CARIMIN

CARIMIN PETROLEUM BERHAD
Registration No.: 201201006787 (908388-K)
(Incorporated in Malaysia)

VIBRANT HORIZONS

Annual Report 2024

WHAT'S **INSIDE**

12th Annual General Meeting of Carimin Petroleum Berhad

Venue :
Greens III, Sports Wing, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

Date :
Monday, 25 November 2024

Time :
3.00 p.m.

FEATURE IN THIS ANNUAL REPORT

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Tel No : +6 03 2168 7000
Fax No : +6 03 2164 2199 / +6 03 2171 1792

CARIMIN PETROLEUM BERHAD
B-1-6 Megan Avenue 1,
189, Jalan Tun Razak,
50400 Kuala Lumpur,
Malaysia.

Further information can also be found on our website: **https://carimin.com/**

The digital version of Carimin Petroleum Berhad Annual Report 2024 is available on our website.

Go to http://www.carimin.com/irannualreport.html or scan the QR code with your smartphone.

REVENUE

RM310.7
MILLION

PROFIT AFTER TAX

RM42.8
MILLION

TOTAL ASSET

RM345.8
MILLION

ABOUT
CARIMIN

Established in 1989, Carimin grew to become one of the leading companies providing onshore/offshore major maintenance and hook-up & commissioning services in the Malaysian Oil & Gas industry.

ABOUT CARIMIN

Carimin specializes in pre-construction engineering inclusive of planning packages, minor engineering, procurement activities, structural/piping fabrication, electrical/instrumentation installation, construction, upgrading and commissioning services. This also includes the deployment of marine vessels such as work barges, accommodation vessels, fast crew boats and anchor handling tug supply vessels.

The business for the group evolved from being an inspection and manpower service company to one of the leading service providers in integrated maintenance, rejuvenation, hook-up and commissioning ("HUC") of onshore/offshore facilities including sub-sea underwater inspections, repair, maintenance works and services (IRM) for the Oil and Gas industries. Subsequently, the group expanded its services covering engineering, procurement, construction and commissioning (EPCC) works for onshore pipelines and related facilities.

CARIMIN is licensed by PETRONAS to supply Products & Services, Marine Vessels and Underwater inspection services to exploration and Oil/Gas Companies in Malaysia.

Other licenses and certifications held include:-

- Ministry of Finance (MOF) for Supply Product;
- ISO 9001:2015 Certification;
- Construction Industry Development Board (CIDB) G7 category; and
- Department of Occupational Safety and Health (DOSH)

In addition, we offer general contracting services and trading of geotechnical engineering products under our Civil Construction division.

Our competency lies in offering integrated solutions to achieve the desired results in accordance with the Client's expectations. To date, CARIMIN has completed projects valued at more than RM2.0 billion since its inception and among our notable portfolio of clients include oil majors Petronas Carigali, Petronas Gas, Shell, Murphy Oil, Hibiscus, CPOC, PTTEP, SapuraOMV, Lundin, Prefchem, Carigali HESS, Repsol, ExxonMobil, New Field, Petrofac, MMHE, HESS and Nippon Oil.

In our registry, we own an anchor handling tug supply vessel ("AHTS"), an accommodation work boat ("AWB") and a Fast Crew Boat ("FCB") namely CARIMIN Airis, CARIMIN Acacia and CARIMIN Aster respectively. The AHTS, AWB and FCB vessels are integral to the Group's offshore work activities and marine support services.

CARIMIN was successfully listed on the Main Market of Bursa Malaysia Securities Berhad on 10 November 2014.

OUR KEY MILESTONES

1989
Carimin Sdn. Bhd. ("CSB") was incorporated.

1990
CSB began business operations with the provision of manpower supply services.

1992
Secured a 2-year contract from Esso Malaysia to provide general inspection services.

1997
Secured a manpower supply services contract to supply technical professionals. The contract was carried out over a 4-year period.

2000
Secured a manpower supply services contract from Murphy Oil to supply drilling professional.

2003
Diversified our business to provide minor fabrication services for the offshore oil and gas industry.

2004
Continued to diversify our business, and started to provide production platform system maintenance services. Our first production platform system maintenance service project was for Petronas Carigali, involving topside maintenance for a platform offshore Terengganu.

2005
Our minor fabrication yard located at Jalan Jakar in Kemaman, Terengganu began to operate.

2006
Carimin Engineering Services Sdn. Bhd. ("Carimin Engineering") began business operations.

2007
Secured our first offshore hook up and commissioning contract, which was from Murphy Oil in Malaysia.

Secured hook up and commissioning contract from Talisman.

2010
Secured the Sarawak/Sabah hook up and commissioning contract.

Relocated our minor fabrication facilities from Jalan Jakar in Kemaman, Terengganu to a new facility at Kawasan Industri Telok Kalong in Kemaman, Terengganu.

2011
Carimin Equipment Management Sdn. Bhd. began business operations. We began to provide equipment rental services.

CSB received ISO 9001:2008 quality management system certification for the scope of "Provision of manpower supply for oil and gas industry". Carimin Engineering received ISO 9001:2008 quality management system certification for the scope of "Provision of engineering, procurement, construction, hook up and commissioning for oil and gas industry".

2012
Through Carimin Marine Services Sdn. Bhd., Carimin acquired 14% of Synergy Kenyalang Offshore Sdn. Bhd., which owns SK Deep Sea, an Accommodation Work Boat, paving the way for Carimin's entry into the provision of offshore marine support vessel services.

2013
Acquired Carimin Airis, an Anchor Handling Tug Supply vessel.

Secured the Peninsular Malaysia hook up and commissioning contract.

2014
Successfully listed on the Main Market of Bursa Malaysia.

Commissioned a shipyard to build Carimin Acacia, an Accommodation Work Boat.

2015
Secured an Umbrella contract (2 years) for the provision of spot charter marine vessel from Petronas. Secured a (2+1 years) contract from Lundin for provision of topside major maintenance in Bertam offshore oil field.

OUR KEY MILESTONES

2024

Received Work Order Award from Hibiscus Oil & Gas Malaysia Limited for the provision of Accommodation Work Boat (AWBOAT) for HML's Integrated Asset Program 2024 for a duration of 300 days;

Received LOA from MMHE to charter our AHTS for EPCIC Alliance Kasawari carbon capture and storage (CCS) project for 214 days + (15+15) days extension.

MCM Peninsular Malaysia Operations – Oil contract was extended to 31 December 2024.

Provision of Integrated Hook-Up and Commissioning (iHUC) Services for PCSB (PACKAGE C: SKG) was extended to 31 December 2024.

Entered into a Memorandum of Agreement ("MOA") with Penguin Shipyard Asia Pte Ltd for the acquisition new build Fast Crew Boat.

Tied up with Evolusi Bersatu to jointly bid for provision of Pan-Malaysia MCM HUC packages.

2023

Received Work Order Award for the provision of Anchor Handling Tug Boat (AHTS) for PETRONAS Carigali Sdn. Bhd. for a duration of 184 days with an extension of 30 days.

Received Work Order Award from Hibiscus Oil & Gas Malaysia Limited for the provision of Accommodation Work Boat (AWBOAT) for HML's Integrated Asset Program 2023 for a duration of 275 days.

2022

Secured Provision of Once-Off Maintenance, Construction and Modification ("MCM") Services for Resak & Tangga Barat Cluster Turnaround for PETRONAS Carigali Sdn. Bhd.;

Formed Joint Venture with I Drill Pipelines Constructions Sdn. Bhd. and was awarded LOA for EPCC for Lion Lateral Extension and Metering Station for Nine Dragon Paper (Bougainvillea Project) for PETRONAS Gas Bhd..

MCM Peninsular Malaysia Operations – Oil contract was extended to Dec 2023.

2021

Finalized the award for the development of our fabrication yard which consist of 2-storey office building, open and closed warehouses. Construction work shall take approximately 18 months.

Granted (1 year) extension for the Mechanical and Piping Maintenance Services for Labuan Crude Oil Terminal (LCOT) contract from Sea Hibiscus.

2020

Received Work Order Award for the provision of Accommodation Work Boat (AWBOAT) for PETRONAS Carigali Sdn. Bhd. for a duration of 716 days.

Secured (4 years) contract for the provision of Integrated Hook-Up and Commissioning (iHUC) Services for PETRONAS Carigali Sdn. Bhd. (Package C: SKG).

Granted (1 year) extension for the provision of Equipment, Tools, Consumables and Manpower services for Flowline and Piping Repair for Block B-17 & C-19 and Block B-17-01 from Carigali-PTTEPI Operating Company Sdn. Bhd. ("CPOC").

Tied up with DOF Subsea Asia Pacific Pte Ltd to promote and/or market the vessel assets, Work class ROV and associated services of DOF in Malaysia.

2019

Secured (2+1 years) Mechanical and Piping Maintenance Services for Labuan Crude Oil Terminal (LCOT) contract from Sea Hibiscus;

Acquired Subnautica Sdn. Bhd. now known as Carimin Subsea Sdn. Bhd. and expanded into sub-sea and underwater inspection, repair, and maintenance works and services (IRM).

Secured PAN Malaysia Underwater Services for Petroleum Arrangement Contractor (PACs) – Package B for the provision of Diving Support Vessel, DP2 with inspection class ROV c/w Competent Personnel for a firm 200 days charter.

2018

Acquired 5 acres of land to further expand the yard facilities at Teluk Kalung Yard (TKY).

Secured (15 months) Hook-up, Commissioning and Topside Major Maintenance Services – Peninsular (Angsi and TCOT Related Works) contract from PETRONAS Carigali Sdn. Bhd..

2017

Collaborate with Emas Energy Services (Thailand) Limited to pursue tender bids involving decommissioning, well plug and abandonment services.

Secured its first ever (3+1 years) EPCIC contract from ROC Oil. Sarawak.

Secured Maintenance, Construction and Modification ("MCM") Services for Peninsular Malaysia Operations – Oil from PETRONAS Carigali Sdn. Bhd..

2016

Received delivery of new built Accommodation Work Boat, Carimin Acacia. Acquired Noblecorp Builders Sdn. Bhd. now known as Carimin Bina Sdn. Bhd. and diversify into general Contracting Business and geotechnical engineering.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Kamaruzzaman Bin Shariff
Non-Independent
Non-Executive Chairman

Mokhtar Bin Hashim
Managing Director

Wong Kong Foo
Executive Director

Lim Yew Hoe
Executive Director

Yip Jian Lee
Independent Non-Executive Director

Mohd Rizal Bahari Bin Md Noor
Independent Non-Executive Director

Muhammad Khadzir Bin Abdul Mutalib
Independent Non-Executive Director
(Appointed on 12 August 2024)

AUDIT COMMITTEE

Yip Jian Lee (Chairman)
Mohd Rizal Bahari Bin Md Noor
Muhammad Khadzir Bin Abdul Mutalib
Tan Sri Dato' Kamaruzzaman Bin Shariff

NOMINATION & REMUNERATION COMMITTEE

Mohd Rizal Bahari Bin Md Noor (Chairman)
Tan Sri Dato' Kamaruzzaman Bin Shariff
Yip Jian Lee

RISK MANAGEMENT COMMITTEE

Mohd Rizal Bahari Bin Md Noor (Chairman)
Muhammad Khadzir Bin Abdul Mutalib
Mokhtar Bin Hashim

COMPANY SECRETARY

Tea Sor Hua
(MACS 01324)
SSM PC No. 201908001272

Winnie Goh Kah Mun
(MAICSA 7068836)
SSM PC No. 202308000205

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan
Tel : 03-2783 9299
Fax : 03-2783 9222
Email : is.enquiry@vistra.com

REGISTERED OFFICE

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya, Selangor
Tel : 03-7725 1777
Fax : 03-7722 3668
Email : cms_cospec@yahoo.com

HEAD OFFICE

B-1-6, Block B, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan
Tel : 03-2168 7000
Fax : 03-2164 2199/ 03-2171 1792
Website : www.carimin.com

KEMAMAN YARD

Lot 3691
Kawasan Industri Telok Kalung
MIEL, 24007 Telok Kalung
Kemaman, Terengganu
Tel : 09-8623 477/ 09-8631 067
Fax : 09-8631 513

AUDITOR

Crowe Malaysia PLT
Firm No. 201906000005
(LLP0018817-LCA) & AF 1018
Chartered Accountants
Level 16, Tower C
Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Wilayah Persekutuan
Tel : 03-2788 9999
Fax : 03-2788 9998

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
Ambank (M) Berhad
Maybank Islamic Banking Berhad
Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad

STOCK INFORMATION

Bursa Malaysia Securities Berhad
Main Market
Stock Name : CARIMIN
Stock Code : 5257

CORPORATE STRUCTURE

CARIMIN PETROLEUM BERHAD
Registration No.: 201201006787 (908388-K)
(Incorporated in Malaysia)

100%
CARIMIN SDN. BHD.
Manpower supply services

100%
CARIMIN ENGINEERING SERVICES SDN. BHD.
Construction, Offshore hook up and commissioning and topside major maintenance services

- 100%
  FAZU RESOURCES (M) SDN. BHD.
  Dormant

100%
CARIMIN CORPORATE SERVICES SDN. BHD.
Project management services

100%
CARIMIN EQUIPMENT MANAGEMENT SDN. BHD.
Management of fabrication yards and equipment rental services

100%
CARIMIN MARINE SERVICES SDN. BHD.
Chartering of offshore support vessel

- 100%
  CARIMIN AIRIS OFFSHORE SDN. BHD.
  Chartering of offshore support vessel
- 100%
  CARIMIN ACACIA OFFSHORE SDN. BHD.
  Chartering of offshore support vessel
- 15%
  SYNERGY KENYALANG OFFSHORE SDN. BHD.
  Chartering of offshore support vessel

60%
CARIMIN SUBSEA SDN. BHD.
Engaging in subsea underwater inspections, repairs and maintenance services

100%
CARIMIN RESOURCES SERVICES SDN. BHD.
Dormant

60%
CARIMIN BINA SDN. BHD.
General contracting work and trading of geosynthetic products

