

KEY SUSTAINABILITY HIGHLIGHTS FY 2025			
 <p><b>ZERO</b> Bribery cases</p>	 <p><b>ZERO</b> Fine or penalty for non-compliance of environmental regulations</p>	 <p><b>2,034 HOURS</b> Training and development for all employees</p>	 <p><b>RM155,585</b> spent on donations / CSR to local communities</p>

#### Risks and Opportunities

M&G acknowledges the significance of evaluating and addressing risks and opportunities to promote positive impact and sustainable results. The following section provides a summary of the potential risks and opportunities that are related to the Group's sustainability practices, along with strategies adopted to mitigate risks and leverage opportunities.

MATERIAL TOPICS	RISKS	OPPORTUNITIES
<b>Anti-Corruption</b>	<ul style="list-style-type: none"> <li>Integrity risk</li> <li>Financial risk</li> <li>Operational risk</li> </ul>	<ul style="list-style-type: none"> <li>Enhancing reputation and customer loyalty by demonstrating a strong commitment to ethical practices</li> </ul>
<b>Procurement Practice</b>	<ul style="list-style-type: none"> <li>Non-performing vendor</li> <li>Price volatility</li> </ul>	<ul style="list-style-type: none"> <li>Lead to cost reduction and increased efficiency</li> </ul>
<b>Environmental Compliance</b>	<ul style="list-style-type: none"> <li>Pollution / Environmental risk</li> <li>Fines and penalties</li> </ul>	<ul style="list-style-type: none"> <li>Able to meet regulatory and legal requirements, avoiding penalties while improving company reputation</li> </ul>
<b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>Pollution / Environmental risk</li> <li>Fines and penalties</li> </ul>	<ul style="list-style-type: none"> <li>Reduce environmental impact whilst decreasing overall energy costs</li> </ul>
<b>Emissions Management</b>	<ul style="list-style-type: none"> <li>Pollution / Environmental risk</li> <li>Fines and penalties</li> </ul>	<ul style="list-style-type: none"> <li>Reduce environmental impact whilst decreasing overall costs related to emissions</li> </ul>
<b>Effluents And Waste Management</b>	<ul style="list-style-type: none"> <li>Non-compliance with regulatory requirements</li> <li>Cargo contamination</li> <li>Fines and penalties</li> </ul>	<ul style="list-style-type: none"> <li>Reduce environmental stress by controlling overall waste produced</li> </ul>
<b>Water Management</b>	<ul style="list-style-type: none"> <li>Water pollution</li> <li>Fines and penalties</li> </ul>	<ul style="list-style-type: none"> <li>Water conservation and efficiency lead to cost savings</li> </ul>
<b>Labour Practices and Standards</b>	<ul style="list-style-type: none"> <li>Competency gap</li> <li>Labour violations</li> </ul>	<ul style="list-style-type: none"> <li>Improved performance and productivity</li> <li>Good labour practices</li> </ul>
<b>Diversity and Equal Opportunity</b>	<ul style="list-style-type: none"> <li>Competency gap</li> </ul>	<ul style="list-style-type: none"> <li>Increase employees' satisfaction and retention</li> <li>Able to provide new perspectives and ideas</li> </ul>

### 3. MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS (CONT'D)

#### Risks and Opportunities (cont'd)

MATERIAL TOPICS	RISKS	OPPORTUNITIES
<b>Occupational Safety and Health</b>	<ul style="list-style-type: none"> <li>• Safety and health hazards</li> <li>• Reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance overall well-being of employees by mitigating future accidents and fostering a safe work environment</li> </ul>
<b>Data Privacy &amp; Security</b>	<ul style="list-style-type: none"> <li>• Cybersecurity risk</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance customer's trust by safeguarding data and ensuring privacy</li> </ul>
<b>Local Community</b>	<ul style="list-style-type: none"> <li>• Social disruption, social tensions and conflicts or disagreement within communities especially when there is difference in values, interests, or perspectives</li> </ul>	<ul style="list-style-type: none"> <li>• Create positive impacts, support community development, and foster harmonious relationships with the communities.</li> </ul>

### 4. SUSTAINABILITY KEY PERFORMANCE INDICATORS ("KPIs")

M&G recognises the importance of incorporating indicators into our reporting. Currently, the Group has identified KPIs to effectively track and evaluate the Group's performance in a few areas. These are disclosed in their relevant section in this Statement. As M&G builds a sufficient track record, it will identify additional KPIs for publication.

#### (a) Economic

M&G is committed to maintain sustainable business practices by offering innovative and high-quality business solutions, coupled with professional integrity and enthusiasm. The Company strives to adopt transparent and ethical practices to achieve its business goal to become the preferred supplier of OSVs and tanker services.

#### Anti-Corruption

##### ABAC Policy

M&G Group maintains a zero-tolerance stance against bribery and corruption in all business practices, outlined in our ABAC Policy. It is prohibited for any Directors or employees, including that of M&G's subsidiaries, to offer or accept bribes or inappropriate gifts. This prohibition applies to interactions with both government officials and commercial entities. The Policy guides our activities and provides direction to the Board of Directors and employees, ensuring adherence to these principles below:

M&G ABAC Policy	
<p><b>Gifts, Entertainment and Hospitality:</b> No gift policy with strict exceptions governed by ABAC Policy.</p> <p><b>Dealings with Public Officials:</b> Directors and employees must not give, promise to give, or offer, a payment, loan, reward, gift or entertainment, to a Public Official, with the expectation or hope that a business advantage will be received, or to reward a business advantage already given.</p> <p><b>Facilitation Payments:</b> Facilitation payments to secure a business advantage is prohibited.</p>	<p><b>Reporting Lines:</b> Whistle-blowers have a dedicated reporting facility by reporting directly to the Audit Committee. The Whistle-Blowing Policy protects the rights of individuals who report issues from any form of harassment or threats.</p> <p><b>Charitable Contributions and Sponsorships:</b> Proper approval is mandatory for all charitable contributions and sponsorships, and these transactions must be accurately documented.</p> <p><b>Training and Communications:</b> The Group's directors and employees receive training and awareness of the content of the ABAC Policy.</p>

The ABAC Policy is available on our corporate website at <https://www.marine-general.com.my/CI/corporateP.php>.

#### **4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)**

##### **(a) Economic (cont'd)**

##### ***Anti-Corruption (cont'd)***

##### ABAC Training

The table below shows the number of employees that have attended the annual ABAC training by category in FY 2025:

<b>Company</b>	<b>FY 2023 (%)</b>	<b>FY 2024 (%)</b>	<b>FY 2025 (%)</b>
Management	24	27	14
Executive	36	36	25
Non-Executive	40	37	28
<b>Total</b>	<b>100</b>	<b>100</b>	<b>67</b>

The data for ABAC training attendance shows a consistent participation trend across FY 2023 and FY 2024, with Management, Executive, and Non-Executive groups maintaining strong engagement. For FY 2025, the recorded attendance stands at 67%, due to scheduling conflicts and unavoidable circumstances. A further 23% of staff undertook their ABAC training in July, subsequent to the end of FY 2025.

##### Corruption Risk Assessment

M&G periodically engages external assistance to undertake a Corruption Risk Assessment (“CRA”) on its operations. The table below outlines the percentage of companies’ operations that were assessed for corruption-related risks:

	<b>FY 2023 (%)</b>	<b>FY 2024 (%)</b>	<b>FY 2025 (%)</b>
Companies’ operations assessed	100	100	0

For FY 2025, instead of the usual CRA, the Group opted to undertake a gap assessment of its ABAC Policy instead, whereby an overall reassessment of the current policy and framework implementation is reviewed. The findings from this gap assessment will enable the Group to determine if the existing policy and framework are sufficiently robust. The Group expects that it will revert to the annual CRA in the next financial year.

##### Whistle-Blowing Policy

The M&G Whistle-Blowing Policy offers a channel for reporting any concerns or suspicions of misconduct or unlawful behaviour within the Group. This policy seeks to enhance corporate governance by fostering an environment where integrity and ethical behaviour is maintained and any improper conduct may be exposed and investigated. This policy involves any complaints regarding to suspected unethical conduct, fraud, corruption and misuse of the Group’s resources.

Concerns may be reported to the Audit Committee as follows:

- in writing, via letter marked Private and Confidential, addressed to the Audit Committee and delivered either by hand or by post to the Registered Office of the Company at Level 22, Axiata Tower, No. 9, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Wilayah Persekutuan; or
- in writing, via email to [whistleblower@marine-general.com.my](mailto:whistleblower@marine-general.com.my).

The Whistle-Blowing Policy is available on our corporate website at <https://www.marine-general.com.my/CI/corporateP.php>.

**4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)****(a) Economic (cont'd)*****Anti-Corruption (cont'd)***Whistle-Blowing Policy (cont'd)

In FY 2025, there were no incidents of corruption and whistle-blowing reported within the Group.

ESG AREAS	FY 2023	FY 2024	FY 2025
<b>Anti-Corruption</b>	<ul style="list-style-type: none"> <li>Zero case on bribery &amp; corruption</li> <li>One (1) awareness session conducted</li> </ul>	<ul style="list-style-type: none"> <li>Zero case on bribery &amp; corruption</li> <li>One (1) awareness session conducted</li> </ul>	<ul style="list-style-type: none"> <li>Zero case on bribery &amp; corruption</li> </ul>
<b>Whistle-blowing</b>	<ul style="list-style-type: none"> <li>Zero case on whistle-blowing</li> </ul>	<ul style="list-style-type: none"> <li>Zero case on whistle-blowing</li> </ul>	<ul style="list-style-type: none"> <li>Zero case on whistle-blowing</li> </ul>

***Procurement Practice***

The Group upholds fair and transparent procurement practices through its Procurement Policy. Where viable, M&G will prioritise sourcing from local suppliers. In FY 2025, local suppliers made up 80% of total suppliers, while international suppliers accounted for the remaining 20%.

The Group's suppliers in FY 2023 to FY 2025 are summarised in the table below:

Supplier	Target (%)	FY 2023 (%)	FY 2024 (%)	FY 2025 (%)
Local	75	78	80	80
International	25	22	20	20
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

*Note: Data for FY 2023 and FY 2024 have been restated.*

**(b) Environment*****Environmental Compliance***

As part of the Group's commitment to sustainability, we recognise the importance of complying with relevant environmental regulations such as the International Convention for the Prevention of Pollution from Ships (“MARPOL”).

No fines or penalties for non-compliance with environmental regulations were imposed on the Group in FY 2025.

	Target	FY 2023	FY 2024	FY 2025
Penalties / fines imposed	0	0	0	0

#### 4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)

##### (b) Environment (cont'd)

##### *Energy Efficiency*

##### Electricity Consumption

As part of the Group’s commitment to reducing its environmental impact, the Group actively seeks to improve its energy efficiency and where possible, reduce energy consumption across its operations.

The consumption for the past three (3) financial years can be summarised as follows:

	Electricity Consumption (Office)		
	FY 2023 (kWh)	FY 2024 (kWh)	FY 2025 (kWh)
Total Electricity Consumption	162,367	160,376	150,054

There is a marked decrease in electricity consumption in FY 2025 arising from past efforts to educate and raise awareness amongst staff of the need to be responsible with consumption. The Group continues to explore different ways to promote responsible use of electricity and raise awareness among its employees.

##### Fuel Consumption

M&G is also mindful of the need to manage its fuel consumption, although this is dependent on business activities. The Group’s total fuel consumption for the past three (3) financial years can be summarised as follows:

	Fuel Consumption					
	FY 2023 (MT)	FY 2023 (%)	FY 2024 (MT)	FY 2024 (%)	FY 2025 (MT)	FY 2025 (%)
Tanker	11,822.86	18	12,916.60	19	10,417.71	20
OSV	53,035.00	82	55,152.20	81	41,373.05	80
Company Car (Petrol)	-	-	85.52	*	19.37	*
Company Car (Diesel)	-	-	32.99	*	13.66	*
<b>Total Fuel Consumption</b>	<b>64,857.86</b>	<b>100</b>	<b>68,187.31</b>	<b>100</b>	<b>51,823.79</b>	<b>100</b>

*\*Not meaningful*

M&G’s total fuel consumption for FY 2025 is much lower compared to the previous financial year arising from the following:

- There was a shift in operational patterns that had a direct impact on fuel usage. In FY 2024, six (6) of the Group’s OSVs were engaged in contracts involving more fuel-intensive operations, particularly static tow and anchor handling. These more fuel-intensive operations were also more frequent during that period. In contrast, in FY 2025, although four (4) vessels continue to operate under a similar scope, the frequency has reduced significantly.
- PETRONAS has mandated the installation of the Vessel Fuel Monitoring System (“VFMS”) for all new contracts starting in 2025 (covering six (6) vessels). The VFMS allows for accurate, real-time monitoring of fuel consumption, eliminating the inaccuracies commonly associated with manual measurement methods, especially under rough sea conditions.

**4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)****(b) Environment (cont'd)****Energy Efficiency (cont'd)****Fuel Consumption (cont'd)**

M&G's total fuel consumption for FY 2025 is much lower compared to the previous financial year arising from the following: (cont'd)

- c) With regard to M&G's tankers, one (1) was sold and removed from the Group's active fleet in February 2025. As a result, fuel consumption has correspondingly decreased due to the vessel's permanent withdrawal from service. Similarly, another one (1) tanker experienced an issue which required the vessel to undergo docking and repairs. The vessel was off-hired from November 2024 to January 2025, leading to zero operational days and corresponding fuel savings during this period.
- d) Fuel conservation has become a key operational focus starting January 2025. Compared to FY 2024, there has been a significant cultural shift onboard supported by several initiatives undertaken at the operational level.

**Emissions Management**

M&G has started tracking its emissions, covering Scopes 1, 2 and 3. Scope 1 emissions include direct greenhouse gas (“GHG”) emissions generated from vessels owned or controlled by JML and JMM primarily consisting of tankers and offshore support vessels (“OSVs”). For Scope 2 emissions, the data collected covers JML and JMM's office, where the recorded emissions are inferred from energy consumption data. For Scope 3 emissions, only the estimated emissions from employee travel to work and mileage claim to client office are covered. The following table shows the data for carbon emission for the past three (3) financial years:

Type of Emission	Carbon Emission (Metric Tonnes) tCO <sub>2</sub> e					
	FY 2023		FY 2024		FY 2025	
	JML	JMM	JML	JMM	JML	JMM
Scope 1 GHG Emissions	40,168.00 <sup>1</sup> <i>Data is based on 8 tankers</i>	137,891.56 <sup>2</sup> <i>Data is based on 22 vessels</i>	40,946.12 <sup>1</sup> <i>Data is based on 7 tankers</i>	174,018.34 <sup>2 3</sup> <i>Data is based on 22 vessels</i>	33,090.00 <sup>4</sup> <i>Data is based on 6 tankers</i>	136,120.00 <sup>4</sup> <i>Data is based on 24 vessels</i>
Scope 2 GHG Emissions	32.79 <sup>5</sup>	90.89 <sup>5</sup>	33.32 <sup>5</sup>	90.91 <sup>5</sup>	30.10 <sup>5</sup>	86.04 <sup>5</sup>
Scope 3 GHG Emissions <sup>6</sup>	54.56 <sup>6</sup>	53.89 <sup>6</sup>	62.77 <sup>7</sup>	94.20 <sup>7</sup>	39.36 <sup>7</sup>	122.88 <sup>7</sup>
Total	40,255.35	138,036.34	41,042.21	174,203.45	33,159.46	136,328.92
<b>Total Emissions (Scope 1, Scope 2 &amp; Scope 3)</b>	<b>178,291.69</b>		<b>215,245.66</b>		<b>169,488.38</b>	

<sup>1</sup> Scope 1: Marine Benchmark Maritime Carbon Emissions.

<sup>2</sup> Scope 1: Emission Factor used is in line with the guideline provided by PETRONAS.

<sup>3</sup> Scope 1: Company Transportation Carbon Emission Factor used is in line with the guideline provided by US EPA 2021AR5 with 2.7325 kg per CO<sub>2</sub>e / litre for diesel and 2.3228 kg per CO<sub>2</sub>e / litre for petrol.

<sup>4</sup> Scope 1: Calculated using Bursa's Centralised Sustainability Intelligence (“CSI”) Platform GHG Emissions calculator.

<sup>5</sup> Scope 2: Data for Scope 2 GHG Emissions for FY 2023 and FY 2024 has been restated due to an error previously and recalculated based on the methodology used by Bursa's CSI Platform GHG Emissions calculator. Previously the conversion factor used was based on the UK Electricity Emission Factor). The data for FY 2025 was calculated directly using Bursa's CSI Platform.

<sup>6</sup> Scope 3: Consists of employee travel to work at JMM and JML's office.

<sup>7</sup> Scope 3: Consists of employee travel to work at JMM and JML's office and mileage claim to client office.

The reduction in Scope 1 emissions in FY 2025 compared to the previous financial year is mainly a result of the shift in operational patterns resulting in a reduction in fuel-intensive operations alluded to in the previous section.

#### 4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)

##### (b) Environment (cont'd)

###### *Effluents and Waste Management*

The Group recognises the importance of responsible waste and effluent management in protecting the environment. M&G is aware of the consequences of improper waste disposal, including emissions and discharges, and adheres to all applicable regulations for both domestic and industrial wastes.

The following table shows the data for effluents and waste generated for the past three (3) financial years:

Type of Waste	FY 2023			FY 2024			FY 2025		
	General Waste (metric tonnes)	Oil / Bilge Waste (metric tonnes)	Total Recycled Waste (metric tonnes)	General Waste (metric tonnes)	Oil / Bilge Waste (metric tonnes)	Total Recycled Waste (metric tonnes)	General Waste (metric tonnes)	Oil / Bilge Waste (metric tonnes)	Total Recycled Waste (metric tonnes)
Tanker	3,640.16 <sup>1</sup>	19,007.60 <sup>2</sup>	3.5	138.77	3,079.17 <sup>3</sup>	21.9	31.76	3,003.76	86.33
OSV	77.07	115.18	0.2 <sup>4</sup>	168.86	11,916.20	12.9 <sup>5</sup>	243.14	182.27	27.81
Office	1.04	-	0.2	1.06	-	1.4	0.62	-	1.06
<b>Total</b>	<b>3,718.27</b>	<b>19,122.78</b>	<b>3.9</b>	<b>308.69</b>	<b>14,995.37</b>	<b>36.2</b>	<b>275.52</b>	<b>3,186.03</b>	<b>115.2</b>

<sup>1</sup> Note: Data is based on rough estimates for 8 tankers.

<sup>2</sup> Note: Data is based on rough estimates for 8 tankers.

<sup>3</sup> Note: Based on actual data collection and adjusted after disposal of two (2) vessels during the financial year.