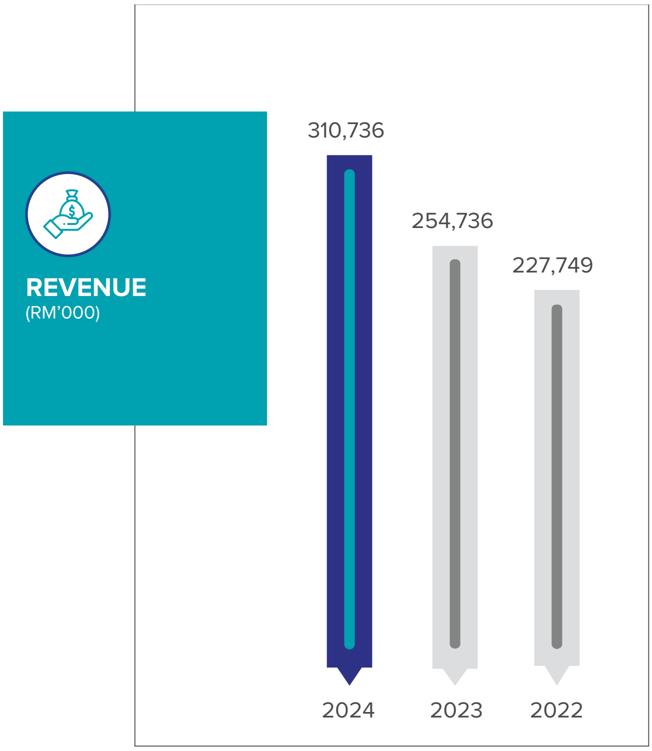
100%
UNIBLUE MARINE SDN. BHD.
Dormant

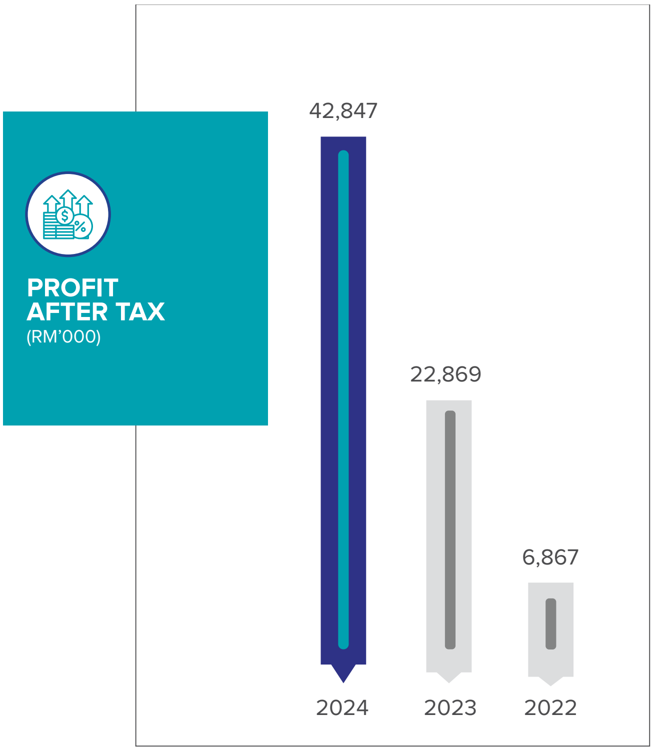
Civil Engineering
Dormant
Oil & Gas Supported Services

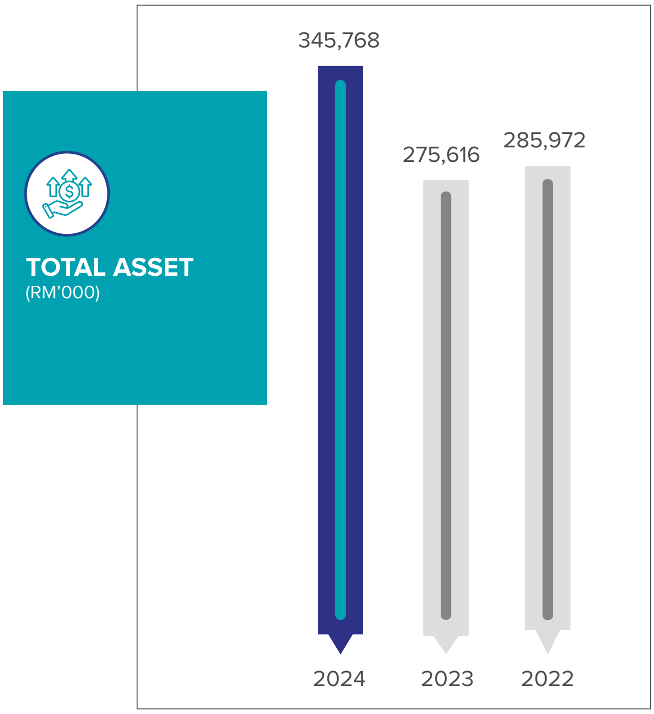
FINANCIAL **HIGHLIGHTS**

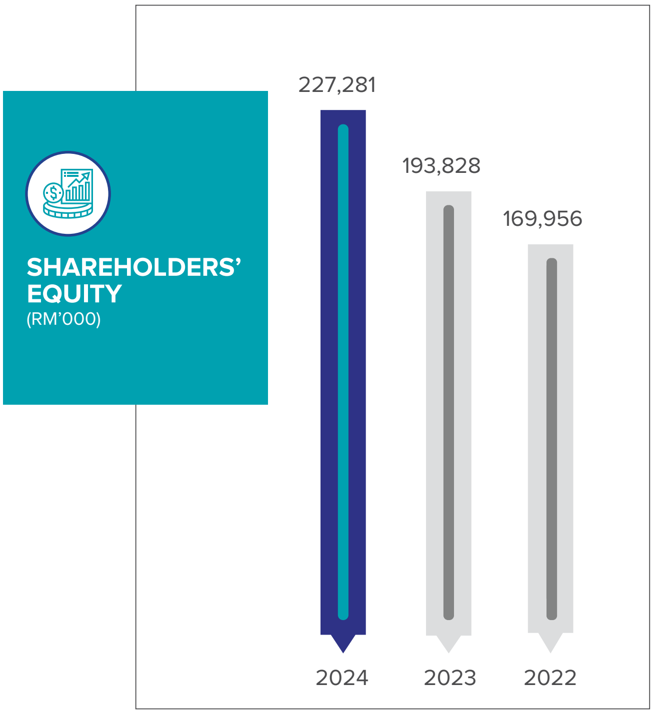
	2024 RM'000	2023 RM'000	2022 RM'000
Financial Results			
Revenue	310,736	254,736	227,749
Profit before tax	49,838	27,228	10,872
Profit after tax	42,847	22,869	6,867
Net profit attributable to:			
Owners of the company	42,809	22,946	6,543
Non - controlling interest	38	(77)	324
Financial Position			
Assets			
Property, plant and equipment	127,891	92,855	91,471
Right-of-use assets	7,442	7,582	1,937
Investments	590	590	590
Current assets	209,845	174,589	191,974
Total assets	345,768	275,616	285,972
Equity			
Share capital	149,385	149,385	149,385
Reserves	77,896	44,443	20,571
Total equity attributable to owners of the company	227,281	193,828	169,956
Non-controlling interests	54	16	205
Liabilities			
Deferred tax liabilities	4,259	36	36
Bank borrowing	10,785	8,054	25,110
Lease liabilities	458	541	300
Current liabilities	102,931	73,141	90,365
Total equity and liabilities	345,768	275,616	285,972
WA no. of ordinary share	233,878,000	233,878,000	233,878,000
Financial Indicators			
Earnings per share (sen)	18.30	9.81	2.80
Net dividend per share (sen)	3.50	2.00	5.50
Net assets per share (RM)	0.97	0.83	0.73
Return on equity (%)	18.85	11.84	3.85

FINANCIAL HIGHLIGHTS









DIRECTORS' **PROFILE**

TAN SRI DATO' KAMARUZZAMAN BIN SHARIFF

Non-Independent Non-Executive Chairman

Nationality:	**Age:**	**Gender:**
Malaysian	82	Male

Date of Appointment:
7 January 2014

Board Meetings Attendance:

Tan Sri Dato' Kamaruzzaman Bin Shariff was appointed to the Board on 7 January 2014 as our Non-Independent Non-Executive Chairman. He is a member of the Audit Committee and Nomination and Remuneration Committee of the Company. He attended all seven (7) Board Meetings held in the financial year.

He graduated with a Bachelor of Arts Degree from the University of Malaya in 1964 and obtained a Diploma in Public Administration from Carleton University, Canada in 1969. Later in 1979, he obtained a Master's in Public Administration from Syracuse University, United States. In 1964, his career started as a Government Service Officer with the Ministry of Education. He then joined the Public Service Department in 1972 as an Assistant Secretary. He then served in the Prime Minister's Department from 1980 to 1988, where he was the Director of External Assistance and General Affairs for the Economic Planning Unit from 1980 to 1983, and the Secretary of the Cabinet Division from 1983 to 1988. He was then appointed as the Penang State Secretary later that same year. Subsequently in 1992, he returned to the Public Service Department as Deputy Director General and, in the same year, he was appointed as Secretary General of the Ministry of Defence. He was Mayor of Kuala Lumpur from 1995 to 2001. He was appointed as a Director of our Group in 2004.

He does not hold directorships in any other public companies and listed issuers.

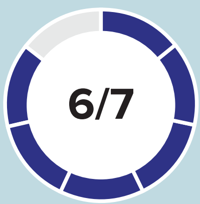
MOKHTAR BIN HASHIM

Managing Director and Key Senior Management

Nationality:	**Age:**	**Gender:**
Malaysian	65	Male

Date of Appointment:
7 January 2014

Board Meetings Attendance:



Mokhtar Bin Hashim was appointed to the Board as our Managing Director on 7 January 2014. He is a member of the Risk Management Committee of the Company. He attended six (6) out of seven (7) Board Meetings held in the financial year.

In 1976, he obtained a Malaysian Certificate of Education from the Royal Military College, Sungai Besi, and completed his A-Levels at Llandrillo Technical College, United Kingdom in 1979. In 1982, he graduated with a Bachelor of Science Degree in Civil Engineering from the University of Salford, United Kingdom and in the same year, he started his career with the Public Works Department as a Road Design Engineer. In 1984, he left the Public Works Department and joined Esso Malaysia where he held various posts including Project Construction Supervisor, Senior Contracts Engineer/Administrator, Senior Construction Engineer, Senior Off-Take and Structures Engineer, Lead Construction Supervisor and Senior Fabrication Supervisor. Subsequently in 1994, he left Esso Malaysia and joined our Group. Since then, he has been instrumental in the growth and development of our Group. As the Managing Director, he is currently responsible for the overall management and charting strategic directions of our Group.

He does not hold directorships in any other public companies and listed issuers.

DIRECTORS' PROFILE

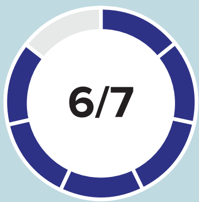
WONG KONG FOO

Executive Director and Key Senior Management

Nationality: Malaysian
Age: 64
Gender: Male

Date of Appointment: 27 October 2022

Board Meetings Attendance:



Wong Kong Foo was appointed to the Board as our Executive Director on 27 October 2022 and attended six (6) out of seven (7) Board meetings of the Company held in the financial year. He is responsible for overseeing the Group's Investments and Business Strategy.

With a career spanning more than three decades, his entrepreneurship has achieved excellence in corporate management, startups, manufacturing, mergers, acquisitions, and strategic investments. His track record includes successfully nurturing startups, where he transforms innovative ideas into thriving businesses that contribute to industry dynamism. Notably, he founded Emas Kiara Group, a crowning achievement in his career. Under his leadership, he established state-of-the art facilities with internationally accredited laboratories, ensuring top-notch product quality and excellence. Emas Kiara Group swiftly rose to prominence as a leading producer of geosynthetics and industrial textiles in Asia, exporting products globally.

Furthermore, in his involvement in mergers and acquisitions, among others, he spearheaded the acquisition of Southcorp Industries Sdn. Bhd. from Southcorp Group of Australia and Alidrain Co Ltd from Canada. These strategic acquisitions seamlessly integrated into Emas Kiara Group, ultimately leading to a successful listing on Kuala Lumpur Stock Exchange (KLSE) in 2004. He eventually exited the Group by divesting his interests in 2016.

In the realm of strategic investments, his early investment in Carimin Group, coupled with his prior experience in listing Emas Kiara Group, rendered him a valuable asset in assisting Carimin Group with its listing in 2014.

Currently, his ventures encompass a diverse spectrum, including real estate, property development, civil engineering, credit financing, and asset management. This reflects his enduring passion for innovation and strategic thinking.

He does not hold directorships in any other public companies and listed issuers.

LIM YEW HOE

Executive Director and Key Senior Management

Nationality: Malaysian
Age: 56
Gender: Male

Date of Appointment: 19 April 2016

Board Meetings Attendance:

Lim Yew Hoe was appointed to the Board as our Executive Director on 19 April 2016 and attended all seven (7) Board meetings held during the financial year. He is responsible for overseeing the Group's corporate matters, finance, and business development.

He joined the Emas Kiara Group in 1996, where his career transitioned from finance to operations management, covering trading, manufacturing, sales & marketing, engineering services, corporate, and business development. He served as the Group's Chief Operating Officer till 2003, and following the public listing of Emas Kiara Industries Berhad on Bursa Malaysia Securities Berhad in 2004, he was appointed an Executive Director, holding the position until February 2016. In 2001, he obtained an Executive Master's in Business Administration from Greenwich University, Australia.

Currently, he has directorships in several private limited companies which are involved in construction engineering services, credit financing, investment holding and property development but not in any other public companies and listed issuers.

DIRECTORS' PROFILE

YIP JIAN LEE

Independent Non-Executive Director

Nationality: Malaysian
Age: 69
Gender: Female

Date of Appointment:
7 January 2014

Board Meetings Attendance:

Yip Jian Lee was appointed to the Board as an Independent Non-Executive Director on 7 January 2014. She is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee of the Company. She attended all seven (7) Board meetings held in the financial year.