<sup>4</sup> Note: The data only comprises of two (2) vessels in FY 2023.

<sup>5</sup> Note: The data comprises of fourteen (14) vessels in FY 2024.

For FY 2025, both JMM and JML recorded 275.52 metric tonnes of general waste generated. Beginning in FY 2024, waste segregation regulations came into force. Vessels are now required to separate waste into defined categories. To further enhance transparency and accuracy in reporting, this year each vessel has been equipped with a digital scale to enable more precise measurement of recyclable waste. This initiative supports more comprehensive data collection and strengthens the company's overall commitment to sustainable waste management.

The company recorded a continued reduction in oil waste between 2024 and 2025 driven by improved operational efficiencies and sustainable cargo handling practices. In 2024, oil waste volumes reduced as a result of implementation of structured cargo rotation strategies. By prioritizing the transport of similar and compatible cargo types, the frequency of tank cleaning was significantly reduced, thereby minimizing associated waste. In 2025, these efficiencies were further strengthened through enhanced onboard practices, increased crew awareness, and improved compliance oversight.

In terms of waste segregation, the Group's total recycled waste in FY 2025 has increased to 115.2 metric tonnes (FY 2024: 36.2 metric tonnes) as more vessels are now recycling waste as compared to FY 2024.

Additionally, beginning FY 2025, extra efforts were made to promote environmental responsibility. Recycling awareness campaigns were introduced for ship crews and vessel operators. As part of the campaign, posters and digital materials were shared. The main goals were to raise environmental awareness, build a culture of sustainability onboard, and increase recycling while reducing the amount of waste sent to landfills.



**4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)****(b) Environment (cont'd)*****Water Management***

Water consumption for JML and JMM offices significantly decreased to 1,066 metric tonnes in FY 2025, a reduction from the 1,361 metric tonnes consumed in FY 2024.

This reduction is partly due to greater awareness amongst staff arising from the awareness campaigns launched in the previous year and continued into FY 2025. These efforts align with our sustainability objectives and foster a culture of environmental consciousness.

The following table shows the data for water consumption for the past three (3) financial years:

	Water Consumption (metrics tonnes)		
	FY 2023	FY 2024	FY 2025
JMM / JML Offices	2,843	1,361	1,066

**(c) Social*****Employee Labour Practices and Standards******Employee Management***

M&G places great value on its employees, recognising them as integral to the Group's continued growth and success.

The following two (2) tables outline the number of employees employed by JMM and JML, by category and status for the past three (3) financial years:

Employee Categories	FY 2023	FY 2024	FY 2025
Management	27	30	33
Executive	39	45	40
Non-Executive	44	43	45
<b>Total</b>	<b>110</b>	<b>118</b>	<b>118</b>

Employee Status	FY 2023	FY 2024	FY 2025
Permanent	41	44	70
Contract	69	74	48
<b>Total</b>	<b>110</b>	<b>118</b>	<b>118</b>

#### **4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)**

##### **(c) Social (cont'd)**

##### ***Employee Labour Practices and Standards (cont'd)***

###### Employee Turnover

The Group seeks to maintain a stable workforce, however, some employee turnover is inevitable. In such cases, the Group's recruitment strategies seek to ensure critical departures are replaced.

The following table outlines the number of employee turnover by category for the past three (3) financial years:

<b>Employee Categories</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
Management	4	4	3
Executive	6	6	5
Non-Executive	1	7	5
<b>Total</b>	<b>11</b>	<b>17</b>	<b>13</b>

###### Employment Benefits

The Group provides its employees a competitive salary and benefits package, which is regularly reviewed to ensure alignment with legal requirements and industry benchmarks.

###### **Type of Leave**

- Annual Leave
- Substitute Leave
- Medical & Hospitalisation Leave
- Maternity & Paternity Leave
- Special Leave
- Emergency Leave
- Examination Leave
- Pilgrimage (Hajj) Leave

###### **Medical**

- Annual Medical Checkup & Health Screening

###### **Allowances**

- Business Travel Allowance
- Professional Membership Reimbursement
- Meal Allowance
- Accommodation Reimbursement
- Transportation Allowance
- Telephone Bill Allowance
- Mobile Phone Allowance
- Maternity Allowance

###### **Insurance**

- Hospital & Surgical Insurance
- Term Life Insurance
- Group Personal Accident Insurance

###### Training & Development

In order to enhance the existing and develop new skills for employees, the Group offers training opportunities for professional, personal, organizational, and safety development. Every year, Heads of Department assess employees' training needs to boost their skills. Employees are encouraged to request training they're interested in. These programs aim to improve productivity, efficiency, and quality of work, benefiting overall business performance and competitiveness.

**4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)****(c) Social (cont'd)*****Employee Labour Practices and Standards (cont'd)***Training & Development (cont'd)

The Group's training statistics for the past three (3) years is summarised in the table below:

Employee Categories	FY 2023		FY 2024		FY 2025	
	Total Training Time (Hours)	Average Training Hours Per Employee (Hours)	Total Training Time (Hours)	Average Training Hours Per Employee (Hours)	Total Training Time (Hours)	Average Training Hours Per Employee (Hours)
Management	1,039	38.48	370	11.56	553	12.29
Executive	849	21.77	974	15.21	717	13.49
Non-Executive	609	13.84	625	8.02	764	12.04
<b>Total</b>	<b>2,497</b>	<b>74.09</b>	<b>1,969</b>	<b>34.79</b>	<b>2,034</b>	<b>37.82</b>

***Diversity and Equal Opportunity***

The Group is committed to improving employment diversity and equal opportunity to maintain a competitive edge. Our commitment to enhancing workforce diversity aligns with our Group's Corporate Diversity Policy, dated 29 November 2017.

Board Diversity Policy

M&G acknowledges the value of a diverse Board in sustaining competitiveness. Diversity at the Board level, encompassing various skills, backgrounds, genders, ages, ethnicities, and more, is essential. Board appointments prioritise merit, ensuring the collective possession of requisite skills and experience for effectiveness.

Employee Diversity Policy

M&G embraces active diversity management to enhance performance by recognising and utilising the diverse skills and talents of both directors and employees. Diversity encompasses a range of factors including backgrounds, skills, experiences and perspectives, including those with concurrent family responsibilities. This diversity may be based on aspects such as gender, age, ethnicity, cultural background or other personal factors.

M&G's Corporate Diversity Policy, which covers both Board and employee diversity, is available on our corporate website, <https://www.marine-general.com.my/pdf/CP-CorporateDiversityPolicy.pdf>.

Board Diversity

In line with our Corporate Diversity Policy, M&G recognises the benefits of having a diverse Board. A truly diverse Board should include Directors who bring a range of skills, regional backgrounds, industry experience, personal histories, gender, age, ethnicity and other qualities. All Board appointments are made on merit, taking into account the skills and expertise required for the Board to function effectively as a whole.

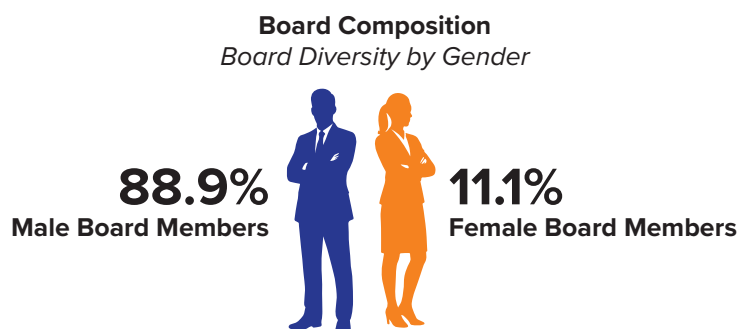
At the end of FY 2025, the M&G Board comprises of nine (9) members, one (1) of which is a female.

#### 4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)

##### (c) Social (cont'd)

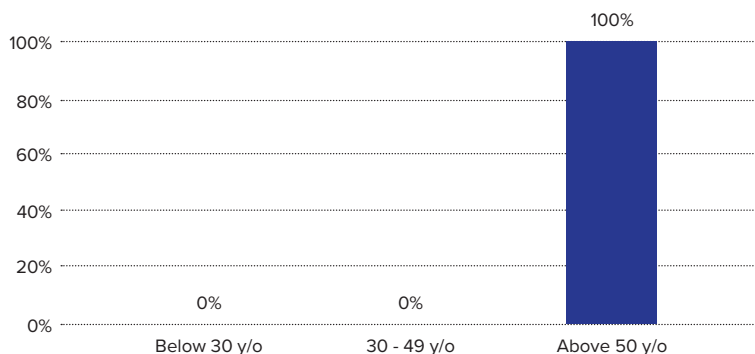
##### *Diversity and Equal Opportunity (cont'd)*

##### Board Diversity (cont'd)



In terms of age grouping, all of the members of the M&G Board for FY 2025 are aged 50 or above to ensure the Group is able to call upon the experience as well as expertise of its Directors.

##### **Percentage of Board by Age Group in FY 2025**



##### Employee Diversity

For FY 2025, the Group employed a total of 118 employees at JMM and JML, of which 68% were male and 32% female. Recognising the contribution of its female employees to our business, the Group will strive to be more inclusive in providing opportunities to all employees regardless of gender.

The gender diversity of the workforce for the past three (3) financial years can be summarised as follows:

Gender	FY 2023 (%)	FY 2024 (%)	FY 2025 (%)
Male	64	65	68
Female	36	35	32

**4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)****(c) Social (cont'd)*****Diversity and Equal Opportunity (cont'd)******Employee Diversity (cont'd)***

The gender diversity by employee category for the past three (3) financial years can be summarised as follows:

Employee Categories	Gender	FY 2023 (%)	FY 2024 (%)	FY 2025 (%)
Management	Male	82	81	85
	Female	18	19	15
Executive	Male	63	63	58
	Female	37	37	42
Non-Executive	Male	57	56	64
	Female	43	44	36

The age diversity by employee category for the past three (3) financial years can be summarised as follows:

Employee Categories	Age Group	FY 2023 (%)	FY 2024 (%)	FY 2025 (%)
Management	< 30	0	0	0
	30 - 50	68	78	72
	> 50	32	22	28
Executive	< 30	5	12	16
	30 - 50	87	74	76
	> 50	8	14	8
Non-Executive	< 30	32	33	38
	30 - 50	55	53	43
	> 50	14	14	19

The ethnicity and nationality makeup of the employees for the past three (3) financial years is summarised in the following two (2) tables:

Workforce Ethnicity	FY 2023 (%)	FY 2024 (%)	FY 2025 (%)
Bumiputra	99.1	98.3	99.0
Chinese	0.9	1.7	1.0
Indian	0	0	0

Workforce Nationality	FY 2023 (%)	FY 2024 (%)	FY 2025 (%)
Malaysian	100	100	100
Non-Malaysian	0	0	0

#### **4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)**

##### **(c) Social (cont'd)**

##### ***Occupational Safety and Health***

The Group places particular importance on Health, Safety, Environment and Quality (“HSEQ”). It is committed to maintaining the highest standards of safety and well-being for all employees, encompassing both shore-based personnel and seafarers serving on board its vessels.

This is reflected in the formation of a Safety & Health Committee (at JMM) to assist in the development of safety policies and systems, while also improving the effectiveness of existing safety programmes. This Committee consists of fourteen (14) members, including five (5) employers representatives and six (6) employees representatives. The Committee conducts Quarterly Shorebased Safety Committee Meetings to identify hazards, establish safety procedures and implement improvement initiatives. An Annual Management Review is also conducted, during which all Heads of Department are required to present the safety performance and progress of their respective departments to Top Management. This session serves as a platform to evaluate the overall effectiveness of safety strategies, align departmental goals with organizational objectives, and drive continuous improvement in safety practices across the organization. In addition, the Group’s tanker fleet under the JML are in compliance with the requirement of Oil Companies International Marine Forum (“OCIMF”)’s Ship Inspection Report Program (“SIRE”) and Offshore Vessel Inspection Database (“OVID”) for the Group’s OSV fleet under JMM, which is essential for safety, environmental protection and operational efficiency.

Safety initiatives implemented at both JMM & JML to ensure a safe working environment for marine crew on-board, include:

- Management visits on-board the vessel at scheduled intervals;
- Enhancement of the Company’s Safety Management System on the Port State Control (“PSC”) requirement and implementation of focused PSC Concentrated Inspection Campaigns (“CIC”) across the fleet;
- Conducted internal pre-vetting program to ensure the vessel meets the specific requirement of the relevant Flag State and Port State regulations;
- Continual shipboard crew familiarisation via structured safety training on specific shipboard operation safety as per requirement stated in the Company’s Electronic Safety Management System (“ESMS”);
- Emergency drills conducted on scheduled basis to ensure requirements by International Safety Maritime (“ISM”) code, International Ship and Port Facility Security Code (“ISPS”), The International Convention for the Safety of Life at Sea (“SOLAS”), Oil Companies International Marine Forum (“OCIMF”) are satisfactorily met; and
- Continuous learning and awareness, safety trainings were periodically conducted on-board, such as trainings on Life Savings Appliances (“LSA”), Fire Fighting Appliances (“FFA”), Pilot Ladder, Voyage Data Recorders (“VDR”) Procedure, Multi Gas Detector, Ballast Water Management Plan, Garbage Management Plan, ESMS, Risk Assessment, Permit to Work and Toolbox Meeting.

JML’s Marine Tanker fleet also fully complies with the Energy Efficiency Existing Index (“EEXI”) and Carbon Intensity Indicator (“CII”) requirements under MARPOL Annex VI, effective from 1 November 2022. JML’s tankers calculate attained EEXI for energy efficiency and collect data for annual operational CII ratings.

The Group maintains a track record of strict compliance with regard to safety, enabling both JMM and JML to achieve zero work-related fatalities in FY 2025.

##### ***Table of Work-Related Fatalities***

Financial Year	FY 2023	FY 2024	FY 2025
Work Related Fatalities	0	0	0

**4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)****(c) Social (cont'd)****Occupational Safety and Health (cont'd)****Table of Cumulative Manhours worked and Lost Time Injury Rate**

FY 2023		FY 2024		FY 2025	
Manhours since last LTI	LTI Rate	Manhours since last LTI	LTI Rate	Manhours since last LTI	LTI Rate
18,082,733	0	20,856,851	0	23,846,220	0

Note: The Lost Time Injury (“LTI”) performance in this table was calculated based on the cumulative number of manhours worked since the last incident

**Table of FY Manhours worked and Lost Time Injury Rate**

FY 2023		FY 2024		FY 2025	
Manhours worked	LTI Rate	Manhours worked	LTI Rate	Manhours worked	LTI Rate
3,383,344	0	3,146,504	0	2,921,564	0

M&G views HSE-related training as an important element in improving the overall wellbeing of its staff. In addition to occupational health and safety training focusing on specific work-related hazards, hazardous activities, or hazardous situations, it also provides periodic briefings on general health. The number of employees participating in HSE-related training in the last three (3) financial years are shown in the table below:

HSE Training	FY 2023	FY 2024	FY 2025
Total	109	104	121

Note: Data for FY 2024 have been restated.

**Alcohol and Drug Policy**

M&G has a zero-tolerance policy against alcohol and drug abuse across its fleet. We enforce strict measures, including random testing, to ensure a safe and healthy working environment. Violations of this policy will result in strict disciplinary action to maintain discipline and safety standards.

**Stop Work Policy**

M&G has a Stop Work Policy allowing all employees to halt work if they encounter unsafe conditions. Crew members, regardless of position, can stop work during OSV operations if they identify hazards. Employees undergo a safety training program called Unsafe Acts Unsafe Conditions (“UAUC”) to recognize when to halt work. This measure ensures the safety of crews, prevents harm to property, and avoids environmental pollution.

**No-Smoking Policy**

The Group promotes a healthy work environment, and for everyone’s safety, smoking and vaping are limited to designated areas due to fire hazards.

#### **4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)**

##### **(c) Social (cont'd)**

##### ***Occupational Safety and Health (cont'd)***

###### Sexual Harassment Policy

M&G is committed to fostering a work environment free from sexual harassment. M&G has a clear Policy and Procedures regarding sexual harassment, effective 1 January 2020 in place to ensure confidential reporting and effective handling of any incidents. All forms of harassment will be addressed firmly by the respective line Manager and Human Resources (“HR”) Department, following established HR protocols and relevant regulations. The Group is pleased to report that no sexual harassment incidents were reported in FY 2025.

###### Compliance with labour laws

M&G strives to ensure its businesses complies with the relevant labour laws applicable to it. M&G is therefore pleased to report that there were zero reports of unfair employment practices and incidents in FY 2025.

###### Human Rights Violations

The Group recognises the importance of respecting the fundamental rights and freedoms of individuals and communities affected by our activities. As part of its ongoing commitment to responsible business practices, M&G is pleased to report that it has not received any complaints or incidents related to the violation of human rights during the reporting period.

##### ***Personal Data Protection***

M&G recognises the importance of protecting your personal information. We strictly adhere to the guidelines set out in the Personal Data Protection Act 2010 (“PDPA”). Our Personal Data Protection Policy was put into place on 28 November 2018, which outlines how we protect sensitive data throughout the collection and handling process. We maintain high data protection standards and confidentiality is embedded in our Code of Conduct, Employment Letters and Employee Handbook.

We implement strict measures to protect customer data, including anti-virus software and regular security updates. We also have clear Group’s IT policies covering access management, network security, employee use of IT equipment and incident management procedures.

We are pleased to report that there were no reported data breaches in FY 2025. This continues our strong track record as there were no reported incidents in the previous financial year

Financial Year	Target	FY 2023	FY 2024	FY 2025
Number of reported cases of data breaches	0	0	0	0

##### ***Local Community***

###### Corporate Social Responsibility (“CSR”)

M&G recognizes the significant role we play in our local communities and is committed to making a positive impact. We have consistently contributed to the well-being and development of these communities through various donations and Corporate Social Responsibility (“CSR”) initiatives. In FY 2025, our total contribution amounted to RM155,585.00 (FY 2024: RM109,453.61).



**4. SUSTAINABILITY KEY PERFORMANCE INDICATORS (“KPIs”) (CONT'D)****(c) Social (cont'd)*****Local Community (cont'd)***Corporate Social Responsibility (“CSR”) (cont'd)

No.	Donation / CSR to Community	Amount (RM)
1.	Ramadhan & Religious Donations	127,676
2.	School & Student Related Donations	5,200
3.	Community & Development Projects	13,200
4.	Fundraising & Sponsorship	9,509
<b>Total</b>		<b>155,585</b>

For the internal programs and activities, kindly refer to our website <https://www.esg.jasamerin.com.my/activities.php>.

We believe it is essential for the Group to strike a balance between its business goals and social responsibilities, showcasing our dedication to being a conscientious corporate entity and playing an active role in nation-building endeavours. By supporting local communities and providing assistance to vulnerable segments of society, we can create a meaningful impact and contribute to the growth of the community.

Internships

Internships provide a useful opportunity for students to gain practical experience and exposure to actual working environment, preparing them for eventual integration into the workforce.

The Group welcomes students from diverse backgrounds to take part in its internship programs. The Group offers interns the chance to gain practical experience over a period of three (3) to six (6) months. M&G believes in providing adequate opportunities for interns to develop valuable skills including research and analysis, communication and project management while working alongside experienced professionals.

The following table outlines the number of students welcomed as interns for the past three (3) financial years:

Financial Year	FY 2023	FY 2024	FY 2025
Internship Programme	40	35	22

**5. MOVING FORWARD**

The Group remains strongly committed to sustainability, focusing on developing sustainability policies, setting targets and adhering to reporting standards for sustainability disclosures.

M&G strives to meet its sustainability goals through close collaboration with employees, customers and other relevant stakeholders. By working together, the Group believes it can drive positive change and make a lasting impact. Additionally, the Group is committed to reducing fuel consumption by exploring various initiatives. By prioritising sustainability, M&G is confident in its ability to help to create a brighter and safer future for generations to come.

**6. STATEMENT OF ASSURANCE**

This Statement has undergone an internal review process by the respective data owners and division heads. However, it has not been externally audited or assured. M&G remains committed to continuously improving our data collection to provide stakeholders with reliable disclosures.

## PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023	2024	2025
<b>Bursa (Anti-corruption)</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100.00	100.00	14.00
Executive	Percentage	100.00	100.00	25.00
Non-executive	Percentage	100.00	100.00	28.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
<b>Bursa (Supply chain management)</b>				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	78.00 *	80.00 *	80.00
<b>Bursa (Energy management)</b>				
Bursa C4(a) Total energy consumption	Megawatt	162.37	160.38	150.05
<b>Bursa (Emissions management)</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	178,059.56	214,964.46	169,210.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	123.68 *	124.23 *	116.14
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	108.45	156.97	162.24
<b>Bursa (Waste management)</b>				
Bursa C10(a) Total waste generated	Metric tonnes	22,844.95 *	15,340.26 *	3,576.75
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	3.90	36.20	115.20
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	22,841.05	15,304.06	3,461.55
<b>Bursa (Water)</b>				
Bursa C9(a) Total volume of water used	Megalitres	2.843000	1.361000	1.066000
<b>Bursa (Labour practices and standards)</b>				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	1,039	370	553
Executive	Hours	849	974	717
Non-executive	Hours	609	625	764
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	63.00 *	63.00 *	41.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	4	4	3
Executive	Number	6	6	5
Non-executive	Number	1	7	5
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
<b>Bursa (Diversity)</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	0.00	0.00	0.00
Management Between 30-50	Percentage	68.00	78.00	72.00
Management Above 50	Percentage	32.00	22.00	28.00
Executive Under 30	Percentage	5.00	12.00	16.00
Executive Between 30-50	Percentage	87.00	74.00	76.00
Executive Above 50	Percentage	8.00	14.00	8.00
Non-executive Under 30	Percentage	32.00	33.00	38.00

Internal assurance External assurance No assurance

(\*)Restated



Indicator	Measurement Unit	2023	2024	2025
Non-executive Between 30-50	Percentage	55.00	53.00	43.00
Non-executive Above 50	Percentage	14.00	14.00	19.00
Gender Group by Employee Category				
Management Male	Percentage	82.00	81.00	85.00
Management Female	Percentage	18.00	19.00	15.00
Executive Male	Percentage	63.00	63.00	58.00
Executive Female	Percentage	37.00	37.00	42.00
Non-executive Male	Percentage	57.00	56.00	64.00
Non-executive Female	Percentage	43.00	44.00	36.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	88.90	88.90	88.90
Female	Percentage	11.10	11.10	11.10
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	0.00	0.00	0.00
Above 50	Percentage	100.00	100.00	100.00
<b>Bursa (Health and safety)</b>				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	109	104 *	121
<b>Bursa (Data privacy and security)</b>				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
<b>Bursa (Community/Society)</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	48,685.00	109,453.61	155,585.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	5	17	216

Internal assurance External assurance No assurance

(\*)Restated



# DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act 2016 ("CA") to prepare the financial statements for each financial year which have been made out in accordance with the applicable Malaysian Financial Reporting Standards, the IFRS Accounting Standards, the requirements of the CA and Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent; and
- prepared the financial statements on going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the CA and Main Market Listing Requirements and the requirements of the applicable approved Financial Reporting Standards issued by the Malaysian Accounting Standards Board.

The Directors have the overall responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

# ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad:

## 1. AUDIT AND NON-AUDIT FEES

The amount of audit fees paid or payable to the external auditors, Messrs. BDO PLT, for services rendered to the Group and the Company for the financial year ended 30 April 2025 amounted to RM380,000 and RM82,000 respectively.

The non-audit fees paid or payable to the external auditors, Messrs. BDO PLT, and their affiliated companies for services rendered to the Group and the Company for the financial year ended 30 April 2025 amounted to RM8,000 and RM8,000 respectively.

## 2. MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS’ INTERESTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and / or its subsidiaries involving directors’ and major shareholders’ interests during the financial year ended 30 April 2025.

## 3. REVALUATION POLICY AND LANDED PROPERTIES

The Company does not have a revaluation policy on landed properties.

## 4. RECURRENT RELATED PARTY TRANSACTIONS

During the financial year, the Audit Committee and the Board of Directors reviewed the relationship between the Group and Muhibbah Engineering (M) Bhd. (“MEB”) and concluded that past transactions between MEB and the subsidiaries of Marine & General Berhad, other than M&G Sutera 8 Sdn Bhd and M&G Marine Logistics Holdings Sdn Bhd, were not related party transactions under paragraph 10.08(11)(o) of the MMLR.

Accordingly, there were no recurrent related party transactions entered into by the Group during the financial year ended 30 April 2025.

# FINANCIAL STATEMENTS

Directors' Report	85
Statement by Directors	91
Statutory Declaration	91
Independent Auditors' Report	92
Statements of Financial Position	96
Statements of Profit or Loss and Other Comprehensive Income	98
Statements of Changes in Equity	100
Statements of Cash Flows	103
Notes to the Financial Statements	104

# DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2025.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are summarised as follows:

- (a) provision of offshore marine support services;
- (b) provision of marine logistics services;
- (c) provision of tanker management services; and
- (d) investment holding.

There has been no significant change in the nature of these activities during the financial year.

## SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

## RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	66,464	41,445
Attributable to:		
Owners of the Company	44,793	41,445
Non-controlling interests	21,671	-
	66,464	41,445

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

## DIVIDEND

There was no dividend proposed, declared or paid by the Company since the end of the previous financial year and Directors do not recommend any dividend to be paid for the year under review.

## DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Tan Sri Mohammed Azlan bin Hashim  
Tai Keat Chai  
Nik Abdul Malik bin Nik Mohd Amin  
Shariffuddin bin Khalid  
Datin Shelina binti Razaly Wahi  
Haji Abdul Rahman bin Ali  
Kamarul Ariffin bin Mohd Jamil  
Rozhan Anwar bin Abdul Halim  
Megat Joha bin Megat Abdul Rahman

Subsidiaries of Marine & General Berhad (excluding those who are already listed above)

Mohd Noor Ismardi bin Idris  
Dato' Haji Mohtar bin Nong  
Dato' Haji Adzlan bin Mohd Dagang  
Dato' Haji Osman bin Muda  
Datuk Haji Ahmad Amzad bin Mohamed @ Hashim  
Dato' Haji Burhanuddin Hilmi bin Mohamed @ Harun  
Ng Chee Siong  
Ooi Kien Chuan  
Najidi bin Abdul Shukor (Appointed on 21 November 2024)  
Dato' Safian bin Mohd Yunus (Resigned on 21 November 2024)

## DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly owned subsidiaries) of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares		
	Balance as at 1.5.2024	Acquired	Sold
			Balance as at 30.4.2025

### Shares in the Company

#### Direct interests

Haji Abdul Rahman bin Ali	192,781,751	-	-	192,781,751
Tan Sri Mohammed Azlan bin Hashim	49,440,180	12,000,000	-	61,440,180
Nik Abdul Malik bin Nik Mohd Amin	2,400,000	-	-	2,400,000

#### Deemed interest

Tan Sri Mohammed Azlan bin Hashim	91,236,333	20,000,000	-	111,236,333
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By virtue of their interest in the shares of the Company, they are also deemed interested in the shares of the subsidiaries during the financial year to the extent that Marine & General Berhad has an interest.

None of the other Directors holding office at 30 April 2025 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.



## **DIRECTORS' BENEFITS**

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or 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.

The Directors' benefit paid to or receivable by Directors in respect of the financial year ended 30 April 2025 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	615	42
Salaries and bonuses	1,532	1,715
Defined contribution plans	148	226
Estimated money value of any other benefits	287	300
	<u>2,582</u>	<u>2,283</u>

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## **ISSUE OF SHARES AND DEBENTURES**

During the financial year, the issued and paid-up share capital of the Company increased by a total of 57,000,000 new ordinary shares at an issue price of RM0.10 per share. The increase arose from the exchange of irredeemable preference shares of RM1.00 each in Jasa Merin (Malaysia) Sdn. Bhd. ("JMM PS").

The Company did not issue any debentures during the financial year.

## **OPTIONS GRANTED OVER UNISSUED SHARES**

No options were granted to any person to take up unissued shares of the Company during the financial year.

## **INDEMNITY AND INSURANCE COSTS**

During the financial year, the Group maintained a Directors' and Officers' Liability Insurance for the purpose of Section 289 of the Companies Act 2016. The total insured limit for the Directors and Officers Liability Insurance effected for each of the Directors and Officers of the Group was RM50,000,000 per occurrence and in the aggregate. There was no indemnity given to or insurance effected for the Auditors of the Group and of the Company during the financial year.

## **OTHER STATUTORY INFORMATION**

### **(I) AS AT THE END OF THE FINANCIAL YEAR**

- (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 had satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

### **(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT**

- (c) The Directors are not aware of any circumstances:
  - (i) which would necessitate the writing off of bad debts or render the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (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.
- (d) In the opinion of the Directors:
  - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

### **(III) AS AT THE DATE OF THIS REPORT**

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

## **SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

### **a) Disposal of vessel by M&G Tankers Sdn. Bhd., an indirect wholly owned subsidiary of the Group**

On 19 February 2025, a wholly owned subsidiary of the Group namely, M&G Tankers Sdn. Bhd. ("MGTSB"), had completed the disposal of its vessel, JM Sutera 6 for a total cash consideration of USD7,100,000 (equivalent to approximately RM31,550,000 based on Bank Negara Malaysia USD Selling Rate as at 5.00 p.m. on 19 February 2025 of RM4.4435) to Lion Great Energy Co Ltd, a company incorporated in Thailand.

### **b) Acquisition of vessel by M&G Tankers Sdn. Bhd. from Muhibbah Marine Engineering Sdn. Bhd.**

On 7 April 2025, a wholly owned subsidiary of the Group, MGTSB has entered into a Vessel Sale and Purchase Agreement ("Agreement") with Muhibbah Marine Engineering Sdn. Bhd., a wholly owned subsidiary of Muhibbah Engineering (M) Bhd., to acquire a vessel, JM Sutera 9 for a purchase consideration of RM55,186,000.

Under the terms of the Agreement, MGTSB has paid a deposit of RM20,000,000 on 17 April 2025.

## **SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD**

### **a) Incorporation of a Joint Venture Company**

On 7 May 2025, a wholly owned subsidiary of the Group namely, M&G Marine Services Sdn. Bhd. ("MGMS") had entered into a Joint Venture Agreement ("JVA") with WHS Global Engineering Sdn. Bhd. ("WHS"). In line with the JVA, both parties agreed to incorporate a joint venture company namely, M&G WHS Engineering Sdn. Bhd. ("M&G WHS" or "JV Company"), to jointly undertake engineering contracts comprising of steel fabrication and hook-up works and provision of specialised equipment.

The initial paid-up share capital of the JV Company is RM100,000, comprising 100,000 ordinary shares of RM1.00 each. The issued shares have been subscribed for and allotted to MGMS and WHS in a 70:30 ratio, respectively.

### **b) Call Option to acquire the Preference Shares of Jasa Merin (Malaysia) Sdn. Bhd.**

On 7 July 2025, the Company was notified by its Director and major shareholder, Tan Sri Mohammed Azlan bin Hashim, who is also the Executive Chairman, that his daughter had exercised a Call Option to acquire 1,000,000 irredeemable preference shares in Jasa Merin (Malaysia) Sdn. Bhd. ("JMM PS") from the banks at an exercise price of RM1.10 per JMM PS.

Subsequently, on 15 July 2025, the Company was notified by its Director and major shareholder, Abdul Rahman bin Ali, who is also the Executive Non-Independent Director of the Company, that his son had exercised a Call Option to acquire 1,000,000 irredeemable preference shares in JMM PS from the banks at an exercise price of RM1.10 per JMM PS.

Each 1,000,000 JMM PS acquired is exchangeable into 10,000,000 ordinary shares of the Company.

## **AUDITORS**

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

The auditors' remuneration of the Group and the Company for the financial year ended 30 April 2025 were as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
Statutory audit	380	82
Non-statutory audit	<u>8</u>	<u>8</u>
	<u>388</u>	<u>90</u>

Signed on behalf of the Board in accordance with a resolution of the Directors.

**Tan Sri Mohammed Azlan bin Hashim**  
Director

Kuala Lumpur  
20 August 2025

**Datin Shelina binti Razaly Wahi**  
Director

# STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 96 to 154 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Tan Sri Mohammed Azlan bin Hashim**  
Director

**Datin Shelina binti Razaly Wahi**  
Director

Kuala Lumpur  
20 August 2025

# STATUTORY DECLARATION

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

I, **Mohd Nizam bin Abd Wahab**, being the officer primarily responsible for the financial management of Marine & General Berhad, do solemnly and sincerely declare that the financial statements set out on pages 96 to 154 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.

Subscribed and solemnly	)	
declared by the abovenamed at	)	
Kuala Lumpur this	)	
20 August 2025	)	<b>Mohd Nizam bin Abd Wahab</b>

Before me:

Zainul Abidin bin Ahmad  
Commissioner of Oaths  
W790

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF MARINE & GENERAL BERHAD

(Incorporated in Malaysia)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Marine & General Berhad, which comprise the statements of financial position as at 30 April 2025 of the Group and of the Company, and the statements of profit or loss and other 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 policy information, as set out on pages 96 to 154.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

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

#### 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 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, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### 1. **Valuation of vessels**

As at 30 April 2025, the carrying amount of vessels together with dry docking expenditure of the Group amounted to RM596,966,000, includes a net reversal of impairment loss of RM9,596,000 as disclosed in Note 4 to the financial statements.

As disclosed in Note 4 to the financial statements, the Group via its management's independent expert estimated the recoverable amount for each vessel based on fair value less cost of disposal. As a result, the Group recognised impairment loss of RM5,037,000 on certain vessels and reversed impairment loss of RM14,633,000 on certain vessels during the financial year.

We determined that the valuation of the Group's vessels together with dry docking expenditure as a key audit matter because of its significance to total assets in the consolidated financial statements and the estimation of recoverable amounts involved a significant degree of judgement and assumptions made by the Group, such as comparison to market values of similar vessels recently transacted around the region, considering their capacity as well as fittings or equipment on the vessels.

## Key Audit Matters (cont'd)

### 1. Valuation of vessels (cont'd)

#### Audit response

Our audit procedures included the following:

- a. Reviewed the independent valuation reports and assessed the competency, independence and objectivity of the management's independent expert;
- b. Interviewed the management's independent expert to understand the valuation methodology applied in deriving the fair values of the vessels;
- c. Assessed the key inputs provided by management to the management's independent expert and the comparable data used by the management's independent expert in determining the fair values of the vessels; and
- d. With the involvement of auditors' expert, evaluated the valuation approach and significant inputs used in the valuation by the management's independent expert.

### 2. Impairment assessment of carrying amounts of investments in subsidiaries

The carrying amount of investments in subsidiaries, net of impairment of RM199,165,000 as disclosed in Note 6 to the financial statements.

We determined this to be a key audit matter because of its significance to total assets in the financial statements of the Company and the estimation of the recoverable amounts involved judgement in evaluating the appropriateness of the assumptions applied by the management;

#### Audit response

Our audit procedures included the following:

- a. Evaluated the managements' assessment of indications of impairment;
- b. Evaluated the fair value of subsidiaries' underlying assets, which are mainly vessels by assessing the competency, independence and objectivity of the management's independent expert;
- c. Assessed the key inputs provided by management to the management's independent expert and the comparable data used by the management's independent expert in determining the fair values of the vessels; and
- d. With the involvement of auditors' expert, evaluated the valuation approach and significant inputs used in the valuation by the management's independent expert.

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

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.



### **Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)**

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd)

- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities of business units within the group as a basis for forming an opinion on the financial statements of the Group, 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.