She qualified as a Chartered Accountant with the Institute of Chartered Accountants, England & Wales in 1981, and is a member of the Malaysian Institute of Accountants since 1984. She completed her articleship with Hays Allan, United Kingdom between 1977 and 1981. She joined PricewaterhouseCoopers Taxation Services Sdn. Bhd. in 1982, where she was a Tax Supervisor. She then joined Hong Leong Assurance Berhad in 1985 as a Finance & Admin Manager. Later that year, she joined the Institute of Bankers Malaysia as a Director where she served for 15 years before leaving in 2000.

Currently, she is on the Board of Land & General Berhad and PPB Group Berhad.

MOHD RIZAL BAHARI BIN MD NOOR

Independent Non-Executive Director

Nationality: Malaysian
Age: 53
Gender: Male

Date of Appointment:
14 February 2014

Board Meetings Attendance:

Mohd Rizal Bahari Bin Md Noor was appointed to the Board as an Independent Non-Executive Director on 14 February 2014. He is the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee and Risk Management Committee of the Company. He attended all seven (7) Board Meetings held in the financial year.

He is currently practising law in Messrs. Bahari & Bahari. He graduated with a LLB (Hons) Degree from the University of Newcastle Upon Tyne, United Kingdom in 1993. In 1994, he completed his Certificate of Legal Practice and was admitted to the Malaysian Bar in 1995. He has also completed Level 2 (Certificate) of the Chartered Association of Certified Accountants in 1994.

He does not hold directorships in any other public companies and listed issuers.

DIRECTORS' PROFILE

MUHAMMAD KHADZIR BIN ABDUL MUTALIB

Independent Non-Executive Director

Nationality:	Age:	Gender:
Malaysian	65	Male

Date of Appointment:
12 August 2024

Muhammad Khadzir Bin Abdul Mutalib was appointed as an Independent Non-Executive Director on 12 August 2024. He is a member of the Audit Committee and Risk Management Committee of the Company. He did not attend any Board meetings of the Company held during the financial year ended 30 June 2024 as he was only appointed to the Board on 12 August 2024.

He graduated with an International Baccalaureate Diploma from the United World College in Victoria, British Columbia, Canada in 1979 and holds a Degree in Civil Engineering from McGill University, Montreal, Canada.

He started his career with HSS Consult Sdn. Bhd. in 1984 as a Design and Project Engineer for State Jabatan Kerja Raya and residential development projects. In 1990, he joined Esso Production Malaysia Incorporated (EPMI) in the Offshore Division (OFD) based at Kerteh, Terengganu. He was Facilities Engineer supporting two offshore field production platforms and later assigned as the Production Shutdown (S/D) and Offshore Work Planning Coordinator and Operations Analyst.

He was transferred to the Development Projects Division (DPD) in Kuala Lumpur to the Construction Group as a Group Supervisor. He had management oversight of the construction and Quality Assurance/Quality Control of the development projects. He was the custodian for the maintenance of DPD's Construction Management and Quality Assurance Systems. He was seconded to the Cost Reduction Alliance (CORAL) Task force in the Petroleum Management Unit of PETRONAS. CORAL developed strategies and plans through interactions and engagements with the industry Exploration & Production and service providers to address the issues and challenges of small field developments then.

He left EPMI to join the services sector, initially with Sapura Energy Sdn. Bhd. to build on its start-up and business development. He later joined Shapadu Energy and Engineering Sdn. Bhd., a Hook Up & Commissioning company to head its operations and business development, and MTU Sdn. Bhd. a marine engine maintenance company and supplier, to head its operations and execution of its maintenance contracts.

He became an Independent Consultant and worked on SapuraCrest Bhd. entry into the E&P business. He participated in oil and gas field due diligences in Russia, the Middle East, India, South East Asia and Australia. During this period, he had joint production operation of an onshore 'brownfield' in Cepu, Central Java, Indonesia.

He does not hold any directorships in any other public companies and listed issuers.

Notes:
1. None of the Directors have family relationships with any Directors and/or major shareholders of the Company.
2. None of the Directors have any conflict of interests with the Company.
3. None of the Directors have been convicted of any offences within the past five (5) years or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 30 June 2024 other than for traffic offences (if any).

KEY SENIOR **MANAGEMENT PROFILE**

MOHD ZAMZURI YUSOFF

Group Chief Operating Officer

Nationality:	Age:	Gender:
Malaysian	49	Male

Mohd Zamzuri Yusoff is the Group Chief Operating Officer of Carimin. He graduated from University Technology of Malaysia with a Bachelor of Chemical Engineering (Major in Gas) in 1999. His first job in 1999 was as a Project Engineer in Right Gas Sdn. Bhd. focusing on onshore pipeline construction for Peninsular Gas Utilization loop line. Subsequently in 2005, he moved to Oil, Gas and Plant ("OGP") Technical Services, a subsidiary of PETRONAS as a Senior Mechanical/Piping Engineer responsible for Procurement, Construction and Commissioning package for Miri Crude Oil Terminal Rejuvenation and Malaysia Liquefied Natural Gas 2 Debottlenecking project. He left OGP Technical Services and joined Kencana HL Sdn. Bhd. in 2008 as a Senior Project Engineer.

In 2009, he left Kencana HL Sdn. Bhd. and joined Carimin Engineering Services Sdn. Bhd. as a Project Manager. He was later promoted to General Manager in 2017. In April 2021, he advanced to Group Chief Operating Officer, and in October 2024, he assumed the role of Chief Executive Officer of Carimin Engineering Services Sdn. Bhd..

ANNUAR BIN TUMAR

Chief Operating Officer of Carimin Engineering Services Sdn. Bhd.

Nationality:	Age:	Gender:
Malaysian	56	Male

Annuar Bin Tumar joined Carimin in February 2020 as a General Manager for Projects. He served as Project Director for the i-HUC Contract with Petronas Carigali Sdn. Bhd. from January 2020 until December 2024. In February 2024, he has been promoted to the role of Chief Operating Officer of Carimin Engineering Services Sdn. Bhd..

He completed his Bachelor of Science in Civil Engineering degree from Valparaiso University, Indiana, USA in 1991 and has 30 years of experience in upstream and downstream construction segment of oil and gas industry. His experience is primarily in project and/or construction management with the last 15 years being in senior management and leadership positions and has held various management positions including Chief Executive Officer, Chief Operating Officer and Operations Director.

KEY SENIOR MANAGEMENT PROFILE

PATRICK CHOONG

General Manager - Finance

Nationality:	Age:	Gender:
Malaysian	49	Male

Patrick Choong joined Carimin in April 2016 as Corporate Finance Manager. He is currently the General Manager of Finance heading the Finance department of Carimin. He graduated from Association of Chartered Certified Accountants (ACCA) and is a member of Malaysia Institute of Accountant (MIA).

He began his career in 1997 and has over 20 years of working experience in finance operation, reporting and corporate finance across various industries such as investment holding, civil engineering, property development, management services and as well as oil & gas industry.

HUSNEE BIN HASAN

General Manager - PMT

Nationality:	Age:	Gender:
Malaysian	58	Male

Husnee Bin Hasan graduated as a Civil Engineer (BsCE) from the George Washington University, Washington DC, USA.

He started his oil and gas career in 1991, serving Petronas Carigali Sdn. Bhd. ("PCSB") for 23 years involved in fabrication, hook-up and commissioning, and operation of PETRONAS platforms. He shifted his career into oil and gas service provider sector in 2014.

He eventually joined Carimin Engineering Services Sdn. Bhd. ("CESSB") as a General Manager-PMT in June 2024, overseeing all projects undertaken by CESSB under integrated Hook-Up and Commissioning Contract, Maintenance, Construction and Modification Contract and Onshore Pipeline Project.

Notes:
1. None of the Key Senior Management holds directorships in public companies and listed issuers.
2. None of the Key Senior Management personnel has any family relationships with any Directors and/or major shareholders of the Company.
3. None of the Key Senior Management has any conflict of interests with the Company.
4. None of the Key Senior Management has been convicted of any offences (other than traffic offences, if any) within the past five (5) years or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 30 June 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

DEAR VALUED SHAREHOLDERS,

Carimin Petroleum Berhad ("Carimin" or "the Group") delivered another stellar performance for the financial year ended 30 June 2024 ("FY2024"), showcasing our ability to thrive amidst uncertainty in the oil and gas market. We surpassed the RM300 million revenue mark and our profit after tax ("PAT") soared over 87% to RM42.8 million. This impressive growth was largely driven by increased offshore activities, improved charter rates for our marine assets and a vessels impairment write-back. These factors collectively propelled our bottom line forward, highlighting our operational efficiency and adaptability.

Our core operations continued to deliver mixed performances in FY2024. The Construction, Hook Up & Commissioning, and Topside Major Maintenance ("CHUCTMM") Division remained the primary revenue generator, capitalising on the surge in work orders under the integrated Hook Up and Commissioning ("iHUC") and Maintenance, Construction, and Modification ("MCM") contracts awarded by PETRONAS Carigali Sdn. Bhd. ("PCSB"). The intensification of domestic oil and gas activities played a significant role in fuelling this division's growth. Our Manpower Services ("MPS") Division too achieved solid results, driven by higher payroll for specialised personnel to support these expanding operations.

While our Marine Services ("MS") Division registered decreased in vessel utilisation despite higher charter rates for our own vessels, its overall revenue performance was affected due to PCSB's decision to take over the role as the provider of third-party vessels for MCM and iHUC operations.

MANAGEMENT DISCUSSION AND ANALYSIS

To capitalise on the improved charter rates and higher demand for offshore supply vessels ("OSVs"), the division has invested in a new fast crew boat, which will significantly enhance our revenue earnings.

In contrast, our Civil Construction ("CC") Division had a relatively quiet year. It is considering shifting its business direction and is exploring potential ventures in the renewable energy ("RE") sector in tandem with Malaysia's national sustainability agenda. This venture into RE is a step towards securing future growth opportunities.

Throughout FY2024, we also made significant strides in improving our operational efficiencies and maintaining a strong financial footing. Our prudent management of debt and cash flow resulted in a healthy balance sheet, despite higher capital expenditure. We further bolstered our cash reserves, reinforcing our financial resilience and stability.

FY2024 was a fruitful year for Carimin, underscored by our focused approach to operational excellence and strategic expansion. As we continue to explore new business opportunities, including the expansion of our marine services and technical capabilities, we remain cautiously optimistic about our future. Our unwavering commitment to creating value for our stakeholders will guide us as we steadfastly navigate an evolving and challenging landscape.

THE EVER-EVOLVING ENERGY LANDSCAPE

The financial period under review continued to be shaped by evolving dynamics in the global and domestic energy sectors, marked by both opportunities and challenges.

> We surpassed the RM300 million revenue mark and our profit after tax ("PAT") soared over 87% to RM42.8 million. This impressive growth was largely driven by increased offshore activities, improved charter rates for our marine assets and a vessels impairment write-back.

Adapting to Ongoing Oil Price Volatility

The global energy market continues to navigate a complex landscape marked by geopolitical tensions, notably the Russia-Ukraine and Middle East conflicts, which have significantly influenced crude oil price volatility.

According to US Energy Information Administration ("EIA") reports, Brent Crude oil prices averaged USD83 per barrel throughout 2023, a decrease from the 2022 average of USD101 per barrel. The EU's import ban on Russian oil, coupled with global central banks' interest rate hikes as well as widespread inflation and recession fears, contributed to significant price fluctuations in the first half of the year.

The latter half of 2023 saw continued volatility due to geopolitical tensions and fluctuating oil demand. Significant events that impacted the year's oil prices included Saudi Arabia's announcement in early September 2023 that it would extend its production cuts until the end of the year.

Subsequently, commercial crude oil inventories dropped to very low levels, briefly pushing Brent Crude prices to an annual high of USD98 per barrel by late September. However, after peaking, prices declined before rising to USD91 per barrel in early October amid the Israel-Hamas conflict. As fears of extended conflict and supply disruptions subsided, Brent Crude prices trended downward again, closing the year at USD78 per barrel despite ongoing geopolitical tensions.[1]

At the onset of 2024, Brent Crude opened at USD76 per barrel, climbing to USD93 by early April due to renewed tensions in the Middle East and concerns over a tighter supply-demand balance. Disruptions in Russian refineries and OPEC+'s enforcement of production cuts further strained the market. By June 2024, prices stabilised at just over USD87 per barrel but later declined to around USD70 per barrel by September, driven by a downturn in global oil demand growth, particularly from China, and ongoing supply losses in Libya.[2]

1 *Extracted from an article on the US Energy Information Administration ("EIA") website titled "Brent crude oil prices averaged $19 per barrel less in 2023 than 2022" dated 2 January 2024 – refer https://www.eia.gov/todayinenergy/detail.php?id=61142*

2 *Extracted from April and September 2024 publications of the International Energy Agency or IEA's "Oil Market Report" – refer https://www.iea.org/reports/oil-market-report-april-2024 and https://www.iea.org/reports/oil-market-report-september-2024*

MANAGEMENT DISCUSSION AND ANALYSIS

As the year progresses, expectations of rising oil prices persist due to escalating Middle East tensions, indicating a continuing trend of market sensitivity to geopolitical developments. While geopolitical tensions, particularly in oil-producing regions, will continue to influence oil prices, it is envisaged that the regulatory efforts by OPEC+ to manage production will continue to provide some stability.

Despite global economic uncertainties and oil price volatility, Carimin Group remains vigilant and prepared for potential shifts in capital expenditure by our clients and any resulting project delays within the sector. We are confident about our resilience and ability to navigate these challenging market conditions moving forward.

Leveraging Energy Transition Growth Opportunities

While the demand for fossil fuels has remained robust in recent years, unmistakable signs are pointing towards a transformative shift. The International Energy Agency ("IEA") forecasts that global demand for coal, oil, and natural gas will peak before 2030, as the momentum towards clean energy transitions accelerate. Historically, fossil fuels have comprised around 80% of the global energy supply; this figure is projected to decrease to 73% by 2030. This decline is being fuelled by the burgeoning deployment of renewables, the expansion of electrification, and a gradual shift toward lower-emission fuels.[3]

Investments in clean energy are set to escalate over the next few years, particularly in key markets such as China, Europe, and the US. These regions are increasingly throwing their support behind renewable technologies and electrification initiatives. Notably, electric vehicle sales are expected to account for half of all new car registrations in the US by 2030, underscoring a swift pivot towards cleaner transportation modalities. Furthermore, China continues to spearhead the global energy transition, dominating the addition of solar and wind energy capacities. However, its economic deceleration is projected to dampen fossil fuel demand in the short term.[3]

In Malaysia, the energy sector continues to grapple with resource constraints, including shortages of skilled workers and equipment, which have been made worse by the pandemic and the industry's prior downturn. In response, Carimin has intensified efforts to bridge the skills gap through mentorship programmes and collaborations with the Malaysia Oil & Gas Services Council ("MOGSC").

The domestic oil and gas sector continues to show resilience, supported by the comprehensive National Energy Policy 2040 ("NEP 2040") framework that aims to optimise the value of national oil and gas resources as well as position the nation to seize growth opportunities emanating from the global energy transition. The rollout of the Bursa Carbon Exchange ("BCX" – the world's first shariah-compliant carbon exchange) and sustainable energy policies such as the National Energy Transition Roadmap ("NETR"), together with other energy frameworks including the Malaysia Renewable Energy Roadmap ("MyRER"), reinforce Malaysia's leadership in clean energy development. The growing focus on RE

3 *Extracted from the International Energy Agency's "World Energy Outlook 2023: Executive Summary" published in October 2023 – refer https://www.iea.org/reports/world-energy-outlook-2023/executive-summary*

MANAGEMENT DISCUSSION AND ANALYSIS

and the country's strategic plans to integrate more sustainable energy sources are driving significant changes in the sector. PETRONAS remains a key player, adapting to the evolving landscape with continued investments in both traditional and renewable energy segments.

While the overall operating environment in Malaysia is benefiting from high domestic production targets and the stabilisation of Brent Crude prices, challenges such as maintaining resource availability and transitioning towards a lower-carbon energy mix will continue to shape the sector's outlook in the coming years.

Fully attuned to these global and domestic trends, Carimin is actively pursuing opportunities to align with evolving market demand and Malaysia's national sustainability goals. As mentioned above, we are exploring potential opportunities in the RE sector, where our CC Division is developing its resources to meet the rising demand for clean energy solutions. This initiative supports Malaysia's commitment to reducing its carbon footprint and ensures we are well prepared to capitalise on growth opportunities in the clean energy solutions space.

Simultaneously, we are strengthening the Group's operational and technical capabilities to pursue offshore decommissioning projects as well as getting involved in exploration and production ("E&P") activities which present a step-up in our business. This would enable Carimin to position itself and benefit from industry shifts for long-term sustainable growth.

THE CARIMIN GROUP AND OUR BUSINESS STRATEGY

Today, Carimin continues to be recognised as one of the leading Malaysian oil and gas service providers, delivering technical and engineering support across four key business segments, namely the CHUCTMM, MPS, MS, and CC segments. Our strategy remains focused on enhancing our capabilities and forging strategic alliances to drive growth and value creation within each of these segments.

The CHUCTMM segment is expanding through targeted initiatives to secure more contracts with PETRONAS and other Petroleum Arrangement Contractors ("PACs"). Notably, the addition of engineering, procurement, construction, and commissioning ("EPCC") capabilities for onshore gas pipeline infrastructure has positioned us

MANAGEMENT DISCUSSION AND ANALYSIS

favourably to capture more opportunities in the energy sector. Our joint venture with a local company, Evolusi Bersatu Sdn. Bhd., qualified and strengthened our bids for the Pan-Malaysia MCM and HUC packages in the Sabah region. We also anticipate ongoing projects spilling over into the second quarter of 2025, ensuring sustained momentum in this segment.

The MPS segment continues to meet the increasing demand for technical expertise as more oil and gas projects come online. Our goal remains to be the preferred provider of manpower services in both the upstream and downstream sectors, further solidifying our market position as a trusted supplier of specialised personnel.

The MS Division is integral to supporting CHUCTMM projects by offering marine vessel charter and subsea underwater inspection, repair, and maintenance ("IRM") services. In January 2024, we renewed our Agency Agreement with DOF Subsea Asia Pacific Pte. Ltd. ("DOF") to promote and market DOF's vessel assets and services, including Remotely Operated Vessels ("ROVs") in Malaysia. This partnership enables us to bid for subsea contracts, positioning the MS Division for further growth. Given the increasing demand in this segment, we strive to achieve high utilisation and better rates for our vessels.

As mentioned earlier, the addition of a new fast crew boat to our stable enhances our fleet's capacity. With the growing demand for marine vessels in Malaysia, exacerbated by older vessels retiring, this acquisition positions us well to tap into new revenue streams from additional chartering.

Through strategic alliances, capability expansion, and a focus on high-value opportunities, Carimin remains committed to delivering sustainable value creation across all business segments.

Our Short-term Priorities

Global socioeconomic tensions and macroeconomic challenges notwithstanding, the outlook for Malaysia's oil and gas industry is marked by promising opportunities and certain challenges. PETRONAS expects domestic oil and gas production to peak at around 2 million barrels of oil equivalent per day by the end of 2024.[4] Additionally, BMI, a unit of Fitch Solutions, anticipates strong growth in Malaysia's liquefied natural gas ("LNG") production, driven by the startup of key projects such as SapuraOMV's Jerun gas field, which began production in July 2024. The Jerun project is expected to produce approximately 550 million standard cubic feet per day at peak capacity, contributing to Malaysia's LNG growth prospects.[5]

This marks a critical moment for the industry, aiming to support growing energy demands while also transitioning towards lower-carbon solutions as outlined in PETRONAS's Net Zero Carbon Emissions ("NZCE") 2050 pathway.

The focus on sustainable practices and decarbonisation is expected to provide numerous opportunities for both local and international industry players to invest in the evolving energy landscape.

Carimin's strategic value creation efforts are aligned with these industry developments. The surge in domestic production and the emphasis on engineering, procurement, construction, installation, and commissioning ("EPCIC") projects present a favourable environment for our CHUCTMM segment. This segment is well-positioned to capitalise on the heightened demand for offshore maintenance, construction, and modification activities. The PETRONAS Activity Outlook 2024 - 2026[6] highlights the continued growth of these services, particularly as operators are looking for innovative ways to improve the economics of new projects and meet the increasing demand for local capabilities.[6]

4 *Extracted from an article in Offshore Malaysia titled "Malaysia's state-owned Petronas sees domestic oil and gas output peaking by 2024" dated June 27 2023 – refer https://www.offshore-technology.com/news/petronas-oil-and-gas-output-peak-2024/*
5 *Extracted from an article in The Edge Malaysia titled "Malaysia will see strongest LNG production growth in short and medium term, says BMI" dated September 27 2024 – refer https://theedgemalaysia.com/node/728237*
6 *Adapted from the PETRONAS Activity Outlook 2024 - 2026 – refer https://www.petronas.com/activity-outlook-2024-2026/*

MANAGEMENT DISCUSSION AND ANALYSIS

As the industry looks to increase production while addressing the need for decarbonisation and efficiency, Carimin's expanded asset base and partnerships position the Group to take full advantage of these emerging opportunities, thereby contributing to both sector growth and sustainability initiatives.

The readiness of our yard facilities in Kemaman will further support our ability to deliver on large-scale projects by the end of 2024, thereby enhancing our operational capabilities and expanding our footprint in the oil and gas market. Our ongoing initiatives, such as the acquisition of additional equipment and expansion of resources, will ensure that the Group remains at the forefront of the industry, contributing to sustainable value creation for our stakeholders.

Our Mid-to Long-Term Strategies

Carimin remains strategically positioned for significant growth, leveraging key industry developments to drive sustained revenue. We will continue to focus on expanding our EPCC business, with ongoing plans to set up a yard in Labuan thereby supporting local industry initiatives. The successful delivery of our Bougainvillea project demonstrates our strengths and capabilities in onshore pipeline construction works and provides us with a competitive edge. This augurs well for our plan to expand our presence in this segment.

We are also exploring opportunities in carbon capture and storage ("CCS") clusters, with PETRONAS planning the conversion of depleted gas fields for carbon storage. With our core expertise in the CHUCTMM segment, we aim to contribute to the sustainable growth of CCS-related activities.

Moving forward, we will increase our efforts to scale up our activities in East Malaysia in the year 2025 and expand our capabilities across key strategic areas to ensure continued value creation in Malaysia's evolving energy landscape.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE IN FY2024

Overview

For the financial year ended 30 June 2024 or FY2024, the Carimin Group delivered strong results, with revenue increasing by 22% or RM56.0 million, rising from RM254.7 million to RM310.7 million. This growth was driven by improved demand for oil and gas activities, along with increased service support for the MCM and iHUC projects, which the Group successfully capitalised on.

Aligned with the rise in revenue, the Group's PAT grew by 86.9% or RM19.9 million, from RM22.9 million in FY2023 to RM42.8 million in FY2024. This significant increase was primarily fuelled by expanded offshore activities under the CHUCTMM segment and improved charter rates from our marine assets. The Group's PAT had included an expected credit loss ("ECL") write-back on our vessels of RM21.0 million. However, we also accounted for an additional RM2.0 million ECL due to an extended restraining order on a major customer, now effective until March 2025.

The period in review saw us posting a lower gross profit ("GP") margin of 16.2% in comparison to a GP margin of 18.7% in FY2023. This decrease in our GP margin was due to the recognition of the completion of the B11 compressor changeout project under our iHUC contract in the previous financial year.

The CHUCTMM division contributed the bulk or approximately 64.9% of the Group's total revenue in FY2024. During the year, its revenue increased by 40.8% or RM58.4 million, from RM143.2 million in FY2023 to RM201.6 million in FY2024. The contribution to the increase came from the gas cluster and shallow clastic offshore projects under its MCM and iHUC contracts respectively.

Meanwhile, the MPS Division which garnered some 21.5% of the year's revenue, recorded a 15.8% or RM9.1 million increase in revenue, from RM57.7 million in the preceding year to RM66.8 million in FY2024. This revenue increase came on the back of higher payroll and reimbursable claims.

In FY2024, the MS Division's revenue declined by 21.4% or RM11.5 million from RM53.8 million to RM42.3 million following a reduction in the supply of third-party vessel charters. Overall, the MS Division contributed 13.6% of the Group's total revenue in FY2024.

The Group's achievement of higher revenue and PAT, despite a challenging operating environment, underscores the resilience of our business model and the effectiveness of our strategies. Our ability to perform during uncertainties has not only demonstrated our strength but positioned the Group more competitively to seize emerging opportunities as oil and gas activities gain momentum. We are now better equipped to capitalise on the upward shift in the industry, driving continued growth and value creation.

Liquidity and Capital Resources

As at 30 June 2024, the Group's total cash and cash equivalents stood at RM55.0 million (excluding pledged funds). This was a 19.6% or RM9.0 million increase from the RM46.0 million (excluding pledged funds) registered as at 30 June 2023 due to improved operating activities. Of the RM73.8 million in hand, approximately RM24.8 million was placed in short-term investments with financial institutions, some RM17.7 million was placed in fixed deposits as security for the bank facilities granted to the Group, while the remainder took the form of cash and cash balances.

During the period in review, capital expenditure amounting to some RM1.5 million was utilised for the purchase of operation tools and equipment for use in projects, while another RM8.2 million was invested for the development of the yard at Kemaman. Other major outflows for FY2024 included a deposit of RM7.0 million for the acquisition of a fast crew boat to increase our marine vessel fleet and a scheduled dry dock for one of our vessels amounting to RM3.9 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Gearing Ratio

As at the end of FY2024, Carimin's gearing ratio increased marginally to 0.05 times, up from 0.04 times in FY2023 primarily due to higher capital expenditure. The increase was attributable to additional term loans drawn to finance the development of the Kemaman yard and Labuan land acquisition. Shareholder equity rose from RM193.8 million in FY2023 to RM227.3 million in FY2024, reflecting the Group's commitment to strategic growth and asset expansion.

Capital Management, Future Commitments, and Funding Sources

The Group's capital management initiatives in FY2024 included significant investments to enhance operational capacity. The CHUCTMM Division invested over RM1.5 million to expand its operational tools and equipment. Additionally, the construction of the Labuan yard is ongoing and is expected to be completed by December 2025. This facility will include warehouses and workshops for fabrication and storage, enhancing our capacity to manage projects in East Malaysia. Moreover, the Group plans to acquire land to support future projects in the Sarawak region, ensuring readiness for upcoming opportunities.

Dividend Payments

On 24 May 2024, the Board declared the first interim dividend of 2 sen for FY2024, which was paid on 1 July 2024. A second interim dividend of 1.5 sen was declared on 22 August 2024, which was paid out on 1 October 2024. The total dividend payment of 3.5 sen per ordinary share for FY2024 amounting to RM8.2 million reflects Carimin's continued commitment to delivering value to its shareholders.

Trends and Events that May Materially Affect Carimin's Business

Several developments may materially impact Carimin's business in the medium term. The oil and gas sector continues to face cost pressures due to inflation affecting materials, manpower shortages, supply chain disruptions, and higher financing costs. Persisting conflicts, such as the Russia-Ukraine war and ongoing tensions in the Middle East, are expected to keep crude oil prices elevated, with Brent Crude averaging between $82 and $84 per barrel in 2023. This price stability will ensure that oil and gas projects remain commercially viable.

Domestically, oil and gas service providers can expect steady capital expenditure ("CAPEX") guided by PETRONAS's expanded budget. PETRONAS' increase in its CAPEX for 2024 to RM25.7 billion has given a boost to exploration and upstream activities. This represents a substantial commitment to sustaining production levels, reflecting an average annual domestic CAPEX of RM22.6 billion from 2023 to 2027. In line with this, we expect growing demand for work orders across several segments, further supporting Carimin's growth trajectory in this dynamic market environment.