### **Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)**

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

### **Other Matters**

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

**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

Kuala Lumpur  
20 August 2025

**Koo Swee Lin**  
03281/08/2026 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
ASSETS					
Non-current assets					
Property, vessels and equipment	4	610,033	689,592	640	221
Right-of-use assets	5	2,124	2,766	718	894
Investments in subsidiaries	6	-	-	199,165	158,881
Deferred tax assets	7	17,854	-	-	-
Total non-current assets		630,011	692,358	200,523	159,996
Current assets					
Inventories	8	12,200	16,286	-	-
Other investments	9	9,356	8,918	3,385	8,918
Trade and other receivables	10	156,257	71,062	1,602	1,135
Current tax assets		1,251	1,237	503	500
Cash and cash equivalents	11	50,859	67,401	3,424	3,415
		229,923	164,904	8,914	13,968
Assets classified as held for sale	12	8,062	-	-	-
Total current assets		237,985	164,904	8,914	13,968
TOTAL ASSETS		867,996	857,262	209,437	173,964
EQUITY AND LIABILITIES					
Equity					
Share capital	13	275,703	270,003	275,703	270,003
Reverse acquisition deficit	13	(92,791)	(92,791)	-	-
Capital reserve	13	-	-	36,297	36,297
Other reserve	13	-	-	67,464	70,129
Foreign currency translation reserve		1,570	14,527	-	-
Accumulated losses		(16,085)	(57,844)	(205,301)	(243,711)
Equity attributable to owners of the Company		168,397	133,895	174,163	132,718
Preference shares of a subsidiary	13	67,464	70,129	-	-
Non-controlling interests		(26,337)	(41,785)	-	-
TOTAL EQUITY		209,524	162,239	174,163	132,718

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
LIABILITIES					
Non-current liabilities					
Loans and borrowings	14	465,654	551,033	-	-
Lease liabilities	5	1,723	2,354	645	821
Deferred tax liabilities	7	6,830	5,457	-	-
Total non-current liabilities		474,207	558,844	645	821
Current liabilities					
Loans and borrowings	14	92,800	70,908	-	-
Lease liabilities	5	615	664	176	161
Provisions	15	-	-	34,067	40,036
Trade and other payables	16	90,518	64,026	386	228
Current tax liabilities		332	581	-	-
Total current liabilities		184,265	136,179	34,629	40,425
TOTAL LIABILITIES		658,472	695,023	35,274	41,246
TOTAL EQUITY AND LIABILITIES		867,996	857,262	209,437	173,964

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	17	352,070	348,019	388	175
Direct costs		(262,316)	(261,466)	-	-
<b>Gross profit</b>		<b>89,754</b>	<b>86,553</b>	<b>388</b>	<b>175</b>
Other income		30,756	46,291	40,286	41,548
Administrative expenses		(28,955)	(27,370)	(5,417)	(4,988)
Other expenses		(7,161)	(2,322)	(1)	-
Net (loss)/gain on impairment of financial instruments		(887)	(685)	5,970	74,308
<b>Results from operating activities</b>		<b>83,507</b>	<b>102,467</b>	<b>41,226</b>	<b>111,043</b>
Finance income	18	754	453	264	311
Finance costs	19	(31,945)	(34,663)	(45)	(51)
<b>Net finance (costs)/income</b>		<b>(31,191)</b>	<b>(34,210)</b>	<b>219</b>	<b>260</b>
<b>Profit before tax</b>	20	<b>52,316</b>	<b>68,257</b>	<b>41,445</b>	<b>111,303</b>
Taxation	21	14,148	(494)	-	13
<b>Profit for the financial year</b>		<b>66,464</b>	<b>67,763</b>	<b>41,445</b>	<b>111,316</b>
<b>Other comprehensive income, net of tax</b>					
<b>Item that is or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		(15,179)	10,015	-	-
<b>Other comprehensive (loss)/ income for the financial year, net of tax</b>	22	<b>(15,179)</b>	<b>10,015</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the financial year</b>		<b>51,285</b>	<b>77,778</b>	<b>41,445</b>	<b>111,316</b>

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025  
(CONT'D)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Profit attributable to:</b>					
Owners of the Company		44,793	47,035	41,445	111,316
Non-controlling interests		<u>21,671</u>	<u>20,728</u>	<u>-</u>	<u>-</u>
<b>Profit for the financial year</b>		<u>66,464</u>	<u>67,763</u>	<u>41,445</u>	<u>111,316</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		31,836	55,558	41,445	111,316
Non-controlling interests		<u>19,449</u>	<u>22,220</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the financial year</b>		<u>51,285</u>	<u>77,778</u>	<u>41,445</u>	<u>111,316</u>
<b>Earnings per ordinary share (sen)</b>					
Basic and diluted	23	2.01	2.11		

*The accompanying notes form an integral part of the financial statements.*



# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Attributable to equity holders of the Group		Non-distributable		Foreign currency translation reserve		Reverse acquisition deficit		Accumulated losses		Preference shares of a subsidiary		Non-controlling interests		Total equity	
	Share capital	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>																
<b>Balance as at 1 May 2024</b>	270,003		(92,791)	14,527	(57,844)						70,129		(41,785)		162,239	
Profit for the financial year	-		-	-	44,793						-		21,671		66,464	
Foreign currency translation differences for foreign operations	-		-	(12,957)	-						-		(2,222)		(15,179)	
Total comprehensive (loss)/income for the financial year	-		-	(12,957)	44,793						-		19,449		51,285	
Issuance of new ordinary shares in exchange with preference shares of a subsidiary	5,700		-	-	(3,035)						(2,665)		-		-	
Redemption of Non-Cumulative Redeemable Convertible Preference Shares in a subsidiary	-		-	-	-						-		(3,600)		(3,600)	
Accretion of equity interest of a subsidiary	-		-	-	1						-		(1)		-	
Dividend paid by a subsidiary	-		-	-	-						-		(400)		(400)	
<b>Balance as at 30 April 2025</b>	275,703		(92,791)	1,570	(16,085)						67,464		(26,337)		209,524	
	<b>Note 13</b>		<b>Note 13</b>								<b>Note 13</b>					

STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025  
(CONT'D)

	Attributable to equity holders of the Group							
	Non-distributable							
			Foreign					
	Share	Reverse	currency	Accumulated		Preference	Non-	Total
	capital	acquisition	translation	losses		shares of a	controlling	equity
	RM'000	deficit	reserve	RM'000	RM'000	subsidary	interests	RM'000
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 May 2023	270,003	(92,791)	6,004	(104,879)	78,337	70,129	(64,005)	84,461
Profit for the financial year	-	-	-	47,035	47,035	-	20,728	67,763
Foreign currency translation differences for foreign operations	-	-	8,523	-	8,523	-	1,492	10,015
Total comprehensive income for the financial year	-	-	8,523	47,035	55,558	-	22,220	77,778
Balance as at 30 April 2024	270,003	(92,791)	14,527	(57,844)	133,895	70,129	(41,785)	162,239
	Note 13	Note 13				Note 13		

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025  
(CONT'D)**

Company	Attributable to equity holders of the Company				Total equity RM'000
	Non-distributable				
	Share capital RM'000	Capital reserve RM'000	Other reserve RM'000	Accumulated losses RM'000	
Balance as at 1 May 2023	270,003	36,297	70,129	(355,027)	21,402
Profit for the financial year	-	-	-	111,316	111,316
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	111,316	111,316
Balance as at 30 April 2024 / 1 May 2024	270,003	36,297	70,129	(243,711)	132,718
Profit for the financial year	-	-	-	41,445	41,445
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	41,445	41,445
Issuance of new ordinary shares in exchange with preference shares of a subsidiary	5,700	-	(2,665)	(3,035)	-
Balance as at 30 April 2025	275,703	36,297	67,464	(205,301)	174,163
	Note 13	Note 13	Note 13		

*The accompanying notes form an integral part of the financial statements.*



# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Collection of revenue		327,952	331,230	-	-
Collection of other income		11,654	14,168	267	311
Cash generated from operations		339,606	345,398	267	311
Payment of expenses		(250,214)	(230,811)	(4,945)	(4,712)
Tax refund		121	913	-	913
Tax paid		(2,001)	(957)	(3)	(9)
<b>Net cash generated from/(used in) operating activities</b>		<b>87,512</b>	<b>114,543</b>	<b>(4,681)</b>	<b>(3,497)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of property, vessels and equipment	4	(38,292)	(23,039)	(557)	(27)
Proceeds from disposal of property, vessels and equipment		31,121	53,410	1	-
Repayments from/(advances to) subsidiaries		-	-	(81)	3,986
(Purchase)/Disposal of other investments		(438)	(594)	5,533	(594)
Withdrawal in pledged deposits		1,065	471	-	-
<b>Net cash (used in)/generated from investing activities</b>		<b>(6,544)</b>	<b>30,248</b>	<b>4,896</b>	<b>3,365</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayments of borrowings	14	(63,487)	(66,513)	-	-
Payment of finance costs	14	(31,817)	(34,519)	-	-
Payments of lease liabilities	5	(782)	(857)	(206)	(203)
<b>Net cash used in financing activities</b>		<b>(96,086)</b>	<b>(101,889)</b>	<b>(206)</b>	<b>(203)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(15,118)</b>	<b>42,902</b>	<b>9</b>	<b>(335)</b>
Effect of exchange rate fluctuations on cash held		(359)	547	-	-
<b>Cash and cash equivalents at beginning of year</b>		<b>66,196</b>	<b>22,747</b>	<b>3,415</b>	<b>3,750</b>
<b>Cash and cash equivalents at end of year</b>	11	<b>50,719</b>	<b>66,196</b>	<b>3,424</b>	<b>3,415</b>

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2025

## 1. CORPORATE INFORMATION

Marine & General 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 addresses of the principal place of business and registered office of the Company are as follows:

### Principal place of business

Level 23, Menara Kenari  
No.1, Jalan Tun Mohd Fuad  
Taman Tun Dr Ismail  
60000 Kuala Lumpur

### Registered office

Level 22, Axiata Tower  
No.9, Jalan Stesen Sentral 5  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 30 April 2025 comprise those of the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the year ended 30 April 2025 do not include other entities. These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 20 August 2025.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous year except for the effects of adoption of new MFRSs and Amendments during the financial year. The new MFRSs and Amendments adopted during the financial year are disclosed in Note 31 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements and on the assumption that the Group and the Company will continue on a going concern basis.

#### 4. PROPERTY, VESSELS AND EQUIPMENT

Group	Buildings RM'000	Vessels Subject to operating lease) RM'000	Vessels equipment (Subject to operating lease) RM'000	Dry docking expenditure (Subject to operating lease) RM'000	Work-in- progress RM'000	Motor vehicles and boat RM'000	Renovations RM'000	Computer system, furniture, fittings and other equipment RM'000	Total RM'000
<b>Cost</b>									
At 1 May 2023	940	1,848,790	4,505	187,080	3,306	3,288	1,357	3,110	2,052,376
Additions	-	-	-	6,343	16,417	124	39	116	23,039
Reclassification	-	-	-	14,782	(14,782)	-	-	-	-
Disposal	-	(44,770)	-	(14,572)	-	-	-	-	(59,342)
Write-off	-	-	-	-	(17)	-	-	-	(17)
Effect of movement in exchange rate	-	15,259	-	3,195	-	24	-	19	18,497
At 30 April 2024/1 May 2024	940	1,819,279	4,505	196,828	4,924	3,436	1,396	3,245	2,034,553
Additions	-	-	-	5,070	32,174	807	-	241	38,292
Transfer to assets held for sale	-	(88,474)	-	(9,419)	-	-	-	-	(97,893)
Reclassification	-	-	-	25,798	(25,798)	-	-	-	-
Disposal	-	(34,550)	-	(3,035)	-	(6)	-	-	(37,591)
Write-off	-	-	-	(20,846)	-	-	-	(13)	(20,859)
Effect of movement in exchange rate	-	(16,697)	-	(2,934)	-	-	-	(35)	(19,666)
At 30 April 2025	940	1,679,558	4,505	191,462	11,300	4,237	1,396	3,438	1,896,836



#### 4. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

Group	Buildings RM'000	Vessels operating (Subject to lease) RM'000	Vessels equipment (Subject to operating lease) RM'000	Dry docking expenditure (Subject to operating lease) RM'000	Work-in- progress RM'000	Motor vehicles and boat RM'000	Renovations RM'000	Computer system, furniture, fittings and other equipment RM'000	Total RM'000
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Accumulated depreciation and impairment loss</b>									
At 1 May 2023									
Accumulated depreciation	385	946,156	4,505	105,901	-	3,073	1,255	2,938	1,064,213
Accumulated impairment loss	-	231,874	-	12,944	-	-	-	-	244,818
Charge for the year	385	1,178,030	4,505	118,845	-	3,073	1,255	2,938	1,309,031
Impairment loss	19	53,433	-	25,831	-	230	59	104	79,676
Reversal of impairment loss	-	2,232	-	-	-	-	-	-	2,232
Reclassification	-	(27,992)	-	-	-	-	-	-	(27,992)
Disposal	-	3,889	-	(3,743)	-	-	(142)	(4)	-
- Depreciation	-	(14,555)	-	(6,448)	-	-	-	-	(21,003)
- Impairment loss	-	(2,464)	-	(250)	-	-	-	-	(2,714)
Effect of movement in exchange rates	-	-	-	-	-	-	-	-	-
- Depreciation	-	2,791	-	2,028	-	22	-	10	4,851
- Impairment loss	-	864	-	16	-	-	-	-	880
At 30 April 2024/1 May 2024									
Accumulated depreciation	404	991,714	4,505	123,569	-	3,325	1,172	3,048	1,127,737
Accumulated impairment loss	-	204,514	-	12,710	-	-	-	-	217,224
	404	1,196,228	4,505	136,279	-	3,325	1,172	3,048	1,344,961

#### 4. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

Group	Buildings RM'000	Vessels Subject to operating lease) RM'000	Vessels equipment (Subject to operating lease) RM'000	Dry docking expenditure (Subject to operating lease) RM'000	Work-in- progress RM'000	Motor vehicles and boat RM'000	Renovations RM'000	Computer system, furniture, fittings and other equipment RM'000	Total RM'000
<b>Accumulated depreciation and impairment loss (cont'd)</b>									
At 1 May 2024	404	1,196,228	4,505	136,279	-	3,325	1,172	3,048	1,344,961
Charge for the year	19	52,410	-	26,071	-	160	61	94	78,815
Impairment loss	-	5,037	-	-	-	-	-	-	5,037
Reversal of impairment loss	-	(14,633)	-	-	-	-	-	-	(14,633)
Transfer to assets held for sale	-	(78,288)	-	(9,419)	-	-	-	-	(87,707)
Disposal	-	(10,202)	-	(1,315)	-	(6)	-	-	(11,523)
- Depreciation	-	(170)	-	-	-	-	-	-	(170)
- Impairment loss	-	-	-	(20,846)	-	-	-	(13)	(20,859)
Write-off	-	-	-	-	-	-	-	-	-
Effect of movement in exchange rates	-	(4,583)	-	(1,957)	-	-	-	(20)	(6,560)
- Depreciation	-	(558)	-	-	-	-	-	-	(558)
- Impairment loss	-	-	-	-	-	-	-	-	-
At 30 April 2025	423	951,051	4,505	116,103	-	3,479	1,233	3,109	1,079,903
Accumulated depreciation	-	194,190	-	12,710	-	-	-	-	206,900
Accumulated impairment loss	423	1,145,241	4,505	128,813	-	3,479	1,233	3,109	1,286,803
<b>Carrying amounts</b>									
At 30 April 2024/1 May 2024	536	623,051	-	60,549	4,924	111	224	197	689,592
At 30 April 2025	517	534,317	-	62,649	11,300	758	163	329	610,033

#### 4. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

Company	Motor vehicles RM'000	Computer system, furniture, fittings and other equipment RM'000	Renovations RM'000	Total RM'000
<b>Cost</b>				
At 1 May 2023	159	147	562	868
Additions	-	27	-	27
At 30 April 2024/1 May 2024	159	174	562	895
Additions	544	13	-	557
Disposal	(6)	-	-	(6)
At 30 April 2025	697	187	562	1,446
<b>Accumulated depreciation</b>				
At 1 May 2023	159	125	318	602
Charge for the year	-	16	56	72
At 30 April 2024/1 May 2024	159	141	374	674
Charge for the year	63	18	57	138
Disposal	(6)	-	-	(6)
At 30 April 2025	216	159	431	806
<b>Carrying amounts</b>				
At 30 April 2024/1 May 2024	-	33	188	221
At 30 April 2025	481	28	131	640

- (a) All items of property, vessels and equipment are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset. After initial recognition, property, vessels and equipment are stated at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Buildings	50 years
Vessels	20 - 25 years
Vessels equipment	5 years
Drydocking expenditure	5 years
Motor vehicles and boat	4 - 10 years
Renovations	10 years
Computer system, furniture, fittings and other equipment	1 2/3 - 5 years

Work in progress represents drydocking of vessels and are not depreciated until the assets are ready for their intended use.

#### 4. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

- (b) Certain property, vessels and equipment of the Group are charged as securities for borrowings as disclosed in Note 14 to the financial statements.
- (c) During the financial year, the Group and the Company made the following cash payments to purchase property, vessels and equipment:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Purchase of property, vessels and equipment	38,292	23,039	557	27

- (d) The Group assessed the recoverable amounts of its vessels as at reporting period.

The recoverable amounts of vessels were determined based on fair value less cost of disposal, which was determined based on the market comparable approach that reflects recent transaction prices for similar vessels, with similar age and specifications. The fair value measurement of the vessels was performed by an independent external valuer not connected with the Group, who has appropriate qualifications and recent experience in the fair value measurement of the vessels in the relevant sector. In valuing the vessels, the independent external valuer had taken into consideration the prevailing market conditions and have made adjustments for differences such as age, size and specification where necessary before arriving at the most appropriate fair value for the vessels.

Significant judgement were applied on the following key assumptions by the independent external valuer in measuring the fair value:

- Valuation based on comparison to market value of the type of vessel fitted with the same fittings/ equipment of similar nature or as closed in similarity of which recently transacted around the region.
- Full equipment, full valid class/trading certificates and in operational condition.

The fair value measurement is classified within Level 3 of the fair value hierarchy.

Following the assessment on the recoverable amount of all vessels, the Group has recognised an impairment loss of RM5,037,000 (2024: RM2,232,000) within the other expenses in the consolidated statement of profit or loss and reversed impairment loss of RM14,633,000 (2024: RM27,992,000) within other income in the consolidated statement of profit or loss for certain vessels during the financial year.

#### 4. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

- (e) The Group leases its vessels including vessels equipment (including capitalised drydocking expenditure) to third parties. The leases contain short and long-term contracts where the period ranges from one (1) month to three (3) years. Subsequent renewals are negotiated with the lessee.

The Group generally does not require a financial guarantee on the lease agreement.

The Group has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the vessels.