MANAGEMENT DISCUSSION AND ANALYSIS

PERFORMANCE BY BUSINESS SEGMENTS

CONSTRUCTION, HOOK UP, COMMISSIONING, AND TOPSIDE MAJOR MAINTENANCE ("CHUCTMM") DIVISION

Carimin's CHUCTMM Division continues to operate under the Group's wholly-owned subsidiary, Carimin Engineering Services Sdn. Bhd. ("CESSB"). Thanks to its extensive service portfolio and multiple revenue streams, it remains the cornerstone of our revenue generation activities. In addition to its core CHUCTMM services, the division also offers EPCIC, decommissioning, rejuvenation, and plug and abandonment services, along with onshore pipeline installation.

In FY2024, the division continued its role as a contractor for topside structural maintenance ("CTSM") under the MCM contracts. This was reflected in the notable increase in offshore activities, particularly within the CTSM gas cluster and Dulang CTSM project. This uptick in activity contributed significantly to the Group's overall revenue growth. However, the completion of key projects, such as the B11 works under the iHUC contract and the Bougainvillea EPCC onshore pipeline project, led to a temporary dip in revenue for this business segment.

The CHUCTMM Division also benefited from a RM21.4 million million increase in revenue from third-party services, driven by a surge in demand for oil and gas activities. This growth highlights our capacity to provide value-added services to external clients while expanding our operational reach. The contract extensions for both the iHUC and MCM services for PCSB, effective from 1 January 2024 to 31 December 2024, further underscore the division's critical role in supporting offshore operations.

On 24 November 2023, CESSB entered into a Joint Venture Agreement ("JVA") with Evolusi Bersatu Sdn. Bhd. to jointly bid for the Pan-Malaysia Offshore Maintenance, MCM and HUC services tenders. The joint venture aims to leverage both companies' expertise in securing and executing these contracts. This strategic partnership aligns with CESSB's goal to expand its core competencies.

MANAGEMENT DISCUSSION AND ANALYSIS

Looking ahead, the division is poised to capitalise on the upcoming five-to-ten-year contract cycle (5+3+2) with PETRONAS and other PSCs, which encompasses 18 packages of integrated services. This long-term contract provides Carimin with the opportunity to invest in assets and improve margins, particularly now that we have added the new fast crew boat to our fleet. This asset will not only enhance operational efficiency but also enable the Group to generate additional revenue through third-party charters when the vessel is not in use for internal projects.

Additionally, the ownership of our own yard facilities continues to offer a significant competitive advantage, ensuring that we are not reliant on external contractors or yard owners, thus providing greater control over project timelines and costs.

In line with Carimin's ongoing strategic initiatives, the CHUCTMM Division is also making strides in its onshore business. The successful completion of PETRONAS's Bougainvillea EPCC pipeline project is a testament to our growing expertise in pipeline construction, and we are actively tendering for several new onshore projects. On 11 September 2024, CESSB was awarded an EPCC contract for pipeline replacement at Plentong by PETRONAS.

As the division moves forward, key initiatives remain in place, including expanding yard facilities, increasing manpower, and investing in additional equipment to meet growing demand. With these strategies in place, Carimin's CHUCTMM Division is well-positioned to strengthen its market presence and deliver sustainable growth in the coming years.

MANAGEMENT DISCUSSION AND ANALYSIS

MARINE SERVICES ("MS") DIVISION

Carimin's MS Division, helmed by wholly-owned subsidiary Carimin Marine Services Sdn. Bhd., continues to play an essential role in supporting the Malaysian oil and gas industry by providing marine support services through its wholly-owned fleet of vessels. The division's core assets, which include an anchor handling tug boat ("AHTS"), accommodation workboat ("AWB DP2"), and a fast crew boat ("FCB"), remain pivotal in facilitating various offshore operations, including transportation and accommodation needs for offshore personnel.

FY2024 presented an opportunity for the MS Division to realign its focus, achieving RM42.3 million in revenue. While this represents a RM11.5 million reduction from the previous year's RM53.8 million, the change stemmed from a shift in charter responsibilities, with third-party charters now being managed directly by clients.

Despite this transition, the division remained committed to enhancing operational efficiency and profitability. The average vessel utilisation rate for FY2024 was 62%, a modest adjustment from the previous year's 66%, but was more than balanced by a substantial 59% increase in average charter rates, driven by heightened demand and a tighter supply of marine vessels in Malaysia.

During the year, the Carimin Airis underwent a scheduled five-year dry dock exercise, ensuring continued compliance with regulatory standards and operational readiness. In addition, on 23 May 2024, the Group took a major step towards expanding its fleet by acquiring a new-build FCB, namely the Carimin Aster. We then took delivery of the FCB in September 2024. Once operational, it will serve PAC's increasing mandate for the use of crew boats over helicopters, enhancing Carimin's service offerings and potentially opening the door for further fleet expansion.

The acquisition of the new vessel also completes the Group's ownership of a full fleet of OSVs, strengthening Carimin's ability to meet the growing needs of the oil and gas sector. The addition of the Carimin Aster is expected to positively impact our margins capitalising on the rising demand for marine services in Malaysia.

In FY2024, the MS Division went on to secure several key contracts, which included the following:

- A three-year AHTS vessel contract with Carigali Hess Operating Company Sdn. Bhd., with the option to extend for an additional two years;
- A 214-day charter of an AHTS vessel for Malaysia Marine and Heavy Engineering's EPCIC Alliance Kasawari CCS project, with the option to extend for two 15-day periods; and
- The provision of an AWB DP2 vessel for Hibiscus Oil & Gas Malaysia Ltd. for 300 days as part of their Integrated Asset Programme for 2024.

Looking forward, the MS Division remains well-positioned to capitalise on the sustained demand for marine support services, driven by the ongoing offshore oil and gas activities in Malaysia. With the addition of the new FCB and a complete fleet of OSVs, the division is strategically poised for growth and continued success in the coming years.

MANAGEMENT DISCUSSION AND ANALYSIS

MANPOWER SERVICES ("MPS") DIVISION

Our MPS Division, under the ambit of Carimin Sdn. Bhd. ("CSB"), continues to play a crucial role in providing highly skilled personnel and professional expertise to the oil and gas sector. This division maintains its competitive edge by offering a comprehensive portfolio of specialists, ensuring it remains a key player in the industry.

In FY2024, the MPS Division posted a strong performance despite a decrease in the number of personnel supplied, which fell from 177 in June 2023 to 124 in June 2024. This reduction was primarily due to lower demand from PACs. However, the division's revenue contribution saw a notable increase of RM9.1 million, driven by higher payroll and reimbursable expenses, reflecting an industry-wide rise in pay for specialised personnel.

During the year, the MPS Division successfully secured several manpower contracts. These included the following three which came into effect on 22 May 2024:

- The provision of manpower supply for PETRONAS Refinery and Petrochemical Corporation covering a span of three years, with the option to extend for 1+1 years;
- The provision of manpower supply for PETRONAS Technical Services Sdn. Bhd. encompassing a three-year period, with an option to extend for 1+1 years; and
- The provision of manpower supply for PCSB spanning three years, with an option to extend for 1+1 years.

These contract wins underscore the MPS Division's capability to meet the demanding needs of major players in the oil and gas sector and solidify its position as a trusted manpower provider.

Looking ahead, the demand for skilled personnel within the upstream and downstream sectors is expected to remain robust, especially as activity levels continue to increase. In response, the division will continue to actively participate in tendering exercises to secure new projects and ensure that it meets the growing need for professional manpower across the industry. This strategic approach will help the division remain well-positioned to support both ongoing and upcoming projects within the sector, contributing to Carimin's overall growth trajectory.

CIVIL CONSTRUCTION ("CC") DIVISION

Carimin Bina Sdn. Bhd. ("Carimin Bina"), the construction arm of the Group, adopted a selective approach throughout FY2024 in response to the challenging landscape of rising labour and material costs. Although activity in this segment was subdued, the Group remained committed to pursuing projects aligned with its core strengths.

In line with the NETR, Carimin Bina is exploring opportunities in the RE sector, aiming to contribute to the nation's energy transition while fostering future growth in the construction segment. This careful and focused strategy will support sustainable expansion into new areas of opportunity.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS RISKS

Carimin is wholly committed to upholding ethical, reliable, and sustainable practices across all our operations. As a conscientious corporate organisation, we prioritise the identification and management of risks that could substantially affect our activities, performance, financial health, and liquidity. In line with Bursa Malaysia Securities Berhad ("Bursa Securities") requirements, in the table below, we communicate the principal 'high' risks facing our business here, along with the measures we have taken to mitigate them.

Risk Category: High	
External Risk • Climate change risks such as extreme weather conditions, higher ambient temperature, flooding and droughts.	**Possible Consequences** • Financial impact and losses. • Health and safety risks such as heat stroke, diseases, and accidents. • Operational problems and those affecting the delivery of projects. • Damage to assets and facilities.
	Mitigation Measures • Undertake liaison and hold meetings with the authorities. • Ensure an effective and efficient Emergency Response Team is in place. • Lend support to the Sustainability Committee to ensure the efficient rollout of climate change mitigation initiatives. • Develop contingency plans for possible scenarios. • Review the Group's greenhouse gas ("GHG") emissions and other emissions. • Enhance the business strategy aimed at low-carbon operations and businesses.
• Uncertain global oil and gas industry conditions.	**Possible Consequences** • Fast-changing and unpredictable project tenders/offers. • Uncertain revenue – may increase if oil prices remain high. • Operational expenditure ("OPEX") and capital expenditure ("CAPEX") by clients may vary greatly depending on the price of oil and gas.
	Mitigation Measures • Facilitate regular engagement with clients for upcoming projects/work orders and their commitment to these. • Increase the client base and explore other opportunities. • Ensure the Group remains competitive for future tender bids. • Stay abreast of new innovations/technologies to enhance our competitive edge. • Diversify into other segments within the industry to reduce over-reliance on any one segment. • Reduce OPEX/CAPEX and restructure loan and cash flow management. • Undertake diversification to balance out industry risks. • Conduct regular reviews of the Group's business strategy and outlook.
• Competition from industry players.	**Possible Consequences** • Loss of business. • Loss of market share. • Lower margins/profits.

MANAGEMENT DISCUSSION AND ANALYSIS

Risk Category: High	
External Risk	**Mitigation Measures** • Develop and retain a more qualified and competent team that delivers high-quality performances. • Foster close rapport and healthy relationships with clients. • Offer clients competitive rates. • Explore and invest in new technologies. • Provide better services, better facilities, and equipment with better specs to clients e.g. new marine vessels. • Consistently review the strength of our competitors (know your competitor). • Conduct reviews of business plans and enhance business development activities. • Recruit a Chief Strategy Officer.
• Geopolitical tensions and events disrupting the supply chain.	**Possible Consequences** • Financial impact and losses. • Difficulty in purchasing materials from overseas. • Disruptions to trade and shipping. • Increase in shipping costs.
	Mitigation Measures • Closely monitor on the operating environment. • Undertake continuous review and refinement of procurement procedures. • Develop a wider base of foreign vendors. • Develop business contingency plans.
Operational Risk • Onsite incidents and accidents.	**Possible Consequences** • Deaths of/injuries to the Group's staff and contractors. • Financial impact on projects. • Stop work orders issued. • Disruptions to operations. • Damages to premises and machinery/equipment. • Erosion of the Group's reputation. • Fines and penalties by the authorities. • Termination of contracts due to safety violations. • Non-compliance with regulatory requirements such as the Occupational Safety and Health Administration, Kementerian Dalam Negeri criteria, etc.
	Mitigation Measures • Provide Health, Safety and Environmental ("HSE") talks to all staff/workers to alert them about the Group's stance on health, safety and care for the environment. • Update the HSE Policy and procedures on a regular basis. • Ensure strict compliance with existing HSE policies and procedures. • Consistently update and share information on incidents reported in the oil and gas industry (globally or domestic) with clients. • Organise health and safety awareness programmes and campaigns (internal). • Provide insurance coverage for all staff and equipment. • Conduct frequent follow-ups on the latest regulatory changes and update the Group's legal and risk registers. • Hire qualified HSE officers and environmental-related personnel.

Risk Category: High	
Operational Risk • Insufficient project sub-contractors and manpower.	**Possible Consequences** • Delays in schedules may result in Liquidated Ascertained Damages (“LAD”) being imposed by Clients. • Project quality is compromised. • Higher cost to complete.
	Mitigation Measures • Carry out daily monitoring via the Daily Progress Report which details the progress of projects. • Ensure the progress variance (+ve or -ve) is tracked. • Develop better relationships with sub-contractors and vendors.
Human Capital • Limited source of management and professional staff and retention of key staff.	**Possible Consequences** • Disruption to business operations. • Loss of business know-how/expertise caused by key personnel leaving. • Relationships with customers may be affected as unable to immediately replace personnel or communicate effectively, or perform the tasks of staff who have left. • The Group’s overall performance may be affected and projects delayed. • There is the possibility that important records, documentation and information may get lost. • There may be additional time and costs associated with the recruitment and training of new staff.
	Mitigation Measures • Ensure capable replacements are able to be identified quickly. • Implement attractive remuneration packages, awards, performance and reliability incentives scheme to retain staff and key personnel. • Foster a conducive working environment encompassing safe and clean workstations, offer counselling sessions, etc. • Inculcate a multi-tasking culture and the concept of “mentor and mentee” where experienced staff guide less experienced staff. • Conduct training and certification prior to engaging in fieldwork. • Ensure the respective Head of Departments are involved in the interview and candidate selection process. • Ensure proper handing over and a demob list is completed prior to any personnel leaving the organisation. • Undertake continuous reviews of employee benefits to ensure these are commensurate with market trends. • Consider retention through the Employee Share Option Scheme and other schemes /incentives. • Proactively conduct employee engagement activities such as get-togethers, dinners and team-building sessions.

RESPONSIBLE CORPORATE PRACTICES

Carimin remains committed to upholding the highest standards of ethics and professionalism within the industry. Our approach to responsible corporate practices is guided by an unwavering dedication to sound governance, which we recognise as fundamental to the long-term sustainability of the Group. Throughout FY2024, we continued to integrate leading corporate governance and risk management practices within our organisational framework, aligning closely with the Malaysian Code on Corporate Governance.

Our relentless focus on championing and implementing sound HSE principles is central to our operations and is evident in the numerous policies and initiatives that ensure the well-being of our employees and the protection of the environment. In FY2024, we diligently recorded zero incidents across our operations and received several notable recognitions, including the 2023/24 Zero Incident Award from Hibiscus Petroleum and the PMA Award for the Terengganu region. Additionally, the Carimin Acacia was recognised with a Hibiscus Award for outstanding safety performance.

Significant HSE initiatives undertaken in FY2024 included a Heat Stress Awareness Programme at Dulang A, a Mental Health Awareness Campaign at Bekok C, and an Emergency Response Plan Tabletop Exercise at Teluk Kalong Yard. Furthermore, our participation in the PETRONAS OSHCIM Mentorship Programme culminated in Carimin Marine Management receiving a certificate of graduation, demonstrating our dedication to safety excellence.

We also made significant strides forward in our sustainability efforts. Our Environmental, Social, and Governance ("ESG") score under the FTSE4Good rating steadily improved, rising to 3.4 in 2024, a marked improvement from 2.6 in the previous year. This progress underscores our commitment to aligning with Bursa Securities' sustainability guidelines and fostering initiatives that generate long-term benefits for both our Group and the communities we serve. These efforts were driven and overseen by our in-house Sustainability Committee, which ensures the effective implementation and ongoing progress of our sustainability initiatives.

Carimin's commendable score in the FTSE4Good index and the accolades received this year reflect our embedded culture of excellence and our ongoing commitment to responsible corporate practices. For the finer details of the Group's sustainability initiatives, please refer to our Sustainability Statement on pages 34 to 66 of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND PROSPECTS FINANCIAL YEAR ENDING 30 JUNE 2025 ("FY2025") AND BEYOND

Resilient Global Growth

According to the International Monetary Fund's World Economic Outlook, global growth is projected to be 3.1% in 2024 and increase slightly to 3.2% in 2025. This outlook reflects greater-than-expected resilience in major economies such as the US and China, alongside a steady recovery in emerging markets and developing economies. However, this growth remains below the historical average of 3.8% (2000 - 2019), largely due to persistent inflation, elevated central bank policy rates, and structural challenges like low productivity growth.[7]

Inflation is expected to continue falling, with global headline inflation projected at 5.8% in 2024 and 4.4% in 2025, driven by restrictive monetary policies and easing supply-side disruptions.[7] Risks to global growth are broadly balanced, as falling inflation could lead to looser financial conditions, yet geopolitical tensions and potential commodity price spikes pose downside risks. Policymakers face the challenge of balancing inflation management with fiscal consolidation to ensure long-term economic stability and debt sustainability.[8]

The global economic outlook for 2025 remains cautiously optimistic, as nations work to manage inflation and support sustainable growth amidst ongoing uncertainties. Structural reforms and efficient multilateral coordination will be crucial in mitigating risks and enhancing global productivity growth. This approach is needed to navigate the challenges posed by policy uncertainty, geopolitical risks, and the residual impacts of the COVID-19 pandemic.

Vibrant Domestic and Industry Growth

According to the Malaysian Rating Corporation Bhd. ("MARC"), Malaysia's GDP growth forecast for 2024 is set at 4.8%, reflecting stronger-than-expected performance in the second quarter of 2024, driven by private consumption and a rebound in key sectors, including manufacturing and agriculture. The government's ongoing focus on structural reforms, as highlighted in the MADANI economic framework, aims to sustain growth while supporting high-value sectors like technology and green energy.

Within the oil and gas industry, the current high oil price environment and ongoing infrastructure projects are contributing to a positive outlook for local companies engaged in oil and gas services and equipment. PETRONAS's continued investments in upstream activities and new projects, such as the Jerun gas field, are expected to drive production growth into 2025 and beyond, positioning Malaysia favourably amidst increasing global demand for energy.

These factors highlight Malaysia's resilience and ongoing growth trajectory, which is supported by fiscal and policy measures intended to boost productivity and industrial development.[9]

For the year 2025 and beyond, Malaysia's oil and gas industry is projected to experience robust growth, underpinned by ongoing exploration and production activities, particularly driven by PETRONAS's strategic investments. As mentioned, PETRONAS is targeting to maintain and expand its production levels, with a focus on sustaining two million barrels of oil equivalent per day. This target is supported by the development of new oilfields and the enhancement of ageing platforms through recovery programmes. With a significant portion of PETRONAS' CAPEX dedicated to exploration and upstream activities, the outlook remains positive for oil and gas services and equipment companies, as demand for offshore drilling rigs, maintenance, and decommissioning activities is expected to rise.[10]

For Carimin, this presents a promising opportunity, particularly as the Group also explores new ventures in the E&P segment. In alignment with PETRONAS' Activity Outlook 2025, Carimin is well-positioned to participate in the increase of maintenance, construction, modification, and decommissioning activities. These activities are key drivers of future growth as the industry shifts toward reducing carbon emissions through energy transition initiatives such as CCS.[11]

As the Carimin Group ventures forth, our strategic focus will include optimising operational efficiencies and expanding into higher-value opportunities, such as onshore pipeline and EPCIC works activity. With a strong foundation and ongoing efforts to enhance our capabilities, Carimin is well-positioned to capitalise on the industry's growth trajectory while contributing to sustainability and emission reduction goals set by PETRONAS and the broader energy sector. Moving forward, the Board and Management of Carimin remain cautiously optimistic about the Group's prospects for FY2025.

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7 Extracted from the IMF World Economic Outlook, January 2024 Updated – refer https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024
8 Extracted from the IMF World Economic Outlook, July 2024 – refer https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024
9 Extracted from an article by Malaysian Rating Corporation Berhad ("MARC"), titled "Optimism resurfaces, markets poised for anticipated US rate cuts – August 2024 – Summary" – refer https://www.marc.com.my/research-analysis/optimism-resurfaces-markets-poised-for-anticipated-us-rate-cuts-august-2024-summary/
10 Adapted from the PETRONAS Activity Outlook 2024 - 2026 – refer https://www.petronas.com/activity-outlook-2024-2026/
11 Extracted from an article in The Edge Malaysia titled "MOGSC seeks RM3 bil financing for O&G sector in Budget 2025" dated 23 September 2024 – refer https://theedgemalaysia.com/node/727729

MANAGEMENT DISCUSSION AND ANALYSIS

IN APPRECIATION

In closing, the Board and Management of Carimin would like to extend our sincere gratitude to all our stakeholders for their unwavering support throughout the past year.

To our esteemed shareholders, your continued confidence in our vision and strategy has been instrumental in helping us successfully navigate the challenges of this operational year.

Our heartfelt appreciation also goes to our loyal customers and business partners. Your steadfast commitment and collaborative spirit have been a constant source of motivation for us. Your trust drives our pursuit of excellence, and we are excited to further strengthen these relationships while exploring new avenues for collaboration.

We would also like to express our thanks to the regulatory authorities, financial institutions, and government agencies for their invaluable guidance and support in fostering a conducive business environment.

We acknowledge the contributions of Encik Wan Muhamad Hatta Bin Wan Mos who stepped down as an Independent Non-Executive Director in February 2024. We thank him for his dedicated service to Carimin and wish him every success in his future endeavours. We warmly welcome onboard Encik Muhammad Khadzir Bin Abdul Mutalib, who joined Carimin as an Independent Non-Executive Director in August 2024. We look forward to the wealth of experience and industry insights he brings to our team.

As we embrace the new financial year, we invite our stakeholders to continue their unswerving support of the Carimin Group. We are truly grateful to have you with us on this journey, and we are eager to achieve even greater milestones together in the year ahead. Thank you.

SUSTAINABILITY **STATEMENT**

As businesses navigate the dynamic and sometimes disruptive global landscape, the importance of sustainability has never been more pronounced. The Carimin Group of Companies ("Carimin" or "the Group" or "we" or "our") refer to Carimin unless otherwise indicated.

The response to current and emerging sustainability issues reaffirms our commitment to create meaningful value for our stakeholders, including combating climate change through a responsible transition.

FY2024 Highlights:

Fatality Rate	Total safe manhours	Lost Time Injury
0	23,845,957[1]	0
Environmental Spill	**Total Training Hours**	**FTSE ESG Score**
0	1,085	3.4[2]

Awards and Recognition

1. Petronas Focused Recognition Excellence in Promoting a Generative HSE Culture: Carimin Engineering Services Sdn. Bhd.Culture.
2. Hibiscus Petroleum Malaysia - 13 Years LTI-Free and 7 Years TRI-Free Milestone
3. Achieving Grade A Recognition from DOSH Malaysia: Carimin Engineering Services Sdn. Bhd.
4. Petronas PD&T Health Safety & Environment Mentorship Program 2024 Award
5. Petronas PMA Stop Work Authority ("SWA") Winner 2024
6. Hibiscus Petroleum Monsoon Safety Campaign – Zero Incident Award 2023/2024

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1 Total safe manhours worked since 2009, the numbers as at June 30, 2024
2 Score improved while maintaining a Three Stars Rating

Roadmap to Success

This section outlines Carimin's key performance indicators and targets for the year. These metrics demonstrate the Company's progress towards its sustainability objectives.

SUSTAINABILITY STATEMENT

About This Statement

This Sustainability Statement presents our initiatives to adhere to the best sustainability practices. In each section, we describe the management approach, implementation of a specific action, targets, and progress of each sustainability issue material for the Group and its stakeholders. In sum, this report provides an overall picture of how we integrate sustainability into our business and operations and contribute value for our stakeholders now and in the future.

Scope and Boundary:

This statement covers the entire operations of the Group and the entities where the Group holds a controlling interest or management control. Unless otherwise stated, this Sustainability Statement includes Carimin Group's operations, comprising Carimin Sdn. Bhd., Carimin Engineering Services Sdn. Bhd., Carimin Marine Services Sdn. Bhd., and other subsidiaries under the Group.

Reporting Period and Cycle:

The reporting period spans from 1 July 2023 to 30 June 2024. Historical information collected from previous years is included to illustrate comparative data and trends.

Report Cycle:

One (1) year, coinciding with our Annual Report

Reporting Standards:

- Principal Guideline:
  - Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
  - Malaysian Code of Corporate Governance ("MCCG")
  - Task Force on Climate-related Financial Disclosures ("TCFD")
  - GHG Protocol

- Reference Guideline:
  - Global Reporting Initiative ("GRI") Standards
  - United Nations Sustainable Development Goals ("SDGs")
  - FTSE4Good Bursa Malaysia ("F4GBM") Index

Statement of Assurance:

The data has been internally reviewed by senior management and the respective data custodians.

Feedback:

We welcome your feedback: biz@carimin.com

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Integrating sustainability requires a sound governance structure that will spearhead the sustainability direction of the entire organisation and ensure that such a culture is embedded in all our business activities.

SUSTAINABILITY COMMITTEE

THE BOARD: The Board of Directors ("Board") sets the Group's sustainability direction and oversees the sustainability matters of the organisation. The Board has the following responsibilities:

- Ensure that sustainability is embedded in the overall business strategy
- Approve and review the sustainability targets and performance
- Make sound decisions on sustainability issues based on informed assessment of risks and opportunities
- Establish the proper direction towards effective climate governance

THE SUSTAINABILITY COMMITTEE: The Committee is headed by the Chief Operating Officer (COO), who is assisted by the Environmental, Social & Governance (ESG) Executive. The Committee has the following responsibilities:

- Aligns the Group's sustainability strategy with long-term business growth and goals
- Sets sustainability targets and monitors its performance
- Executes sustainability matters in line with strategies approved by the Board
- Appraises and evaluates sustainability performance
- Identify issues that may require intervention
- Reports the outcome of the sustainability initiatives to the Board

STAKEHOLDER MATTERS

Our diverse stakeholder groups have a significant impact on our operations, making it essential for us to understand their perspectives. This understanding is a key driver in shaping our business strategy, growth, and sustainability initiatives. We adapt our communication channels based on each stakeholder group and the nature of the information being shared, ensuring ongoing engagement throughout the year. This allows us to address any legitimate concerns promptly. The frequency of engagement varies depending on the urgency of the matter and can range from daily, weekly, and monthly to quarterly, bi-annually, or annually. Additionally, we have established whistleblowing channels for stakeholders to report any issues or raise concerns.