The following are recognised in profit or loss:

Group	2025 RM'000	2024 RM'000
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Leasing income	281,048	271,222
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The operating lease payments to be received are as follows:

Group	2025 RM'000	2024 RM'000
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Less than one year	148,261	67,304
One to two years	146,588	-
Total undiscounted lease receipts	294,849	67,304

- (f) In the previous financial year, the Group had increased the estimated economic useful life of the offshore support vessels ("OSV") from fifteen (15) years to twenty (20) years based on the expected period of future economic benefits of the vessel, which was also aligned with the industry practice of such vessels' service life. As a result, OSV vessels that management previously intend to sell upon reaching fifteen (15) years of service, will remain in service until they reach twenty (20) years, whilst the vessels residual value decreases in line with the extended service period. The effect of these changes in the estimated economic useful life of the OSV on depreciation expense, recognised in the cost of sales in the current and future periods were as follows:

	2023 RM'000	2024 RM'000	2025 RM'000	2026 RM'000	2027 RM'000	Later RM'000
Vessel depreciation						
a. Before change in the service life	74,638	69,762	62,758	53,275	33,599	50,469
b. After change in the service life	38,407	38,407	38,407	38,407	38,407	193,241
Effect of the change in estimated vessel service life	36,231	31,355	24,351	14,868	(4,808)	(142,772)



## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group and the Company as lessee

### Right-of-use assets

Group	Buildings RM'000	Vessel bandwidth equipment RM'000	Total RM'000
At 1 May 2023	1,229	272	1,501
Addition	537	-	537
Remeasurement	1,465	-	1,465
Depreciation	(618)	(185)	(803)
Effect of movement in exchange rate	50	16	66
At 30 April 2024/1 May 2024	2,663	103	2,766
Addition	228	-	228
Reassessment/remasurement	60	-	60
Termination	(128)	-	(128)
Depreciation	(593)	(97)	(690)
Effect of movement in exchange rate	(106)	(6)	(112)
At 30 April 2025	2,124	-	2,124

Company	Building RM'000
At 1 May 2023	509
Reassessment	560
Depreciation	(175)
At 30 April 2024/1 May 2024	894
Depreciation	(176)
At 30 April 2025	718

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (cont'd)

#### Lease liabilities

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Balance as at 1 May	3,018	1,787	982	574
Addition	228	537	-	-
Reassessment/remeasurement	3	1,332	-	560
Termination	(130)	-	-	-
Lease payments	(782)	(857)	(206)	(203)
Interest expense	128	144	45	51
Effect of movement in exchange rate	(127)	75	-	-
Balance as at 30 April	<u>2,338</u>	<u>3,018</u>	<u>821</u>	<u>982</u>
Represented by:				
Current liabilities	615	664	176	161
Non-current liabilities	<u>1,723</u>	<u>2,354</u>	<u>645</u>	<u>821</u>
	<u>2,338</u>	<u>3,018</u>	<u>821</u>	<u>982</u>
Lease liabilities owing to non-financial institutions	<u>2,338</u>	<u>3,018</u>	<u>821</u>	<u>982</u>

- (a) The Group and the Company lease a number of office buildings and vessel equipment in the location which it operates. The leases typically run for a period of three (3) to six (6) years, with an option to renew the lease after that date. The lease payments are fixed as stipulated in the tenancy agreement during its tenancy period.

In addition, the Group and the Company have certain leases of office equipment with lease term of twelve (12) months or less, and low value leases of office equipment. The Group and the Company apply the "short-term lease" and "lease of low-value assets" exemptions for these leases.

- (b) The right-of-use asset are initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease of the lease liabilities.

The right-of-use assets are depreciated on a straight-line basis over the earlier of the estimated useful life of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Buildings	3 to 6 years
Vessel bandwidth equipment	3 years

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (cont'd)

#### Lease liabilities (cont'd)

(c) The following are the amounts recognised in profit or loss:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Depreciation charge of right-of-use assets (included in cost of sales and administrative expenses)	690	803	176	175
Interest expense on lease liabilities (included in finance costs)	128	144	45	51
Expenses relating to short-term leases (included in administrative expenses)	23,290	5,421	-	-
Expenses relating to lease of low-value assets (included in administrative expenses)	115	108	4	4
Gain on reassessment/remeasurement of lease liabilities	57	133	-	-
	<u>24,280</u>	<u>6,609</u>	<u>225</u>	<u>230</u>

(d) The following are total cash outflows for leases as a lessee:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<b>Included in net cash used in operating activities:</b>				
Payments relating to short-term leases	23,290	5,421	-	-
Payments relating to leases of low-value assets	115	108	4	4
<b>Included in net cash used in financing activities:</b>				
Payments of lease liabilities	782	857	206	203
	<u>24,187</u>	<u>6,386</u>	<u>210</u>	<u>207</u>

## 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### The Group and the Company as lessee (cont'd)

#### Lease liabilities (cont'd)

- (e) The following table summarises the weighted average incremental borrowing rate as at the end of the reporting date and maturity profile of the lease liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

	Incremental borrowing rate per annum %	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>2025</b>					
<b>Group</b>					
Lease liabilities	4.99 - 5.04	723	2,153	-	2,876
<b>Company</b>					
Lease liabilities	4.99	206	698	-	904
<b>2024</b>					
<b>Group</b>					
Lease liabilities	4.99 - 5.04	809	2,420	32	3,261
<b>Company</b>					
Lease liabilities	4.99	206	911	-	1,117

- (f) Management exercises significant judgement in determining the incremental borrowing rates whenever the implicit rate of interest in a lease are not readily determinable as well as the lease terms. The incremental borrowing rates used are based in prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment. Lease terms are based on management expectations driven by prevailing market conditions and past experience in exercising similar renewal and termination options.
- (g) Lease liabilities are fixed rate instruments. Sensitivity analysis at the end of the reporting period is not presented as it is not affected by changes in interest rates.

## 6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025	2024
	RM'000	RM'000
Unquoted shares, at cost	490,305	490,305
Less: Accumulated impairment losses	(291,140)	(331,424)
	<u>199,165</u>	<u>158,881</u>

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be initially measured at fair value on the acquisition date, unless another measurement basis is required by MFRSs. The choice of the measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of the non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

- (b) Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activities
		2025	2024	
		%	%	

### Held by the Company:

AQL Aman Sdn. Bhd. ("AQL")	Malaysia	100	100	Investment holding
M&G Marine Logistics Holdings Sdn. Bhd. ("MGMLH")	Malaysia	100	100	Investment holding
Jasamerin Energy Ventures Sdn. Bhd. ("JMEV")	Malaysia	100	51	Dormant
M&G Marine Services Sdn. Bhd. ("MGMS")	Malaysia	100	100	Dormant

### Held through AQL:

Jasa Merin (Malaysia) Sdn. Bhd. ("Jasa Merin")	Malaysia	70	70	Provision of offshore marine support services
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## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Details of the subsidiaries are as follows: (cont'd)

Name of subsidiaries	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activities
		2025 %	2024 %	
Held through Jasa Merin:				
JM Global 1 (Labuan) Plc (“JMG1”)	Malaysia	70	70	Provision of offshore marine support services
JM Global 2 (Labuan) Plc (“JMG2”)	Malaysia	70	70	Provision of offshore marine support services
JM Global 3 (Labuan) Plc (“JMG3”)	Malaysia	70	70	Provision of offshore marine support services
JM Global 4 (Labuan) Plc (“JMG4”)	Malaysia	70	70	Provision of offshore marine support services
Held through MGMLH:				
Jasa Merin (Labuan) Plc (“JML”)	Malaysia	100	100	Provision of marine logistics services
M&G Tankers Sdn. Bhd. (“MGTSB”)	Malaysia	100	100	Investment holding and provision of marine logistics services
M&G Sutera 8 Sdn. Bhd. (“MGS8”)	Malaysia	60	60	Provision of marine logistics services
Jasa Merin Ship Management Sdn. Bhd. (“JMSM”)	Malaysia	100	100	Provision of tanker management services
Held through MGTSB:				
TKH Marine (L) Ltd. (“TKH”)	Malaysia	100	100	Provision of marine logistics services

\* All the subsidiaries are audited by BDO PLT.

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) The Group's subsidiaries that have non-controlling interests ("NCI") are as follows:

	NCI percentage of ownership interest %	Carrying amount of NCI RM'000	Profit/(Loss) allocated to NCI RM'000
<b>2025</b>			
<b>Material NCI</b>			
<b>Name of subsidiaries</b>			
Jasa Merin (Malaysia) Sdn. Bhd. and subsidiaries ("Jasa Merin Group")	30	(46,109)	19,640
MGS8	40	19,772	2,031
		<u>(26,337)</u>	<u>21,671</u>
<b>2024</b>			
<b>Material NCI</b>			
<b>Name of subsidiaries</b>			
Jasa Merin Group	30	(65,749)	19,167
MGS8	40	23,963	1,604
<b>Immaterial NCI</b>			
<b>Name of subsidiary</b>			
JMEV	49	1	(43)
		<u>(41,785)</u>	<u>20,728</u>

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(d) Summarised financial information before intra-group elimination are as follows:

	Jasa Merin Group RM'000	MGS8 RM'000	Total RM'000
<b>As at 30 April 2025</b>			
Non-current assets	527,377	46,775	574,152
Current assets	159,255	5,522	164,777
Non-current liabilities	(465,928)	-	(465,928)
Current liabilities	(171,330)	(2,867)	(174,197)
Other equity	(203,064)	-	(203,064)
Net (liabilities)/assets	<u>(153,690)</u>	<u>49,430</u>	<u>(104,260)</u>
<b>Year ended 30 April 2025</b>			
Revenue	284,443	12,985	297,428
Profit for the year	65,467	5,075	70,542
Total comprehensive income/(loss) for the financial year	<u>65,467</u>	<u>(481)</u>	<u>64,986</u>
Cash flows from operating activities	120,481	12,008	132,489
Cash flows used in investing activities	(31,581)	-	(31,581)
Cash flows used in financing activities	<u>(93,930)</u>	<u>(11,223)</u>	<u>(105,153)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(5,030)</u>	<u>785</u>	<u>(4,245)</u>
Dividend paid to NCI	<u>-</u>	<u>(400)</u>	<u>(400)</u>



## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(d) Summarised financial information before intra-group elimination are as follows: (cont'd)

	Jasa Merin Group RM'000	MGS8 RM'000	JMEV RM'000	Total RM'000
<b>As at 30 April 2024</b>				
Non-current assets	546,971	51,693	-	598,664
Current assets	131,258	10,964	12	142,234
Non-current liabilities	(551,450)	-	-	(551,450)
Current liabilities	(142,877)	(2,736)	(10)	(145,623)
Other equity	(203,064)	-	-	(203,064)
Net (liabilities)/assets	(219,162)	59,921	2	(159,239)
<b>Year ended 30 April 2024</b>				
Revenue	265,920	12,403	-	278,323
Profit/(Loss) for the year	63,889	4,010	(87)	67,812
Total comprehensive income/ (loss) for the financial year	63,889	7,750	(87)	71,552
Cash flows from/(used in) operating activities	132,026	7,345	(89)	139,282
Cash flows used in investing activities	(16,083)	(544)	-	(16,627)
Cash flows used in financing activities	(84,693)	-	-	(84,693)
Net increase/(decrease) in cash and cash equivalents	31,250	6,801	(89)	37,962

(e) Impairment review of investment in subsidiaries

The management reviews the investments in subsidiaries when there is an indication of impairment. During the financial year, certain subsidiaries recorded a net loss and have deficit in shareholders' fund.

Due to the presence of impairment indicators arising from the operations of these subsidiaries, the management has undertaken impairment assessments on investments in these subsidiaries.

The recoverable amount of the impaired subsidiaries was determined based on the net assets as a proxy for fair value less cost of disposal ("FVLCD"), which reflects the valuation of the vessels owned by the impaired subsidiaries. The fair value of the vessels was determined based on the key assumptions as disclosed in Note 4(d) to the financial statements.

The fair value measurement is classified within Level 3 of the fair value hierarchy.

The Company had recognised net reversal of impairment loss of RM40,284,000 (2024: RM41,548,000) within other income in the statement of profit or loss of the Company for investments in subsidiaries during the financial year.

## 7. DEFERRED TAX

(a) The deferred tax assets and liabilities are made up of the following:

	2025 RM'000	Group 2024 RM'000
Property, vessels and equipment	(92,223)	(17,219)
Unabsorbed capital allowances	94,736	10,924
Leases	3	24
Trade receivables	1,002	163
Tax losses carry-forwards	6,693	651
Others	813	-
	<u>11,024</u>	<u>(5,457)</u>
Deferred tax assets	17,854	-
Deferred tax liabilities	<u>(6,830)</u>	<u>(5,457)</u>
	<u>11,024</u>	<u>(5,457)</u>

(b) The movement in temporary differences during the financial year are as follows:

	At 1.5.2023 RM'000	Recognised in profit or loss RM'000	At 30.4.2024/ 1.5.2024 RM'000	Recognised in profit or loss RM'000	At 30.4.2025 RM'000
Vessels and equipment	(15,859)	(1,360)	(17,219)	(75,004)	(92,223)
Unabsorbed capital allowances	9,980	944	10,924	83,812	94,736
Leases	19	5	24	(21)	3
Trade receivables	149	14	163	839	1,002
Tax losses carry-forwards	608	43	651	6,042	6,693
Others	-	-	-	813	813
	<u>(5,103)</u>	<u>(354)</u>	<u>(5,457)</u>	<u>16,481</u>	<u>11,024</u>

## 7. DEFERRED TAX (CONT'D)

- (c) The unutilised tax losses that have been recognised as deferred tax (stated at gross) are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Unutilised tax losses		
- Expires by 30 April 2028	25,342	-
- Expires by 30 April 2030	1,800	1,918
- Expires by 30 April 2031	745	793
	<u>27,887</u>	<u>2,711</u>
Taxed at 24%	<u>6,693</u>	<u>651</u>

- (d) The deferred tax assets have not been recognised in respect of the following items (stated at gross) are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Property, vessels and equipment	19	7,711	11	(94)
Leases	37	144	-	-
Unutilised tax losses				
- Expires by 30 April 2028	2,733	28,075	2,733	2,733
- Expires by 30 April 2030	65	2,528	-	-
- Expires by 30 April 2031	6,829	10,884	-	-
- Expires by 30 April 2032	618	618	-	-
- Expires by 30 April 2034	6,299	6,299	-	-
Unabsorbed capital allowances	1,096	112,907	32	-
Others	612	5,879	-	-
	<u>18,308</u>	<u>175,045</u>	<u>2,776</u>	<u>2,639</u>
Taxed at 24%	<u>4,394</u>	<u>42,011</u>	<u>666</u>	<u>633</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits therefrom.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the local tax authority. Unutilised tax losses of the Company and its subsidiaries can be carried forward up to ten (10) consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board.

## 8. INVENTORIES

	Group	
	2025	2024
	RM'000	RM'000
<b>At cost</b>		
Vessels spare parts	803	966
<b>At net realisable value</b>		
Fuel	11,397	15,320
	<u>12,200</u>	<u>16,286</u>

- (a) Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition is determined using the first-in, first-out method. The cost comprises all direct and indirect costs.
- (b) During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group was RM3,491,000 (2024: RM2,150,000). The Group has also written down inventories by RM Nil (2024: RM1,379,000) to their net realisable value.

## 9. OTHER INVESTMENTS

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Financial assets at fair value through profit or loss	<u>9,356</u>	<u>8,918</u>	<u>3,385</u>	<u>8,918</u>

- (a) Other investments are classified as financial assets measured at fair value through profit or loss.
- (b) The interest rate profile of the other investments as at the end of each reporting period are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Floating rate	<u>9,356</u>	<u>8,918</u>	<u>3,385</u>	<u>8,918</u>

## 9. OTHER INVESTMENTS (CONT'D)

- (c) Sensitivity analysis of interest rates for the floating rate instruments at the end of the reporting period, assuming all other variables remain constant is as follows:

	Profit after tax and equity			
	Group		Company	
	1% Increase RM'000	1% Decrease RM'000	1% Increase RM'000	1% Decrease RM'000
<b>2025</b>				
Floating rate instruments	71	(71)	26	(26)
<b>2024</b>				
Floating rate instruments	68	(68)	68	(68)

- (d) The fair value of other investments of the Group and of the Company are categorised as Level 2 in the fair value hierarchy. Fair value of other investments is quoted by the fund manager.

There is no transfer between levels of hierarchy during the financial year.

## 10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Trade</b>				
Charter hire income from national oil corporation	54,591	51,721	-	-
Charter hire income from multinational oil corporations	40,364	18,440	-	-
Other trade receivables	-	676	-	-
Less: Impairment loss	(4,069)	(4,231)	-	-
	90,886	66,606	-	-
<b>Non-trade</b>				
Amounts due from subsidiaries	-	-	1,401	932
Other receivables	43,539	668	-	-
Staff advances	110	100	-	-
Prepayments	22,129	3,332	92	94
Deposits	254	356	124	124
Less: Impairment loss	(661)	-	(15)	(15)
	65,371	4,456	1,602	1,135
	156,257	71,062	1,602	1,135

## 10. TRADE AND OTHER RECEIVABLES (CONT'D)

- (a) Trade and other receivables (excluding prepayments) are classified as financial assets measured at amortised cost.
- (b) Amounts due from subsidiaries, net of impairment loss, represent advances, dividends, fees and interest receivable. The amounts are unsecured and are repayable on demand.
- (c) Included in other receivables of the Group are insurance claims receivable amounting to RM9,482,000 (2024: RM127,000) in relation to repair and maintenance of vessels. The balance also includes RM30,651,000 held by a solicitor arising from the disposal of JM Sutera 6.
- (d) Included in prepayments of the Group are RM19,565,000 paid for the proposed acquisition of JM Sutera 9.
- (e) Currency exposure profile of trade and other receivables are disclosed in Note 27(c) to the financial statements.
- (f) Recognition and measurement of impairment loss
  - (i) Trade receivables

Impairment on trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group are exposed to credit risk.

The Group uses an allowance matrix to measure expected credit loss ("ECL") of trade receivables.

Loss rates are calculated using a 'roll rate' method on the probability of a receivable progressing through successive stages of delinquency to being written off.

Loss rates are based on actual credit loss experience over the past two (2) years. The Group also considers differences between economic conditions during the year over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information (i.e. Gross Domestic Product, crude oil prices and inflation) and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying amount of the asset would be written off against the associated impairment.

## 10. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) Recognition and measurement of impairment loss (cont'd)

(i) Trade receivables (cont'd)

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 days. The Group's debt recovery process is as follows:

- (a) Above 30 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales management team; and
- (b) Above 365 days past due, the Group will commence a legal proceeding against the customer.

Significant judgement is required in determining the probability of default by trade receivables, and the appropriate forward-looking information.

The following table provides information about the exposure to credit risk and ECLs which are grouped together as they are expected to have similar risk nature.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2025</b>			
Current (not past due)	81,972	(1,728)	80,244
1 - 30 days past due	4,116	(32)	4,084
31 - 60 days past due	3,777	(29)	3,748
61 - 90 days past due	859	(9)	850
More than 90 days past due	4,231	(2,271)	1,960
	<u>94,955</u>	<u>(4,069)</u>	<u>90,886</u>
<b>2024</b>			
Current (not past due)	67,503	(1,574)	65,929
1 - 30 days past due	678	(6)	672
31 - 60 days past due	6	(1)	5
61 - 90 days past due	-	-	-
More than 90 days past due	2,650	(2,650)	-
	<u>70,837</u>	<u>(4,231)</u>	<u>66,606</u>

## 10. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) Recognition and measurement of impairment loss (cont'd)

(i) Trade receivables (cont'd)

The movements in the allowance for impairment are as follows:

Group	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
<b>At 1 May 2023</b>	908	2,638	3,546
Net remeasurement of loss allowance	(234)	919	685
<b>At 30 April 2024/1 May 2024</b>	674	3,557	4,231
Net remeasurement of loss allowance	226	-	226
Written off	-	(388)	(388)
<b>At 30 April 2025</b>	900	3,169	4,069

(ii) Other receivables

Impairment for other receivables and amounts owing by subsidiaries are recognised based on the general approach of MFRS 9. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

For balances in which the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For balances in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group defines significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment trends and past due information.

The probability of non-payment by other receivables and inter-company balances are adjusted by forward-looking information (i.e. Gross Domestic Product, crude oil prices and inflation) and multiplied by the amount of the expected loss arising from default to determine the 12-month or lifetime expected credit loss for other receivables and inter-company balances.

Carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of the impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.



## 10. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) Recognition and measurement of impairment loss (cont'd)

(ii) Other receivables (cont'd)

The movements in the allowance for impairment are as follows:

Group	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
<b>At 30 April 2024/1 May 2024</b>	-	-	-
Net remeasurement of loss allowance	661	-	661
<b>At 30 April 2025</b>	661	-	661

(iii) Inter-company balances

Impairment for amounts owing by subsidiaries are recognised based on the general approach of MFRS 9 as disclosed in Note 10(f)(ii) to the financial statements.

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- The subsidiary is unlikely to repay its loan or advance to the Company in full;
- The subsidiary's loan and advance is overdue for more than 365 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' loans and advances as at the end of reporting year.

Company	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
<b>2025</b>			
Credit impaired	1,401	(15)	1,386
<b>2024</b>			
Credit impaired	932	(15)	917

## 10. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) Recognition and measurement of impairment loss (cont'd)

(iii) Inter-company balances (cont'd)

The movement in the allowance for impairment in respect of subsidiaries' loans and advances during the financial year is as follows:

Company	Credit impaired RM'000
<b>Balance at 1 May 2023</b>	338
Net remeasurement of loss allowance	(323)
<b>Balance at 30 April 2024 / 1 May 2024</b>	15
Net remeasurement of loss allowance	-
<b>Balance at 30 April 2025</b>	15

## 11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and cash equivalents	28,689	45,776	146	194
Deposits placed with licensed banks	22,170	21,625	3,278	3,221
	<u>50,859</u>	<u>67,401</u>	<u>3,424</u>	<u>3,415</u>

- (a) Total cash and cash equivalents are classified as financial assets measured at amortised cost.
- (b) Deposits placed with licensed banks of the Group amounting to RM140,000 (2024: RM1,205,000) are pledged as securities for banking facilities granted to the Group.
- (c) Currency exposure profile of cash and cash equivalents are disclosed in Note 27(c) to the financial statements.
- (d) The interest rate profile of the deposits placed with licensed banks as at the end of each reporting period is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fixed rate	<u>22,170</u>	<u>21,625</u>	<u>3,278</u>	<u>3,221</u>

Sensitivity analysis for fixed rate deposits placed with licensed banks at the end of the reporting period is not presented as they are not affected by changes in interest rates.

## 11. CASH AND CASH EQUIVALENTS (CONT'D)

- (e) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	28,689	45,776	146	194
Deposits placed with licensed banks	22,170	21,625	3,278	3,221
	50,859	67,401	3,424	3,415
Less: Pledged deposits	(140)	(1,205)	-	-
	50,719	66,196	3,424	3,415

- (f) No expected credit losses were recognised arising from the deposits with licensed banks because of the probability of default by these licensed banks were negligible.

## 12. ASSETS CLASSIFIED AS HELD FOR SALE

	Group 2025 RM'000
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Vessels	8,062
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- (a) The Group, via its subsidiary, Jasa Merin (Malaysia) Sdn. Bhd., entered into two (2) separate sale and purchase agreement with JAC Maritime Services LLC ("JAC") on 19 March 2025 to dispose two (2) vessels for a cash consideration of USD1,050,000 per vessel. Accordingly, the vessels under property, vessels and equipment are classified as assets held for sale.

As at 30 April 2025, the conditions precedent stipulated in the sale and purchase agreement remains unfulfilled.

### 13. SHARE CAPITAL, REVERSE ACQUISITION DEFICIT, CAPITAL RESERVE, OTHER RESERVE AND PREFERENCE SHARES OF A SUBSIDIARY

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

Group and Company	2025		2024	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Issued and fully paid ordinary shares with no par value classified as equity instruments:				
Ordinary shares	723,879	270,003	723,879	270,003
Issuance of new ordinary shares in exchange with preference shares of a subsidiary	57,000	5,700	-	-
	<u>780,879</u>	<u>275,703</u>	<u>723,879</u>	<u>270,003</u>

During the financial year, the issued and paid-up share capital of the Company increased by a total of 57,000,000 new ordinary shares at an issue price of RM0.10 per share. The increase arose from the exchange of irredeemable preference shares of RM1.00 each in Jasa Merin (Malaysia) Sdn. Bhd. ("JMM PS").

- (b) Reverse acquisition deficit arose from the reverse acquisition of the Company by AQL.

The acquisition of AQL was completed on 14 October 2009. Pursuant to Appendix B of MFRS 3 - *Business Combinations*, this acquisition was deemed a reverse acquisition arrangement. Due to the application of MFRS 3 rules relating to reverse acquisitions, AQL, the legal subsidiary, became the acquirer of the Group for accounting purposes. Accordingly, the consolidated financial statements have been prepared as a continuation of the financial statements of AQL, but under the name of the Company, the legal parent.

Capital reserve arose from capital reduction exercise in prior years.

- (c) Other reserves relates to the preference shares of a subsidiary detailed in Note 13(d).

- (d) Preference shares of a subsidiary

Pursuant to the debt restructuring scheme, Jasa Merin, a subsidiary held through AQL, issued 150,000,000 convertible irredeemable preference shares ("CPS") to its lenders.

The salient features of the CPS are as follows:

- (i) The CPS shall confer on the holder of a CPS in the Jasa Merin's register of CPS to a non-cumulative preferential dividend at a rate to be determined by the Board of Jasa Merin, based on the capital for the time being paid up or credited as paid up on the CPS to be paid, subject to availability of distributable profits and applicable laws, provided always that the secured term loan (see Note 14(b)) to the financial statements shall have been fully satisfied by Jasa Merin.

### 13. SHARE CAPITAL, REVERSE ACQUISITION DEFICIT, CAPITAL RESERVE, OTHER RESERVE AND PREFERENCE SHARES OF A SUBSIDIARY (CONT'D)

(d) Preference shares of a subsidiary (cont'd)

The salient features of the CPS are as follows: (cont'd)

- (ii) The CPS shall not carry any right to vote at any general meeting of Jasa Merin except for the right to vote in person or by proxy or by attorney at such meeting as a separate class in each of the following circumstances:
  - (a) On a proposal that affects the rights attached to the CPS, including but not limited to a proposal to reduce the dividend payable, to alter the priority of payment in any distribution of assets in the event of liquidation, dissolution or winding-up of Jasa Merin or to issue further preference shares ranking *pari passu* or in priority to the CPS (other than the CN-RPS);
  - (b) On a proposal to wind up Jasa Merin; and
  - (c) During the winding up of Jasa Merin
- (iii) The CPS shall rank *pari passu* in all respects amongst themselves, and, as regards dividends and/or other distributions which may be declared, made or paid in respect of such shares, in priority to all other classes of shares of Jasa Merin, other than the cumulative non-convertible redeemable preferences shares ("CN-RPS"). Jasa Merin shall not pay or distribute any dividends and/or other distributions of the CPS unless the holder of a CN-RPS in the Jasa Merin's register of CN-RPS then outstanding shall simultaneously receive any accrued and unpaid dividends and/or other distributions in respect of the CN-RPS.
- (iv) The CPS holder shall have the right at any time to exchange the CPS held into such number of fully paid new ordinary shares in Marine & General Berhad ("M&G") as is determined based on the CPS exchange rate. For the avoidance of doubt, any remaining CPS held by CPS Holder on the tenth (10th) anniversary of the date of issuance of the CPS shall be automatically exchanged to new ordinary shares in M&G.
- (v) The exchange rate of the CPS is RM1.00 value of the CPS for such number of new ordinary shares in M&G representing an equivalent value based on the exercise price of RM0.10 per ordinary share of M&G. The exchange rate of the CPS will not require any cash payment from the CPS holders. The CPS holder shall, upon electing to exchange the CPS for new ordinary shares in M&G, exchange the requisite number of CPS with M&G. Any fraction of new ordinary shares of M&G resulting from such exchange shall be disregarded and M&G shall not be required to pay the value of such fraction to be relevant holders of the CPS nor issue any certificate for such fraction.

The CPS was measured at its fair value upon its initial recognition as part of the extinguishment of the existing loan and borrowings in accordance to *IFRIC 19 Extinguishing Financial Liabilities with Equity* and presented as other reserves of the Company.

The fair value of the CPS was determined using the market capitalisation approach, including consideration of spot price of M&G shares as at date of issuance and its discounting factor.

### 13. SHARE CAPITAL, REVERSE ACQUISITION DEFICIT, CAPITAL RESERVE, OTHER RESERVE AND PREFERENCE SHARES OF A SUBSIDIARY (CONT'D)

(d) Preference shares of a subsidiary (cont'd)

Key assumptions applied by management in measuring the fair value:

- (i) The spot price of M&G shares as at date of issuance.
- (ii) A risk-free rate referred to similar securities yield curve as discounting factor.
- (iii) Maturity date of 10 anniversary of the date of issuance.

The valuation technique is therefore classified as Level 2 of the fair value hierarchy.

The significant unobservable inputs used in the valuation model was a risk-free rate referred to similar securities yield curve using a discounting factor of 2.494%.

### 14. LOANS AND BORROWINGS

	2025 RM'000	Group 2024 RM'000
<b>Non-current</b>		
Secured term loans	465,611	551,033
Hire purchase creditors	43	-
	<u>465,654</u>	<u>551,033</u>
<b>Current</b>		
Secured term loans	86,816	63,122
Revolving credits	5,950	7,750
Hire purchase creditors	34	36
	<u>92,800</u>	<u>70,908</u>
	<u>558,454</u>	<u>621,941</u>

- (a) Loans and borrowings are classified as financial liabilities measured at amortised cost.
- (b) The term loans of the Group are secured by the following:
- (i) debentures created over fixed and floating assets of subsidiaries;
  - (ii) first legal/mortgage charge over the vessels;
  - (iii) an irrevocable joint and several guarantee by a director and a third party of AQL;
  - (iv) assignment of charter proceeds in respect of the vessels;
  - (v) assignment of all benefit, interest, rights and property over or in respect of the vessels under construction contracts; and
  - (vi) assignment of insurance policy for all vessels in favour of the banks.
- (c) The revolving credits of the Group are secured by the shares in subsidiaries held by Jasa Merin.

#### 14. LOANS AND BORROWINGS (CONT'D)

- (d) The carrying amounts of loans and borrowings of the Group as at the end of the reporting period are reasonable approximations of fair values either due to their short-term nature and the insignificant impact of discounting or that they are floating rate instruments, which are repriced to market interest rates on or near the end of the reporting period.

The fair value of secured term loans and hire purchase creditors are categories as Level 3 in the fair value hierarchy. The fair value is estimated based on discounted cash flows using a rate based on the current market rate of the borrowing of the respective Group entities at the reporting date. There is no transfer between levels in the hierarchy during the financial year.

- (e) The interest rate profile of the borrowings as at the end of each reporting period are as follows:

Group	2025 RM'000	2024 RM'000
Fixed rate	6,027	7,786
Floating rate	552,427	614,155
	<u>558,454</u>	<u>621,941</u>

- (f) The weighted average interest rates per annum of borrowings that were effective as at the end of the reporting period were as follows:

Group	2025 %	2024 %
<b>Fixed rate</b>		
Revolving credits	6.20	6.81
Hire purchase creditors	1.75	5.00
<b>Floating rate</b>		
Secured term loans	<u>4.37 – 5.80</u>	<u>3.75 – 5.20</u>

- (g) Sensitivity analysis for fixed rate borrowings as at the end of the reporting period is not presented as fixed rate instruments are not affected by change in interest rates. Sensitivity analysis of interest rates for the floating rate instruments at the end of the reporting period, assuming all other variables remain constant is as follows:

Group	Profit after tax and equity			
	2025	2025	2024	2024
	1% Increase RM'000	1% Decrease RM'000	1% Increase RM'000	1% Decrease RM'000
Floating rate instruments	<u>(4,198)</u>	<u>4,198</u>	<u>(4,668)</u>	<u>4,668</u>

#### 14. LOANS AND BORROWINGS (CONT'D)

- (h) The table below summarises the maturities profile of the loans and borrowings as at the end of the reporting year based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>2025</b>				
Secured term loans	113,464	512,756	6,349	632,569
Revolving credits	6,042	-	-	6,042
Hire purchase creditors	34	43	-	77
	<u>119,540</u>	<u>512,799</u>	<u>6,349</u>	<u>638,688</u>
<b>2024</b>				
Secured term loans	87,309	354,528	260,444	702,281
Revolving credits	7,872	-	-	7,872
Hire purchase creditors	36	-	-	36
	<u>95,217</u>	<u>354,528</u>	<u>260,444</u>	<u>710,189</u>

- (i) Reconciliation of movement of loan and borrowings to cash flows arising from financing activities are as follows:

Group	Secured term loans RM'000	Revolving credit RM'000	Hire purchase creditors RM'000	Total RM'000
<b>At 1.5.2024</b>	614,155	7,750	36	621,941
Net cash flows	(93,113)	(2,230)	39	(95,304)
Finance costs	<u>31,385</u>	<u>430</u>	<u>2</u>	<u>31,817</u>
<b>At 30.4.2025</b>	<u>552,427</u>	<u>5,950</u>	<u>77</u>	<u>558,454</u>
<b>At 1.5.2023</b>	677,829	10,550	75	688,454
Net cash flows	(97,608)	(3,380)	(44)	(101,032)
Finance costs	<u>33,934</u>	<u>580</u>	<u>5</u>	<u>34,519</u>
<b>At 30.4.2024</b>	<u>614,155</u>	<u>7,750</u>	<u>36</u>	<u>621,941</u>



## 15. PROVISIONS

	Company	
	2025	2024
	RM'000	RM'000
<b>Financial guarantees</b>		
At 1 May 2024/2023	40,036	114,021
Net change in allowance	(5,969)	(73,985)
At 30 April 2025/2024	34,067	40,036

- (a) The Company provides financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.
- (b) The maximum exposure to credit risk amounts to RM558,377,000 (2024: RM623,010,000) representing the outstanding banking facilities of the subsidiaries as at end of the reporting year.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

- (c) The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:
- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
  - The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

- (d) The movements in the allowance for impairment in respect of financial guarantees during the year are shown below:

Company	Lifetime ECL RM'000
<b>At 1 May 2023</b>	114,021
Net remeasurement of loss allowance	(73,985)
<b>At 30 April 2024/1 May 2024</b>	40,036
Net remeasurement of loss allowance	(5,969)
<b>At 30 April 2025</b>	34,067

- (e) The table below summarises the maturity profiles of the financial guarantees as at the end of the reporting year based on undiscounted contractual payments:

	Company	
	2025	2024
	RM'000	RM'000
On demand or within one (1) year	558,377	623,010

## 16. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Trade</b>				
Trade payables	40,270	40,586	-	-
<b>Non-trade</b>				
Accruals	49,311	22,616	383	228
Other payables	937	824	3	-
	50,248	23,440	386	228
	90,518	64,026	386	228

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Other payables comprise mainly advance payments received from customers prior to rendering of services by the Group.
- (c) Currency exposure profiles of trade and other payables are disclosed in Note 27(c) to the financial statements.
- (d) The maturities profile of the trade and other payables of the Group and of the Company as at the end of the reporting year based on contractual undiscounted repayment obligations is payable on demand or within one (1) year.

## 17. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Leasing income	281,048	271,222	-	-
Revenue from contracts with customers	71,022	76,797	-	-
Dividend income from subsidiaries	-	-	175	175
Performance guarantee from subsidiaries	-	-	213	-
<b>Total revenue</b>	<b>352,070</b>	<b>348,019</b>	<b>388</b>	<b>175</b>

## 17. REVENUE (CONT'D)

### Disaggregation of revenue from contracts with customers

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Revenue from contracts with customers</b>				
Crew services	71,002	76,797	-	-
<b>Timing and recognition</b>				
Over time	71,002	76,797	-	-
<b>Other revenue</b>				
Leasing income	281,048	271,222	-	-
Dividend income from subsidiaries	-	-	175	175
Performance guarantee from subsidiaries	-	-	213	-
<b>Total other revenue</b>	281,048	271,222	388	175
<b>Total revenue</b>	352,070	348,019	388	175

(a) The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms
Crew services	Revenue is recognised over time as and when the customer simultaneously receives and consumes the benefits provided by the Group using the time lapsed method.	Credit period of 30 days from invoice date.

(b) Leasing income

This refers to revenue from vessel charter which is recognised on a time-apportionment basis using the straight-line method.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

## 17. REVENUE (CONT'D)

- (d) Performance guarantee

Revenue from performance guarantees is recognised over the guarantee period.

- (e) Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only for contracts that have a duration of more than one (1) year.

Group	2026 RM'000	2027 RM'000	2028 RM'000	Total RM'000
Crew services	35,924	17,575	13,761	67,260

## 18. FINANCE INCOME

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial assets at fair value through profit or loss	207	253	207	253
Other finance income recognised in profit or loss	547	200	57	58
	<u>754</u>	<u>453</u>	<u>264</u>	<u>311</u>

Interest income is recognised on an accrual basis using the effective interest method.

## 19. FINANCE COSTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss	31,815	34,514	-	-
Interest expenses on lease liabilities:				
- financial institutions	2	5	-	-
- non-financial institutions	128	144	45	51
	<u>31,945</u>	<u>34,663</u>	<u>45</u>	<u>51</u>

## 20. PROFIT BEFORE TAX

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
<b>Profit before tax is arrived at after charging:</b>					
Auditors' remuneration:					
- Statutory audit fees		380	368	82	73
- Non-statutory audit fees		8	8	8	8
<b>Material expenses/(income)</b>					
Impairment loss on investments in subsidiaries	6(e)	-	-	1	89
Reversals of impairment losses on investments in subsidiaries	6(e)	-	-	(40,285)	(41,637)
Gain on disposals on property, vessels and equipment		(5,223)	(17,785)	(1)	-
Impairment losses on property, vessels and equipment	4	5,037	2,232	-	-
Reversals of impairment losses on property, vessels and equipment	4	(14,633)	(27,992)	-	-
Depreciation of property, vessels and equipment	4	78,815	79,676	138	72
Depreciation of right-of-use assets	5	690	803	176	175
Write down of inventories	8	-	1,379	-	-
Personnel expenses:					
- Employee benefits expense	20(a)	70,623	68,808	3,456	3,196
- Non-executive directors' remuneration	20(b)	1,151	993	693	643
Net foreign exchange (gain)/loss		(2,012)	226	-	-
<b>Net (gain)/loss on impairment of financial instruments</b>					
Financial guarantees		-	-	(5,969)	(73,985)
Financial assets at amortised cost		903	685	-	(323)

## 20. PROFIT BEFORE TAX (CONT'D)

### (a) Employee benefits expenses

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Wages and salaries	54,195	53,267	2,933	2,834
Defined contribution plan	4,160	3,854	288	270
Social security contributions	400	377	11	10
Other staff related expenses	11,868	11,310	224	82
	<u>70,623</u>	<u>68,808</u>	<u>3,456</u>	<u>3,196</u>

Included in employee benefits expenses of the Group and of the Company are executive directors' remuneration amounting to RM4,130,000 (2024: RM3,640,000) and RM1,889,000 (2024: RM1,811,000) respectively.