Stakeholder Group	Concerns	Response	Engagement Channels
Shareholders/ Investors	• Fiduciary Duties • Ethics & Transparency • Timely Information Disclosure • Economic Performance	• Good Governance Best Practices • Bursa Malaysia Compliance • Business Strategy	• Website • AGM/EGM Meetings • Written Letters and E-mail Communications • Investor Briefings
Financial Institutions	• Business Strategy • Economic Performance	• Strategic Capital Management	• Meetings • Annual Reviews • Engagement Sessions Such as Events and Conference
Employees	• Health & Safety (H & S) • Career Development • Job Security • Employee Wellbeing and Mental Health • Human Rights • Anti-bribery and Corruption	• OSHA Compliance • HSE Risk Management • Education & Training • Succession Planning • Flexible Working Arrangement	• HSE Meeting & Conference • Career Management • Performance Reviews • Awards and Recognitions • Internal Communications • Surveys • Awareness Sessions
Customers	• Service quality and Delivery • Health, Safety & Environmental • HSE Compliance • Anti-bribery and Corruption • Company Performance • Ethical Business • Greenhouse Gas ("GHG") Emissions Data Management	• ISO 9001 Certification • HSE Performance Goals • Quality Certification	• HSE Meetings • Industry Conference and Networking Events • Customer Service Interactions • Company Website • Events and Conferences On Sustainability and Industry Topics • Sessions for Anti-Bribery And Corruption Awareness

Stakeholder Group	Concerns	Response	Engagement Channels
Community	• Community Welfare & Engagement • Human Rights • Environmental Impacts	• Local Hiring and Sourcing • Community Outreach Activities • Human Rights Policy	• Local Recruiting & Hiring • Corporate Social Responsibility Events • Company Website • Safety of Our Operations • Quality of Air and Water Surrounding Our Operational Bases
Government and Regulators	• Climate Change • Anti-bribery and Corruption • Compliance and Regulations • Ethical Business Practices	• GHG Emissions Disclosure • Anti-Bribery and • Corruption Awareness and Training • Stay Informed About Evolving Laws and Regulations. • Enhance Open Communication With Relevant Bodies	• Regulatory Seminars & Conference • Updating of Permits & Licenses • Regular Meetings • Company Website
Suppliers/ Contractors	• Health and Safety (“H&S”) • Ethics and Transparency	• OSHA Compliance • Anti-Corruption and Bribery (“ABC”) Policy and Awareness Training • Code of Conduct & Business Ethics (“COBE”) and Counterparty Due Diligence	• Day to Day Interactions • Regular Meetings • Site Visits • Supplier Performance Reviews • Training and Awareness Sessions

SUSTAINABILITY STATEMENT

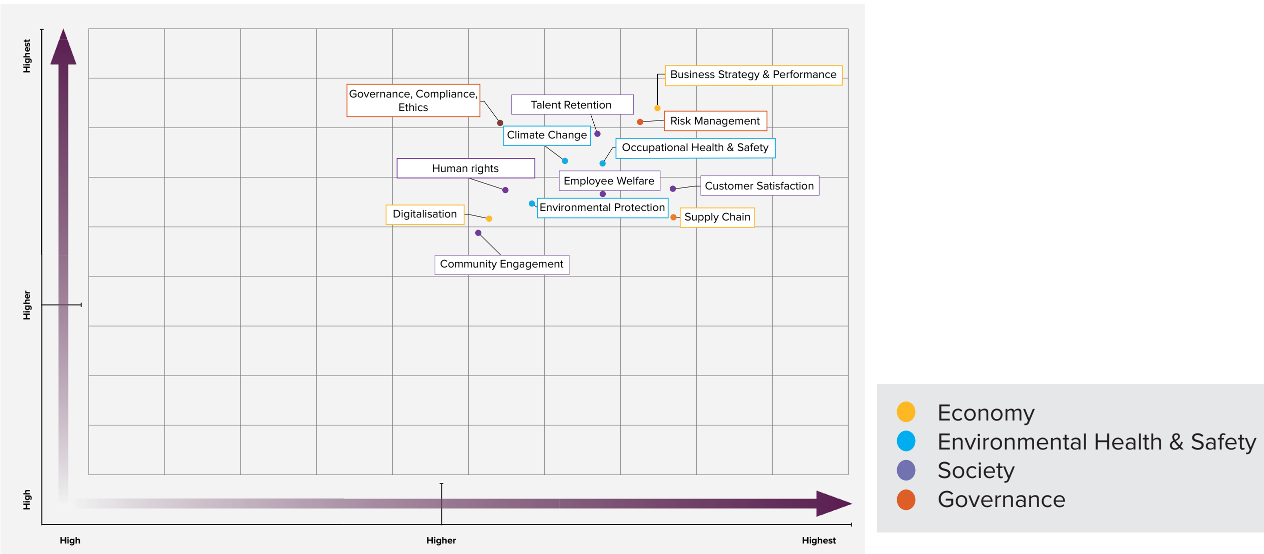
MATERIALITY MATTERS ("MM")

To ensure our sustainability efforts remain aligned with evolving business conditions and stakeholder expectations, we conduct materiality assessments. This process enables us to prioritize sustainability issues that are most critical to our operations and adopt industry-leading best practices. To provide a comprehensive overview, this report integrates financial, environmental, and social capital metrics where relevant to our business.

Materiality Assessment Process

Identification → Prioritisation → Stakeholder Engagement → Validation and Approval

A comprehensive review of the Group's sustainability landscape was conducted by Senior Management and Departmental Heads. This assessment determined that the materiality profile established in the preceding year remains valid for the current fiscal period. The Group's operations and external environment have exhibited relative stability, with no emergent factors identified that would necessitate a recalibration of our sustainability priorities. Accordingly, the previously determined material issues, as depicted in the Group Materiality Matrix, continue to serve as the foundation for our sustainability strategy. These 13 Environmental, Social, and Governance ("ESG") factors are considered of paramount importance by both the Group and its stakeholders. The result of the assessment was relayed to the Sustainability Committee ("SC") for their feedback, confirmation, and validation.



Economy		Environmental Health & Safety		Society		Governance	
MM1	Business Strategy & Performance	MM4	Environmental Protection	MM7	Talent Retention	MM12	Governance, Compliance & Ethics
MM2	Digitalisation	MM5	Climate Change	MM8	Human Rights	MM13	Risk Management
MM3	Supply Chain	MM6	Occupational Health & Safety	MM9	Employee Welfare		
				MM10	Customer Satisfaction		
				MM11	Community Engagement		

SUSTAINABILITY RISK MANAGEMENT

The Board and the Management Team have instituted the Risk Management Policy and Framework, which covers various aspects of risk management throughout the Group. We manage sustainability risks on an enterprise-wide basis, proactively identifying risks and opportunities in our decision-making process.

Our Enterprise Risk Management ("ERM") follows international standards and guidelines, including ISO 31000, and the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"). This Policy guides our application of risk management to environmental, social, and governance-related risks.

Our Sustainability Focus

Our sustainability framework outlines the group's development in sustainability. It provides a structured approach to implementing best practices, ensuring our initiatives are consistent with national sustainability goals and the Sustainable Development Goals. By embedding sustainability into our mission, vision, and core values, we drive effective action plans that contribute to the Group's overall development.

Focus Area:

ECONOMY

Boost the national and the local economy.

Maintain market leadership in providing technical, engineering and support services in the O&G industry.

Ensure business continuity, especially during health, economic and political disruptions.

ENVIRONMENT

Promote environmental protection and comply with all pertinent environmental laws and regulations.

Be aligned with the national environment agenda.

SOCIETY

Foster long-term and meaningful relationships with our stakeholders.

Provide a healthy and safe workplace.

Facilitate growth alongside our business partners.

Contribute to the welfare of our community and serve our clients to the best of our ability.

GOVERNANCE

Demonstrate leadership and maintain trust through strong governance practices.

Generate shareholder value by stimulating sustainable economic growth.

OUTCOMES: Achieve Sustainability Development Goals ("SDGs") and contribute to the national agenda.

SUSTAINABILITY STATEMENT

PERFORMANCE SCORECARD

The key part of our sustainability strategy is setting targets to achieve sustainability objectives. Our goals reflect the material aspects of our operations within the boundaries of ESG factors.

MATERIAL MATTERS	TARGETS	PERFORMANCE
ECONOMY		
MM1: Business Strategy and Performance MM2: Digitalisation MM3: Supply Chain	Zero Cyber Security Breached	Achieved
ENVIRONMENT HEALTH AND SAFETY		
MM4: Environmental Protection MM5: Climate Change MM6: Occupational Health and Safety	• Zero Incidence of Environmental Non-compliance • Zero Lost Time Injury Rate • Zero Incidence of Health & Safety Non-compliance • Net Zero Emissions by 2050	• Zero Incidence of Environmental Compliance • Zero Lost Time Injury Rate • Zero Incidence of Health and Safety Compliance • GHG Emissions for Scope 1, 2 and 3 are 2,027.41 tCO_2e
SOCIETY		
MM7: Talent Retention MM8: Human Rights MM9: Employee Welfare MM10: Customer Satisfaction MM11: Community Engagement	• Zero Substantiated Complaints on Human Rights Issue • Increase Volunteering Activities	• Zero Issues on Human Rights Reported • Housekeeping and Feeding CSR Activity at Zoo Negara Malaysia • Adopted a Malayan Sun Bear at Zoo Negara Malaysia
GOVERNANCE		
MM12: Governance, Compliance and Ethics MM13: Risk Management	Zero Anti-Corruption Incidence	No Cases Reported

ECONOMIC MATTERS

The energy industry plays a pivotal role in the Malaysian economy, serving as a cornerstone of national economic development programmes. Within this landscape, Carimin has carved out a specialised niche, offering services that support the core drivers of the oil and gas (O&G) industry whilst advancing Sustainable Development Goals ("SDGs"). Specifically, Carimin's contributions align with SDGs 8 and 9. Consequently, energy infrastructure and its components must undergo continuous development and adaptation to meet evolving energy demands and foster sustainable growth, job creation, and global competitiveness.

ECONOMIC MATERIAL MATTERS	SUSTAINABLE DEVELOPMENT GOALS
MM1 Business Strategy and Performance MM2 Digitalisation MM3 Supply Chain	8 DECENT WORK AND ECONOMIC GROWTH: Promote sustained, inclusive, sustainable economic growth, full and productive employment, and decent work. 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

Business Strategy and Performance

8 DECENT WORK AND ECONOMIC GROWTH

The Group's business strategy, investments, and performance directly contribute to national economic growth. We are committed to ensuring that our operations and business activities align with the evolving needs of the oil and gas sector, creating opportunities for suppliers, employees, shareholders, and the local community. Our efforts in these areas are integral to our bottom-line success.

Economic value generated

310,736

Tax expenses

6,991

Employee wages

10,156

Number of employees

141

Dividends

9,356

SUSTAINABILITY STATEMENT

Digitalisation

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

The Company's focus on digitalisation and supply chain optimisation catalyses economic growth, contributing to SDG 8. Though digitalisation has been a part of our future business strategy, it has not been a top priority due to our limited reliance on internet technology. However, the global health crisis has underscored the urgent need to accelerate our digital transformation. To address this, we have implemented solutions like remote work, digital document sharing, video conferencing, and instant messaging.

We also recognise that emerging technologies such as automation, robotics, artificial intelligence (AI), machine-to-machine (M2M) communication and the Internet of Things (IoT) are reshaping the business landscape. To remain competitive, we will modernise our IT infrastructure and equip our employees with the digital skills necessary to adapt our business practices, collaborations, and interactions with suppliers, vendors, and clients.

E-Invoicing Initiative

In the year under review, we have invested in an Enterprise Resource Planning ("ERP") that is e-invoicing compatible with the national digitalisation agenda for transactions and the initiative of the Lembaga Hasil Dalam Negeri ("LHDN") Malaysia. E-invoicing offers a streamlined experience for taxpayers, enhances business efficiency, and promotes greater tax compliance.

Reduce manual efforts and human errors

Unified invoicing process through creation and submission of transaction document & data electronically

Facilitate efficient tax filing

Seamless system integration for efficient and accurate tax reporting

Streamline operational efficiency

Enhanced efficiency and significant time and cost savings

Digitalise tax and financial reporting

Aligns financial reporting and processes to be digitalised with industry standards

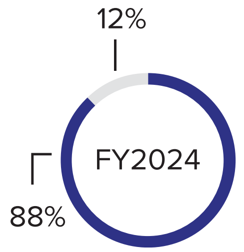
Cyber Security

We abide by the Malaysian Personal Data Protection Act 2010 (PDPA), safeguarding the private data of our clients, employees, and business partners. We have implemented robust privacy and security measures, ensuring secure data handling both within and outside our systems. All users are accountable for their actions to prevent unauthorised access. Over the past several years, we have received no reports of non-compliance or data breaches related to privacy.

Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	
FY2024	0
FY2023	0
FY2022	0

Supply Chain

Our operations have generated benefits throughout the supply chain, positively impacting local communities and supporting industries. We have created numerous skilled jobs and made significant investments within the supply chain, leading to long-term indirect economic effects. Our business partnerships have contributed to increased local employment and provided training opportunities aligned with job roles. Additionally, industries beyond the O&G sector have benefited from our capital investments and purchases of intermediate inputs of goods from both direct and indirect suppliers.



RM189.56 mil
FY2023: RM200.43 mil
FY2022: RM188.44 mil

Local
RM167.72 mil (88%)

FY2023: RM198.05 mil (98.81%)
FY2022: RM187.49 mil (99.50%)

Oversea
RM21.84 mil (12%)

FY2023: RM2.38 mil (1.19%)
FY2022: RM0.95 mil (0.50%)

SUSTAINABILITY STATEMENT

HEALTH, SAFETY & ENVIRONMENT ("HSE")

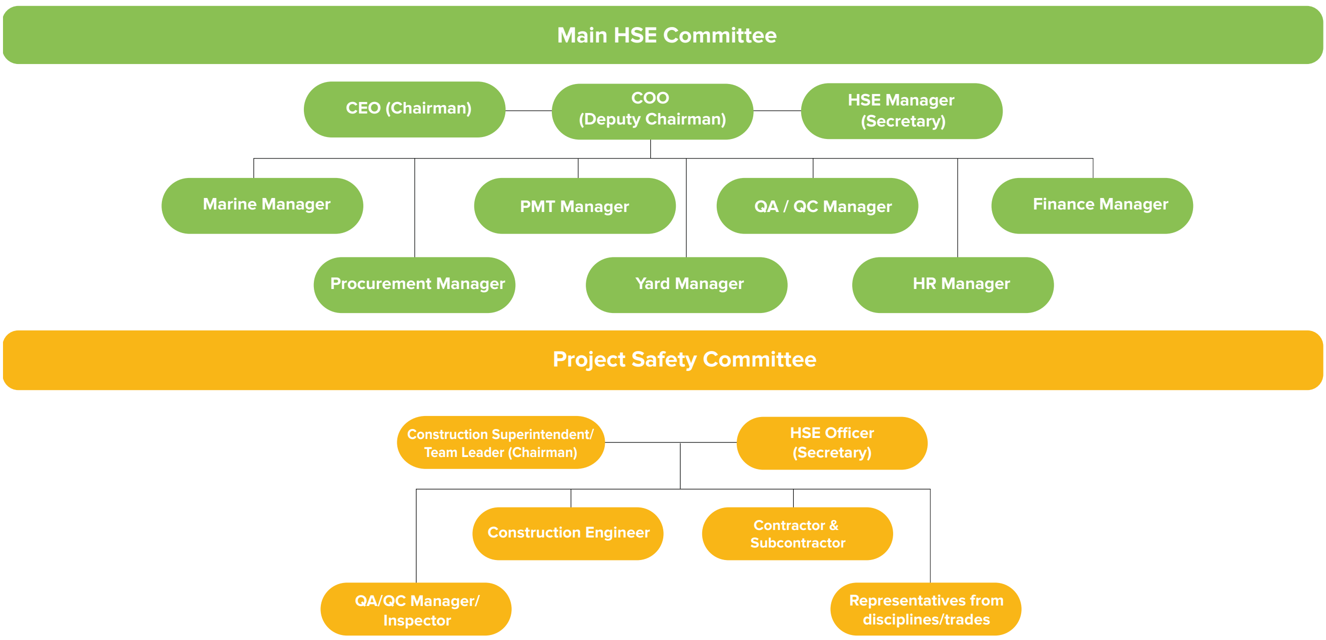
Carimin specialises in midstream operations within the O&G sector, primarily offering technical and engineering support services. Unlike upstream operations, our activities do not contribute to flaring or disrupt biodiversity. We have implemented an environmental policy tailored to our specific business operations and extended its scope to our supply chain and business partners.