### (b) Directors' remuneration

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000

#### Directors of the Company

##### Executive Directors:

- salaries and bonus	3,247	2,784	1,532	1,432
- defined contribution plan	374	325	148	142
- allowances and other emoluments	208	244	36	72
- benefits-in-kind	290	219	173	165

##### Total Executive Directors' remuneration

	<u>4,119</u>	<u>3,572</u>	<u>1,889</u>	<u>1,811</u>
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##### Non-Executive Directors:

- fees	657	572	615	539
- other emoluments	89	116	78	104

##### Total Non-Executive Directors' remuneration

	<u>746</u>	<u>688</u>	<u>693</u>	<u>643</u>
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##### Total remuneration including benefits-in-kind for Directors of the Company

	<u>4,865</u>	<u>4,260</u>	<u>2,582</u>	<u>2,454</u>
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## 20. PROFIT BEFORE TAX (CONT'D)

(b) Directors' remuneration (cont'd)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<b>Directors of subsidiaries</b>				
Executive Directors:				
- salaries and bonus	7	44	-	-
- defined contribution plan	1	8	-	-
- allowances and other emoluments	3	16	-	-
Total Executive Directors' remuneration	11	68	-	-
Non-Executive Directors:				
- other emoluments	405	305	-	-
Total Non-Executive Directors' remuneration	405	305	-	-
Total remuneration including benefits-in-kind for Directors of the subsidiaries	416	373	-	-
<b>Total remuneration including benefits-in-kind</b>				
Executive Directors'	4,130	3,640	1,889	1,811
Non-Executive Directors'	1,151	993	693	643
Total Directors' remuneration including benefits-in-kind	5,281	4,633	2,582	2,454

## 21. TAXATION

### Recognised in profit or loss

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<b>Current tax expense</b>				
Malaysian				
- current year	291	324	-	-
- prior years	1,270	170	-	(13)
	<u>1,561</u>	<u>494</u>	<u>-</u>	<u>(13)</u>
<b>Deferred tax expense</b>				
- origination and reversal of temporary differences	(17,347)	-	-	-
- prior years	1,638	-	-	-
	<u>(15,709)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total income taxation	<u>(14,148)</u>	<u>494</u>	<u>-</u>	<u>(13)</u>

### Reconciliation of taxation

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before tax	<u>52,316</u>	<u>68,257</u>	<u>41,445</u>	<u>111,303</u>
Income tax using Malaysian tax rate of 24% (2024: 24%)	12,556	16,382	9,947	26,713
Different tax rate in Labuan	(591)	(519)	-	-
Non-taxable income	(3,652)	(10,186)	(11,206)	(27,923)
Non-deductible expenses	12,248	2,938	1,226	1,210
Deferred tax assets not recognised during the year	283	-	33	-
Utilisation of deferred tax assets previously not recognised	(3,283)	(8,291)	-	-
Recognition of deferred tax assets not taken up previously	(34,617)	-	-	-
Under provision in prior year:				
- current tax	1,270	170	-	(13)
- deferred tax	1,638	-	-	-
	<u>(14,148)</u>	<u>494</u>	<u>-</u>	<u>(13)</u>

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Certain subsidiaries of the Company being Malaysian tax residents incorporated in Labuan under the Offshore Companies Act, 1990 are taxed at 3% of profit before tax in accordance with the Labuan Offshore Business Activity Tax Act, 1990.



## 22. OTHER COMPREHENSIVE INCOME

Group	Before tax RM'000	Tax expense RM'000	Net of tax RM'000
<b>2025</b>			
<b>Item that is or may be reclassified subsequently to profit or loss</b>			
Foreign currency translation differences for foreign operations			
- Loss arising during the year	(15,179)	-	(15,179)
<b>2024</b>			
<b>Item that is or may be reclassified subsequently to profit or loss</b>			
Foreign currency translation differences for foreign operations			
- Profit arising during the year	10,015	-	10,015

## 23. EARNINGS PER ORDINARY SHARE

### (a) Basic earnings per ordinary share

The calculation of basic earnings per ordinary share as at 30 April 2025 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding as follows:

Group	2025	2024
Profit net of tax attributable to owners of the Company (RM'000)	44,793	47,035
Weighted average number of shares outstanding at 30 April ('000)	2,223,879	2,223,879
<b>Basic earnings per share (sen)</b>	<u>2.01</u>	<u>2.11</u>

### (b) There is no dilutive of potential ordinary shares as at year end.

## 24. DIVIDENDS

There was no dividend proposed, declared or paid by the Company during the financial year.

## 25. CONTINGENT LIABILITIES

Pursuant to the disposal of Sistem Lingkaran Lebuhraya Kajang Sdn. Bhd. ("SILK") to Permodalan Nasional Berhad ("PNB"), the Company has agreed to indemnify PNB against all losses, costs, expenses, damages, claims and liabilities which may arise from the dispute between SILK and the landowners regarding the quantum of compensation payable for the compulsory acquisition of land falling under the Kajang Traffic Dispersal Ring Road ("Expressway") that was undertaken by SILK pursuant to the Concession Agreement.

## 25. CONTINGENT LIABILITIES (CONT'D)

Pursuant to the Turnkey Contract dated 31 July 2001 ("Turnkey Contract") between SILK and Sunway Construction Sdn. Bhd. ("SCSB"), the amount payable by SILK to SCSB for the land use payments (including expenses and charges incurred by SCSB for the acquisition of land and for removal or resettling of squatters or other occupants on the Expressway) has been contracted at a ceiling amount of RM215 million. Any further amounts that may be awarded by the Court beyond RM215 million will therefore be borne by SCSB.

In the SILK's funded stretch, there are 240 cases with claims amounting to RM503.7 million. In prior year, out of the 240 cases, 239 cases have been resolved and 1 case with claims of RM17.8 million had been fixed for hearing at the Court of Appeal ("CoA") on 11 August 2023. On 25 August 2023, the CoA ordered that the appeal be allowed and the matter to be remitted back to the High Court for re-assessment. Subsequently, SILK has filed a motion for leave to appeal against the decision of the CoA. On 12 March 2025, the Federal Court by a majority judgement decided that SILK's appeal dismissed with cost and that CoA's decision dated 25 August 2023 be upheld.

Following the Federal Court decision, a hearing for Land Reference Proceeding was fixed on 17 April 2025 by the Shah Alam High Court. On 12 June 2025, the High Court:

- awarded the landowner additional land compensation amounting to RM4.84 million with interest for the portion of land measuring 17,285 square meter;
- ordered that other awards made by the Hulu Langat Land Administrator be maintained; and
- ordered that all other claims be dismissed.

On 11 July 2025, SILK has filed an appeal in CoA. No hearing date has been fixed as the matter remains under case management.

Pursuant to the Turnkey Contract, the additional land compensation awarded by the High Court and the late payment interest thereto will be borne by the land acquisition turnkey contractor, SCSB. Accordingly, the Directors are of the opinion that provision is not required in respect of this matter, as it is not probable that a future outflow of economic benefits will be required.

## 26. OPERATING SEGMENTS

The Group has two reportable business segments based on the services provided – the Marine Logistics Services, and the customer groups' activities for the Upstream and Downstream activities.

Performance is measured based on segment profit or loss after tax as included in the management reports that are reviewed by the Chief Operating Decision Maker ("CODM") (i.e. the Executive Vice Chairman of Upstream and Downstream divisions, respectively). Segment profit or loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

### Segment assets

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total assets is used to measure the return on assets of each segment.

## 26. OPERATING SEGMENTS (CONT'D)

### Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total liabilities is used to measure the gearing of each segment.

### Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, vessels and equipment and intangible assets other than goodwill.

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## 26. OPERATING SEGMENTS (CONT'D)

	Marine Logistics - Upstream		Marine Logistics - Downstream		Investment Holding and Others		Adjustments and eliminations		Per consolidated financial statements	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>										
External customers	284,444	265,920	67,626	82,099	-	-	-	-	352,070	348,019
Inter-segment	-	-	-	-	388	175	(388)	(175)	-	-
Total revenue	284,444	265,920	67,626	82,099	388	175	(388)	(175)	352,070	348,019
<b>Segment profit</b>	65,432	63,857	5,880	8,101	41,398	111,208	(46,246)	(115,403)	66,464	67,763
Included in the measure of segment profit are:										
Interest income	490	142	-	-	264	311	-	-	754	453
Impairment loss of property, vessels and equipment	(5,037)	(2,232)	-	-	-	-	-	-	(5,037)	(2,232)
Reversal of impairment loss of property, vessels and equipment	12,346	24,980	2,287	3,012	-	-	-	-	14,633	27,992
Impairment loss of trade and other receivables	(352)	(673)	(535)	(356)	-	-	-	344	(887)	(685)
Depreciation and amortisation	(66,838)	(61,494)	(12,353)	(18,738)	(314)	(247)	-	-	(79,505)	(80,479)
Finance costs	(31,838)	(34,004)	(245)	(909)	(45)	(51)	183	301	(31,945)	(34,663)
Taxation	17,622	(295)	(3,479)	(211)	5	12	-	-	14,148	(494)
<b>Segment assets</b>	689,781	678,261	169,322	187,171	209,444	173,978	(200,551)	(182,148)	867,996	857,262
Included in the measure of segment assets are:										
Additions to non-current assets other than financial instruments and deferred tax assets	32,209	17,858	5,526	5,154	557	27	-	-	38,292	23,039
<b>Segment liabilities</b>	637,285	691,197	26,470	32,016	35,363	41,293	(40,646)	(69,483)	658,472	695,023

## 26. OPERATING SEGMENTS (CONT'D)

### Note:

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:

- (a) Inter-segment transactions and balances are eliminated on consolidation; and
- (b) Other non-cash expenses.

### Reconciliations of reportable segments

Group	Note	2025 RM'000	2024 RM'000
<b>Profit or loss</b>			
Total profit for reportable segments		112,710	183,166
Elimination of net impairment losses on investments in subsidiaries	6	(40,284)	(41,548)
Elimination of ECL on financial guarantee	15	(5,969)	(73,985)
Elimination of reversal of impairment loss on amounts due from subsidiaries	10	-	(323)
Others		7	453
		<u>66,464</u>	<u>67,763</u>

### Geographical information

Revenue from the offshore marine support services segments mainly attributable to customers in Malaysia.

All of the Group's non-current assets are located in Malaysia.

### Major customers

During the financial year, the number of major customers of the Group with revenue equal or more than 10% of the Group's total revenue is two (2) (2024: two (2)), of which one (1) are Marine Logistics - Upstream segment's customer and one (1) is Marine Logistics - Downstream segment's customer. The total revenue contributed by these major customers are RM219,968,000 (2024: RM215,171,000).

## 27. FINANCIAL RISK MANAGEMENT

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk.

The following sections provide details regarding the exposure of the Group and the Company to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

## 27. FINANCIAL RISK MANAGEMENT (CONT'D)

### (a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade and other receivables. The Company's exposure to credit risk arises principally from amount due from subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjects to write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

As at the end of the reporting period, the maximum exposures to credit risk of the Group and of the Company have been disclosed in Note 10 and Note 11 to the financial statements.

### (b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables and loans and borrowings.

The Group maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

As at 30 April 2025, the Company's current liabilities exceeded its current assets by RM25,715,000. The Company has sufficient cash flows from its business activities for the next twelve (12) months from the reporting date to meet its operating and financing obligations as and when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The analysis of financial statements by remaining contractual activities has been disclosed in Note 5, Note 14 and Note 16 to the financial statements.

## 27. FINANCIAL RISK MANAGEMENT (CONT'D)

### (c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rate and other prices that will affect the Group's financial position or cash flows.

#### Foreign currency risk

The Group is exposed to foreign currency risk on purchases and bank balances that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Singapore Dollars ("SGD"), Euro ("EUR"), Japanese Yen ("YEN") and British Pound ("GBP").

Exposure to foreign currency risk is monitored on an ongoing basis. The Group does not perform hedging on foreign currency transactions.

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting year are as follows:

Group	Denominated in				
	USD RM'000	SGD RM'000	EUR RM'000	YEN RM'000	GBP RM'000
<b>2025</b>					
Trade and other receivables	2,906	-	-	-	-
Cash and cash equivalents	3,437	-	-	-	-
Trade and other payables	(3,368)	(1,115)	(847)	(124)	(8)
Net exposure in the statements of financial position	2,975	(1,115)	(847)	(124)	(8)
<b>2024</b>					
Trade and other receivables	42	-	-	-	-
Cash and cash equivalents	7,288	1	-	-	-
Trade and other payables	(5,710)	(2,338)	(186)	(40)	(26)
Net exposure in the statements of financial position	1,620	(2,337)	(186)	(40)	(26)

Foreign currency risk arises from Group entities which have a Ringgit Malaysia functional currency. The exposure to currency risk of the Group entities do not have a Ringgit Malaysia currency is not material and hence, sensitivity analysis is not presented.

A 10% (2024: 10%) strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting year would have decreased profit after tax and equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting year. The analysis assumes that all other variables, in particular interest rates remained constant.

## 27. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market risk (cont'd)

### Foreign currency risk (cont'd)

Group	Profit after tax and equity	
	2025 RM'000	2024 RM'000
USD	226	123
SGD	(85)	(178)
EUR	(64)	(14)
YEN	(9)	(3)
GBP	(1)	(2)
	<u>67</u>	<u>(74)</u>

A 10% (2024: 10%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting year would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

### Interest rate risk

The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Note 5, Note 9, Note 11 and Note 14 to the financial statements.

## 28. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 April 2025 and 30 April 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group considers the net debt as loans and borrowings, trade and other payables, less cash and cash equivalents and other investments.



## 28. CAPITAL MANAGEMENT (CONT'D)

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loans and borrowings	14	558,454	621,941	-	-
Trade and other payables	16	90,518	64,026	386	228
Less: Cash and cash equivalents	11	(50,859)	(67,401)	(3,424)	(3,415)
Other investments	9	(9,356)	(8,918)	(3,385)	(8,918)
Total net debt		588,757	609,648	(6,423)	(12,105)
Total equity		209,524	162,239	174,163	132,718
Capital and net debt		798,281	771,887	167,740	120,613
Gearing ratio		74%	79%	n/a	n/a

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital and such shareholders' equity is not less than RM40,000,000. The Group has complied with this requirement for the financial year ended 30 April 2025.

## 29. RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the parties are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. Key management personnel include Executive Directors and key officers of the Group and of the Company.

### (a) Significant related party transactions

The significant related party transactions of the Group and of the Company, other than key management personnel compensation, are as follows:

	Company	
	2025 RM'000	2024 RM'000
<b>Subsidiaries</b>		
Dividend income	175	175
Performance guarantee from subsidiaries	213	-
Payments on behalf by the Company	149	69

## 29. RELATED PARTIES (CONT'D)

### (a) Significant related party transactions (cont'd)

The Directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are mutually agreed between the companies.

The outstanding balances arising from the above transactions have been disclosed in Note 10 and Note 16 to the financial statements.

### (b) Compensation of key management personnel

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Salaries and bonus	5,501	4,699	2,173	2,014
Allowance and other emoluments	680	873	125	161
Defined contribution plan	686	615	223	213
Other benefits	293	222	175	167
	<u>7,160</u>	<u>6,409</u>	<u>2,696</u>	<u>2,555</u>

## 30. CAPITAL COMMITMENTS

Capital expenditure commitments as at the reporting date is as follows:

Group	2025	2024
	RM'000	RM'000
<b>Capital expenditure</b>		
In respect of purchase of property, vessel and equipment:		
Approved and contracted but not provided for	37,680	4,319
Approved but not contracted for	<u>8,366</u>	<u>-</u>
	<u>46,046</u>	<u>4,319</u>

## 31. ADOPTION OF MFRSs AND AMENDMENTS TO MFRSs

### (a) New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

The adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

### 31. ADOPTION OF MFRSs AND AMENDMENTS TO MFRSs (CONT'D)

**(b) New MFRSs that have been issued but only effective for annual periods beginning on or after 1 January 2025**

The following are Standards and Amendments to the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

### 32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

**a) Disposal of vessel by M&G Tankers Sdn. Bhd., an indirect wholly owned subsidiary of the Group**

On 19 February 2025, a wholly owned subsidiary of the Group namely, M&G Tankers Sdn. Bhd. ("MGTSB"), had completed the disposal of its vessel, JM Sutera 6 for a total cash consideration of USD7,100,000 (equivalent to approximately RM31,550,000 based on Bank Negara Malaysia USD Selling Rate as at 5.00 p.m. on 19 February 2025 of RM4.4435) to Lion Great Energy Co Ltd, a company incorporated in Thailand.

**b) Acquisition of vessel by M&G Tankers Sdn. Bhd. from Muhibbah Marine Engineering Sdn. Bhd.**

On 7 April 2025, a wholly owned subsidiary of the Group, MGTSB has entered into a Vessel Sale and Purchase Agreement ("Agreement") with Muhibbah Marine Engineering Sdn. Bhd., a wholly owned subsidiary of Muhibbah Engineering (M) Bhd., to acquire a vessel, JM Sutera 9 for a purchase consideration of RM55,186,000.

Under the terms of the Agreement, MGTSB has paid a deposit of RM20,000,000 on 17 April 2025.

### 33. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

#### a) Incorporation of a Joint Venture Company

On 7 May 2025, a wholly owned subsidiary of the Group namely, M&G Marine Services Sdn. Bhd. ("MGMS") had entered into a Joint Venture Agreement ("JVA") with WHS Global Engineering Sdn. Bhd. ("WHS"). In line with the JVA, both parties agreed to incorporate a joint venture company namely, M&G WHS Engineering Sdn. Bhd. ("M&G WHS" or "JV Company"), to jointly undertake engineering contracts comprising of steel fabrication and hook-up works and provision of specialised equipment.

The initial paid-up share capital of the JV Company is RM100,000, comprising 100,000 ordinary shares of RM1.00 each. The issued shares have been subscribed for and allotted to MGMS and WHS in a 70:30 ratio, respectively.

#### b) Call Option to acquire the Preference Shares of Jasa Merin (Malaysia) Sdn. Bhd.

On 7 July 2025, the Company was notified by its Director and major shareholder, Tan Sri Mohammed Azlan bin Hashim, who is also the Executive Chairman, that his daughter had exercised a Call Option to acquire 1,000,000 irredeemable preference shares in Jasa Merin (Malaysia) Sdn. Bhd. ("JMM PS") from the banks at an exercise price of RM1.10 per JMM PS.

Subsequently, on 15 July 2025, the Company was notified by its Director and major shareholder, Abdul Rahman bin Ali, who is also the Executive Non-Independent Director of the Company, that his son had exercised a Call Option to acquire 1,000,000 irredeemable preference shares in JMM PS from the banks at an exercise price of RM1.10 per JMM PS.

Each 1,000,000 JMM PS acquired is exchangeable into 10,000,000 ordinary shares of the Company.

# SUBSTANTIAL SHAREHOLDERS

AS AT 31 JULY 2025

		Ordinary Shares	
		No. of Shares	%
1.	Haji Abdul Rahman bin Ali	192,781,751	24.69%
2.	Tan Sri Mohammed Azlan bin Hashim*	172,676,513	22.11%
3.	Bijak Permai Sdn Bhd	91,236,333	11.68%
4.	Johan Zainuddin bin Dzulkifli	<u>70,100,413</u>	<u>8.98%</u>

## Notes:

\* Direct interest through RHB Capital Nominees (Tempatan) Sdn Bhd and CIMSEC Nominees (Tempatan) Sdn Bhd and deemed interests through Bijak Permai Sdn Bhd and his son.

# DIRECTORS' INTEREST IN SHARES

AS AT 31 JULY 2025

		Ordinary Shares	
		No. of Shares	%
1.	Haji Abdul Rahman bin Ali - direct interest	<u>192,781,751</u>	<u>24.69%</u>
2.	Tan Sri Mohammed Azlan bin Hashim - direct and deemed interest*	<u>172,676,513</u>	<u>22.11%</u>
3.	Nik Abdul Malik bin Nik Mohd Amin - direct interest**	<u>2,400,000</u>	<u>0.31%</u>

**Notes:**

\* Direct interest through RHB Capital Nominees (Tempatan) Sdn Bhd and CIMSEC Nominees (Tempatan) Sdn Bhd and deemed interests through Bijak Permai Sdn Bhd and his son.

\*\* Direct interest through Public Nominees (Tempatan) Sdn Bhd.

# ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2025

	Number of shares	Total (RM)
Issued and paid up share capital	780,878,744	275,704,247
Class of shares	Ordinary Shares	
Voting rights	One vote per ordinary share	

## (A) ORDINARY SHARES

### Distribution of shareholdings

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholdings
1 - 99	63	1.95%	2,142	0.00%
100 - 1,000	657	20.32%	470,886	0.06%
1,001 - 10,000	1,097	33.92%	6,625,586	0.85%
10,001 - 100,000	1,129	34.91%	43,438,368	5.56%
100,001 - 39,043,937*	284	8.78%	326,783,085	41.85%
39,043,938 and above**	4	0.12%	403,558,677	51.68%
	<u>3,234</u>	<u>100.00%</u>	<u>780,878,744</u>	<u>100.00%</u>

\* Less than 5% of issued shares

\*\* 5% and above of the issued shares

**THIRTY LARGEST SHAREHOLDERS AS PER THE REGISTER OF DEPOSITORS**

No.	Name of Shareholders	Name of Beneficial Owners	No. of Shares	%
1.	Abdul Rahman Bin Ali		192,781,751	24.69%
2.	Bijak Permai Sdn Bhd		91,236,333	11.68%
3.	Johan Zainuddin Bin Dzulkifli		70,100,413	8.98%
4.	RHB Capital Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Mohammed Azlan Bin Hashim	49,440,180	6.33%
5.	Titian Tegar Sdn Bhd		30,000,000	3.84%
6.	Mazlan Bin Ismail		25,000,000	3.20%
7.	RHB Capital Nominees (Tempatan) Sdn Bhd	Mohammed Zhakri Bin Mohammed Azlan	20,000,000	2.56%
8.	Suasa Unggul Sdn Bhd		20,000,000	2.56%
9.	Tey Chee Thong		18,720,000	2.40%
10.	Universal Trustee (Malaysia) Berhad	KAF Core Income Fund	16,887,500	2.16%
11.	CIMSEC Nominees (Tempatan) Sdn Bhd	CIMB For Mohammed Azlan Bin Hashim	12,000,000	1.54%
12.	Tey Chee Thong		10,072,321	1.29%
13.	Chu Beng Han		9,797,812	1.25%
14.	Rudin Bin Mamat		9,599,000	1.23%
15.	TA Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Hafidah Binti Pawanchik	8,538,600	1.09%
16.	Tengku Uzir Bin Tengku Ubaidillah		5,752,600	0.74%
17.	Zakaria Rakesh Bin Abu Bakkar Seddek		5,028,900	0.64%
18.	TA Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Fami Taufeq Bin Fakarudin	4,841,100	0.62%
19.	A Talib Bin Taib		3,614,400	0.46%
20.	TA Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Sharifah Noraini Binti Hussinaljunid	3,448,000	0.44%
21.	Tengku Uzir Bin Tengku Ubaidillah		2,902,300	0.37%
22.	RHB Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Tey Suu Tain	2,891,900	0.37%
23.	Nor Haizar Azrah Binti Mohd Yusof		2,661,700	0.34%
24.	Goh Nan Kioh		2,543,562	0.33%
25.	MBSB Investment Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Intan Ainirawati Binti Abdul Razak	2,400,000	0.31%
26.	Mohtar Bin Nong		2,400,000	0.31%
27.	Public Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Nik Abdul Malik Bin Nik Mohd Amin	2,400,000	0.31%
28.	Chew Keng Kin		2,333,000	0.30%
29.	SJ Sec Nominees (Tempatan) Sdn Bhd	Pledged Securities Account For Hafidah Binti Pawanchik	2,328,800	0.30%
30.	Geo-Mobile Asia Sdn Bhd		2,150,000	0.28%



# NOTICE OF THE 28TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Eighth Annual General Meeting (“**28th AGM**”) of Marine & General Berhad (“**the Company**”) will be held at Ballroom I, Main Wing (1st Floor), Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 16 October 2025 at 10.00 a.m. for the following purposes:

## AS ORDINARY BUSINESS

- |    |  |  |
|----|--|--|
| 1. | To receive the Audited Financial Statements of the Company for the year ended 30 April 2025 together with the Reports of the Directors and Auditors thereon.   | <b><i>Please refer to Explanatory Note i</i></b> |
| 2. | To re-elect the following Directors who retire by rotation pursuant to Clause 24.2 of the Company’s Constitution, and being eligible, offer themselves for re-election:-   |  |
|    | i. Tai Keat Chai   | <b>(Resolution 1)</b>                            |
|    | ii. Datin Shelina binti Razaly Wahi  | <b>(Resolution 2)</b>                            |
|    | iii. Megat Joha bin Megat Abdul Rahman   | <b>(Resolution 3)</b>                            |
| 3. | To approve the payment of Directors’ fees for the financial year ending 30 April 2026 of up to RM800,000, on quarterly basis after the end of each quarter.  | <b>(Resolution 4)</b>                            |
| 4. | To approve the payment of Directors’ benefits (other than Directors’ fees) of up to RM800,000 to Non-Executive Directors for the period from 17 October 2025 until the next Annual General Meeting of the Company. | <b>(Resolution 5)</b>                            |
| 5. | To re-appoint Messrs. BDO PLT as Auditors of the Company and to authorise the Directors to determine their remuneration.   | <b>(Resolution 6)</b>                            |

## AS SPECIAL BUSINESS

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

- |    |  |                       |
|----|--|-----------------------|
| 6. | <b>Authority to Allot and Issue Shares Pursuant to Section 75 and 76 of the Companies Act 2016</b>   | <b>(Resolution 7)</b> |
|    | <p>“THAT pursuant to Section 75 and 76 of the Companies Act 2016, the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and other relevant authorities, where approval is necessary, authority be and is hereby given to the Directors to allot and issue shares in the Company at any point of time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares to be issued shall not exceed ten percent (10%) of the issued share capital of the Company for the time being AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”</p> |                       |
| 7. | To transact any other business of the Company of which due notice shall have been given.   |                       |

By Order of the Board

**CHIA POH TIN** (MAICSA 7055061) SSM PC No. 201908000762  
**THERESA WEE SWEE LING** (MAICSA 7069233) SSM PC No. 202108000009  
Company Secretaries

Kuala Lumpur  
29 August 2025

**NOTES:**

**Appointment of Proxy**

- i. A member of the Company entitled to attend, participate, speak and vote in the 28th AGM is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his stead. A proxy need not be a member of the Company but must be of full age of eighteen (18) years and above. There shall be no restriction as to the qualification of the proxy.
- ii. For the purpose of determining a member who shall be entitled to attend and vote at the 28th AGM, the Company shall be requesting the Record of Depositors as at 5.00 p.m. on 9 October 2025. Only a depositor whose name appears on the Record of Depositors as at 5.00 p.m. on 9 October 2025 shall be entitled to attend, participate, speak and vote at the said meeting as well as for appointment of proxy(ies) to attend and vote on his stead.
- iii. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- iv. A member other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 shall be allowed to appoint up to two (2) proxies to attend, participate, speak and vote for him at the 28th AGM. Where a member appoints more than one (1) proxy, he must specify the proportion of his shareholdings represented by each proxy.
- v. The 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 the Registered Office of the Company at Level 22, Axiata Tower, No. 9, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur or sent by electronic communication, not less than twenty-four (24) hours before the time appointed for the taking of the poll for the 28th AGM or any adjournment thereof either by hand, post, fax to (03) 2273 8310 or email to [cosec@christopherleeong.com](mailto:cosec@christopherleeong.com), and in default the instrument of proxy shall not be treated as valid.

**Explanatory Notes**

**i. Audited Financial Statements (Item No. 1)**

The Audited Financial Statements laid at this meeting pursuant to Section 340(1)(a) of the Companies Act 2016 are meant for discussion only. It does not require shareholders' approval, and therefore, is not put forward for voting.

## Explanatory Notes (cont'd)

### ii. Re-election of Directors (Item No. 2)

Clause 24.2 of the Company's Constitution provided that an election of Directors shall take place each year at the Annual General Meeting of the Company where one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3), shall retire from office PROVIDED ALWAYS THAT all directors shall retire from office once at least every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires. Three (3) Directors are to retire in accordance with Clause 24.2 of the Company's Constitution as follows:

- a. Tai Keat Chai;
- b. Datin Shelina binti Razaly Wah; and
- c. Megat Joha bin Megat Abdul Rahman

For the purpose of determining the eligibility of the Director to stand for re-election at the 28th AGM, the Board through its Nomination & Remuneration Committee ("NRC") had assessed the retiring Directors that have offered themselves for re-election, and considered the following:

- a. Fit and properness of the Director to continue as a Director of the Company based on their respective declaration under Company's Directors' Fit and Proper Policy;
- b. The Director's performance and contribution based on the Self and Peer Assessment;
- c. The Director's level of contribution to the Board deliberations through his skills, experience and strength in qualities;
- d. Where the Director is an Independent Director, the level of independence demonstrated and their ability to continue to act in the best interests of the Company.

In line with Practice 6.1 of the Malaysian Code on Corporate Governance, the Board had conducted an assessment of the Directors of the Company based on the relevant performance criteria which include the following:

- a. Strategy and entrepreneurship
- b. Legal and regulatory requirements
- c. Corporate governance, risk management and internal controls
- d. Audit, accounting, financial reporting and taxation
- e. Human capital
- f. Sales and marketing
- g. Production and quality assurance

Based on the Directors' Self and Peer Assessment, the individual Directors (including the retiring Directors) met the performance criteria required of an effective Board. In addition, all the Independent Directors have also provided annual declaration / confirmation of independence.

Based on the above, the Board approved the NRC's recommendation that the Directors who retire in accordance with Clause 24.2 of the Constitution, are eligible to stand for re-election at the forthcoming 28th AGM.

The retired Directors had abstained from the deliberations and decision on their eligibility to stand for re-election in the Board.

**Explanatory Notes (cont'd)**

**iii. Payment of Directors' Fees and Benefits (Items No. 3 & 4)**

At the 27th Annual General Meeting, the Company has obtained shareholders' approval to pay Directors' fees of not more than RM800,000 and Directors' benefits (other than Directors' fees) of up to RM800,000. The total actual amount of fees paid to the Non-Executive Directors in the financial year ended 30 April 2025 is RM657,000, whilst the estimated other benefits payable to the Non-Executive Directors until the forthcoming Annual General Meeting is RM535,000 comprising RM425,000 actually paid in the period from 12 October 2024 to 31 July 2025 and RM110,000 payable from 1 August to 16 October 2025.

**iv. Authority to Allot and Issue Shares pursuant to Section 75 and 76 of the Companies Act 2016 (Item No. 6)**

The Ordinary Resolution proposed under item no. 6 (**Resolution 7**) is to seek a renewal of the general mandate which was approved at the 27th Annual General Meeting of the Company held on 11 October 2024 and will lapse at the conclusion of the 28th AGM to be held on 16 October 2025.

The general mandate, if approved, will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for the purpose of funding future investment project(s) and acquisition(s) and for strategic reasons.

In order to eliminate any delay and costs in convening a general meeting to specifically approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed under item no. 6 of the Agenda, to allot and issue new shares in the Company up to an amount not exceeding in total ten percent (10%) of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

**STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

**DETAILS OF INDIVIDUAL WHO IS SEEKING FOR ELECTION AS DIRECTOR (EXCLUDING DIRECTORS STANDING FOR RE-ELECTION)**

Saved for the Directors seeking for re-election under item no. 2 above, no individual is seeking election as a Director at the 28th AGM of the Company.

**GENERAL MANDATE FOR ISSUE OF SECURITIES**

The Company will seek shareholders' approval on the renewal of general mandate ("General Mandate") for the issues of securities in accordance with Paragraph 6.03(3) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements. Please refer to the proposed resolution no. 7 as stated in this Notice for the details.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted by the shareholders of the Company at the 27th Annual General Meeting held on 11 October 2024 and will lapse at the conclusion of 28th AGM.

The General Mandate will provide flexibility to the Company for allotment of shares for any possible funding future investment project(s) and acquisition(s) and for strategic reasons.

# MARINE & GENERAL BERHAD

[Registration No. 199601033545 (405897-V)]

(Incorporated in Malaysia)

Registered Office:

Level 22, Axiata Tower, No. 9, Jalan Stesen Sentral 5

Kuala Lumpur Sentral, 50470 Kuala Lumpur.

Tel : (03) - 2273 1919

Fax: (03) - 2273 8310

## FORM OF PROXY

### 28TH ANNUAL GENERAL MEETING

Number of share(s) held	
CDS Account No.	

#### PROXY "A"

I/We \_\_\_\_\_ \*NRIC No./Passport No./Company No \_\_\_\_\_

HP No \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ being a member of **MARINE & GENERAL BERHAD** and entitled to vote hereby appoint

\_\_\_\_\_ \*NRIC No./Passport No \_\_\_\_\_ HP No/Email Address \_\_\_\_\_

of \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the 28th Annual General Meeting of the Company to be held at Ballroom I, Main Wing (1st Floor), Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 16 October 2025 at 10.00 a.m. and at any adjournment thereof.

**WHERE THE MEMBER DESIRES TO APPOINT A 2ND PROXY, THIS SECTION MUST ALSO BE COMPLETED, OTHERWISE IT SHOULD BE DELETED**

#### PROXY "B"

I/We \_\_\_\_\_ \*NRIC No./Passport No./Company No \_\_\_\_\_

HP No \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ being a member of **MARINE & GENERAL BERHAD** and entitled to vote hereby appoint

\_\_\_\_\_ \*NRIC No./Passport No \_\_\_\_\_ HP No/Email Address \_\_\_\_\_

of \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the 28th Annual General Meeting of the Company to be held at Ballroom I, Main Wing (1st Floor), Tropicana Golf & Country Resort Berhad, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 16 October 2025 at 10.00 a.m. and at any adjournment thereof.

**The proportions of my / our holding to be represented by my / our proxies are as follows:**

**1st Proxy "A"** - \_\_\_\_\_ % (to be completed)

**2nd Proxy "B"** - \_\_\_\_\_ % (to be completed)

**Total:** 100 %

\* Delete if not applicable

My / our proxy / proxies shall vote as follows:

*(Please indicate with an "X" in the space below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy / proxies will vote or abstain from voting on the resolutions at his / their discretion)*

NO.	RESOLUTIONS	1ST PROXY "A"		2ND PROXY "B"	
		FOR	AGAINST	FOR	AGAINST
1.	To re-elect Tai Keat Chai				
2.	To re-elect Datin Shelina binti Razaly Wahi				
3.	To re-elect Megat Joha bin Megat Abdul Rahman				
4.	To approve the payment of Directors' fees				
5.	To approve the payment of Directors' benefits				
6.	To re-appoint Messrs. BDO PLT as Auditors				
7.	To authorise the issuance of shares pursuant to Section 75 and 76 of the Companies Act 2016				

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Signature of Member \_\_\_\_\_

**NOTES:**

1. A member of the Company entitled to attend, participate, speak and vote in the 28th AGM is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his stead. A proxy need not be a member of the Company but must be of full age of eighteen (18) years and above. There shall be no restriction as to the qualification of the proxy.
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3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. A member other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 shall be allowed to appoint up to two (2) proxies to attend, participate, speak and vote for him at the 28th AGM. Where a member appoints more than one (1) proxy, he must specify the proportion of his shareholdings represented by each proxy.
5. The 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 the Registered Office of the Company at Level 22, Axiata Tower, No. 9, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur or sent by electronic communication, not less than twenty-four (24) hours before the time appointed for the taking of the poll for the 28th AGM or any adjournment thereof either by hand, post, fax to (03) 2273 8310 or email to cosec@christopherleeong.com, and in default the instrument of proxy shall not be treated as valid.

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AFFIX  
STAMP

The Secretary

**MARINE & GENERAL BERHAD**

[Registration No. 199601033545 (405897-V)]

Level 22, Axiata Tower,  
No. 9, Jalan Stesen Sentral 5  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

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**MARINE & GENERAL**  
BERHAD

Registration No. 199601033545  
(405897-V)

Level 23, Menara Kenari  
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Tel: +603 7735 6300 Fax: +603 7735 6301