The Group combines Health, Safety, and Environmental management practices into a unified approach, combining safety protocols with environmental considerations. In our business and operations, safety measures and environmental preservation often go hand-in-hand, with actions benefiting one often positively impacting the other. This holistic approach enables us to develop strategies and actions that address HSE issues simultaneously, contributing to the achievement of the following SDGs:

HSE MATERIAL MATTERS	SUSTAINABLE DEVELOPMENT GOAL
MM4 Environmental Protection MM5 Climate Change MM6 Occupational Health & Safety	3 Good Health and Well-Being: Ensure healthy lives and promote well-being for all at all ages
	13 Climate Action: Take urgent action to combat climate change
	14 Life Below Water: Conserve and sustainably use oceans, seas, and marine resources for sustainable development

HSE MANAGEMENT

The Group's HSE management involves establishing policies, procedures, and practices to identify and mitigate risks, promote employee well-being, and comply with regulations. We ensure that HSE considerations are integrated into all aspects of our operations.



SUSTAINABILITY STATEMENT

The Group's Main HSE Committee is a key component of the Sustainability Working Group, serving as the central authority for employee protection, environmental stewardship, and overall operational health and safety. Composed of HODs, led by the HSE Manager and chaired by the Managing Director (who is also a Board member), the committee oversees protocol reviews, strategy development, recommendations, and compliance monitoring with relevant legislation. Its responsibilities also include accident prevention measures, creating a safe work environment, and safeguarding the environment.

A Project Safety Committee operates at all Carimin operation sites, convening weekly to address HSE programmes, incidents, legislation, and training. These committees include representatives from our business partners and employees. They submit monthly, quarterly, and annual performance reports to the Main HSE Committee, which, in turn, communicates the Group's overall HSE status to the Sustainability Committee.

HSE POLICIES

Carimin has established comprehensive Environmental and Health and Safety Policies. We prioritise the health and safety of all stakeholders and consider the potential environmental impacts of our operations. These policies outline our commitment to minimizing hazards, preventing accidents and injuries, and promoting sustainable practices. HSE is crucial for safeguarding the health and safety of individuals, protecting the environment, and maintaining sustainable operations throughout our operations. We have also developed supplementary policies to address specific safety and health concerns within our sector. These policies target health and work issues that directly impact our daily operations. Please follow this link for a full copy of the policies https://carimin.com/health-safety-environment/.

Below is an excerpt of our HSE Policies.

Environmental Policy

- Communication and continuous education
- Regulatory and statutory compliance
- Allocation of resources
- Prevent pollution and waste
- Conserve resources
- Energy efficiency

H & S Policy

- Risk assessment
- Risk control measures
- Regulatory and statutory compliance
- Continuous improvement
- Cultivate a healthy culture

Supplemental Policies

- Driving Policy
- Stop Work Policy
- Housekeeping Policy
- Regulatory Policy
- Drug and Alcohol Policy

HSE COMPLIANCE AND PERFORMANCE

We are pleased to conclude FY2024 with a remarkable safety record, achieving zero fatalities, zero Lost Time Injury Rates (LTIR), and no instances of HSE non-compliance. Since 2009, we have accumulated an impressive 23,845,957 safe man-hours worked. As a testament to our outstanding HSE performance, our clients have acknowledged our achievements with performance awards. Please refer to the highlights page of this sustainability statement.

The following HSE main regulations govern our operations.

Employment Act 1955 & Regulations	Occupational Safety & Health Act 1994 & Regulations
Petroleum (Safety Measures) Act 1984	Atomic Energy Licensing Act, 1984
Factories & Machinery Act 1967 and Associated Regulations	Environmental Quality Act 1974 & Associated Regulations
International Safety Management (ISM) Code for the Safe Operation of Ships and for Pollution Prevention	DOE Guideline for Decommissioning of O&G Facilities in Malaysia
Local municipal and enforcement authorities	HSE Rules/Guidelines – According to Client Requirements

HSE PROMOTION PROGRAMMES

Strong HSE programmes and constant communication are essential for providing employees with the information and skills needed to perform their jobs safely and effectively.

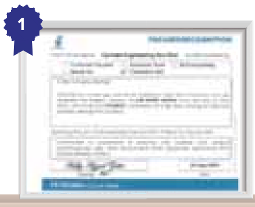
HSE Award and Incentives

Rewarding Positive Behaviour: Recognition underscores management's commitment to HSE in business operations and fosters a positive company HSE culture. It also motivates employees to be more proactive in identifying hazards, taking timely actions, and reporting unsafe behaviours and conditions.

Petronas Focused Recognition Excellence in Promoting a Generative HSE Culture: Carimin Engineering Services Sdn. Bhd.

Hibiscus Petroleum Malaysia - 13 Years LTI-Free and 7 Years TRI-Free Milestone.

Achieving Grade A Recognition from DOSH Malaysia: Carimin Engineering Services Sdn. Bhd.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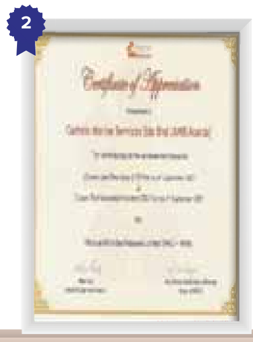
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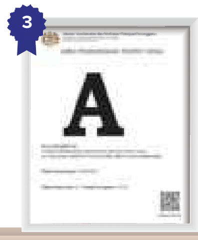
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Petronas PD&T Health Safety & Environment Mentorship Program 2024 Award

Petronas PMA Stop Work Authority ("SWA") Winner 2024

Hibiscus Petroleum Monsoon Safety Campaign - Zero Incident Award 2023/2024


4


5


6

Incident Reporting and Communication: All cases, injuries, accidents, fatalities and other incidents are promptly investigated to assess their severity and likelihood of recurrence. Incident action plans are developed, and new HSE regulations are presented at HSE meetings. HSE violations are treated seriously, and appropriate measures may be enforced, including the dismissal of employees or contractors who repeatedly commit serious offenses.

U-SEE U-ACT: This programme helps us proactively address human errors that could lead to accidents. Observers can implement immediate corrective actions and offer suggestions. The process is non-punitive, and observer reports remain anonymous. We have also installed standardised safety signs to alert employees of potential hazards and the importance of precautions. These signs are prominently displayed at entrances and workplaces for easy reference.

Job Hazard Analysis ("JHA"): JHA is used to identify and assess potential hazards and risks associated with current or future projects and operations. The analysis helps determine methods for eliminating or mitigating these risks. Jobs with a history of accidents, higher injury rates, or significant risks are prioritised for assessment. Supervisors conduct these evaluations, which are then reviewed and approved by the HOD or Project Manager.

Emergency Response Plan ("ERP") and Emergency Response Team ("ERT"): The ERP outlines the general responsibilities and duties of the ERT during emergencies and potential emergencies. The plan aims to establish a system for summoning and directing emergency services and personnel to minimise risks to on-site personnel, the local community, the environment, and asset preservation in the event of an emergency. It also ensures that adequate resources are maintained in a state of readiness to effectively respond to and control emergencies.

HSE Audit and Inspection: We measure the effectiveness of our HSE initiatives through audits and inspections. This process identifies programmes requiring corrective action and those deserving recognition. Annual audits are conducted, whilst quarterly inspections are performed by line supervisors. Daily checks are also carried out by individual workers before starting work, ensuring that tools, equipment, and machinery are inspected. Additionally, Group Compliance conducts periodic HSE reviews.

Management HSE Visit: The management site walks are performed to raise HSE awareness and demonstrate caring leadership through positive personal interactions which cannot be achieved from the desk. During the management site walks, managers visit the field to observe and pinpoint opportunities for further HSE enhancement. As a result, areas for improvement are identified, and cooperation is promoted between managers and employees. After the walkabout, the managers will share their findings and recommended action plans and instruct the person in charge to rectify changes.

Site visit by Group MD, En. Mokhtar Hashim at the new Carimin Teluk Kalong Yard, Kemaman Terengganu.

Leadership Learning Tour by Petronas Management at Carimin's fabrication yard, Labuan.

HSE COMPETENCY AND TRAINING

To ensure effective and efficient HSE management, the Group has developed tailored training programmes for employees and contractors, aligned with their specific work scopes and responsibilities. These training programmes are regularly updated to reflect evolving needs.

Internal Training is a structured program designed to enhance employee awareness and understanding of the work environment, ensuring they are adequately trained to fulfill their job responsibilities in projects. External Training focuses on essential life-saving skills and survival techniques for employees and subcontractors working onshore and offshore. Manager and Supervisor Training concentrates on worksite safety and HSE practices. Refresher courses are scheduled at regular intervals to reinforce these crucial skills.

HSE IN THE SUPPLY CHAIN

The sustainability practices of our suppliers, vendors, and contractors significantly impact the efficient delivery of our services. We consistently review not only our own practices but also the performance of our vendors to identify areas for improvement and ensure compliance with our sustainability standards.

Our partners play a crucial role in the ongoing improvement of our HSE system. Therefore, our supply chain must rigorously adhere to our Environmental and Health and Safety Policies.

All vendors and contractors receive copies of our HSE manual, which outlines company policies and measures related to HSE hazards, obligations, regulations, and standards. The manual also details standard operating procedures ("SOPs") and disciplinary measures to ensure compliance with various HSE regulations, including preventing water, air, and land pollution, reducing waste, conserving resources, and fostering a culture of safety and health. We provide HSE training to all suppliers, with additional intensive training for high-risk vendors. Supplier conformance reports are used to monitor compliance.

HSE PERFORMANCE

Performance evaluation is a valuable tool for driving supplier improvement, especially in the areas of cost management and efficiency.

All non-compliance and HSE incidents are reported to the relevant supervisor/HOD, who investigates the case to assess its severity and prevent recurrence. HSE and quality compliance are monitored through vendor performance reports to identify performance gaps and develop solutions. Review questions vary based on the type of products or services supplied by the vendors. Penalties for non-compliance incidents are determined by their severity. Minor offenses may result in a warning letter, while major offenses require meetings to address issues, discuss problems, and jointly agree on solutions or corrective actions.

Environmental Protection

Carimin's business activities are mainly in the support services segment of the O&G industry, where we provide technical and engineering support services. We do not have flaring and do not impact biodiversity. We have established an environmental policy that is specific to our business operations and extends to our supply chain and business partners. We strive to adapt our approach to reflect emerging environmental issues and contribute to the sustainability of the industry we serve.

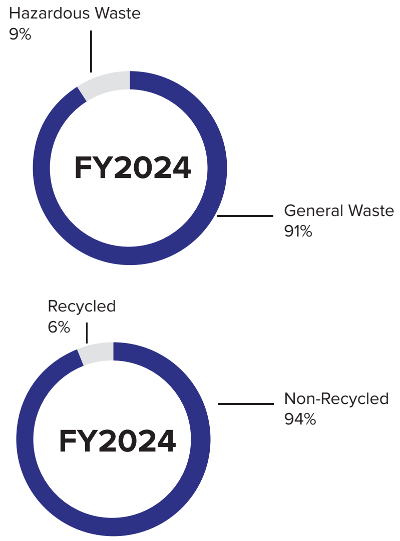
Waste Management

Increased material consumption contributes to various environmental impacts, including climate change, biodiversity loss, and waste generation that pollutes water, air, and land. Our clients supply the materials we use, and after project completion, all unused and recyclable materials are returned to them for recycling. We meticulously plan and manage material flow from acquisition to disposal to minimise unnecessary consumption and reduce waste generation.

Scheduled or Hazardous Waste: All hazardous wastes are clearly labelled with their contents, hazard warnings, and safe handling instructions. All containers for storing hazardous chemicals are marked with standard warning signs that adhere to international standards. Controlled materials have Safety Data Sheets ("SDS"), which provide essential information for safe use. These SDSs include warning levels, hazards associated with exposure to the chemicals, and guidelines for handling, storage, prevention, and emergency measures.

General Waste: Our non-scheduled waste includes domestic, and office wastes. The total wastes recycled in FY2024 amounted to 5.74%* (Labuan operation only).

Total waste generated FY2024



FY2024:
89.71 tonnes

FY2023: 101.68 tonnes
FY2022: 61.50 tones

Biodiversity

As a contractor and service provider, our operations have a minimal impact on biodiversity. Nevertheless, our environmental policy mandates the allocation of resources and personnel to protect land and water.

Our sustainability risk assessment includes potential hazards to biodiversity in land and water within our control. The assessment identifies methods for identifying and addressing the impacts of our operations on biodiversity at all current and future sites, including the need for remediation or restoration. In FY2024, there was no evidence of a negative impact from our business operations on ecological biodiversity, thus eliminating the need for remediation or restoration.

Additionally, there is no IUCN list of threatened species in the areas affected by our operations.

Total number of International Union for Conservation of Nature ("IUCN") Red List of Threatened Species and national conservation list species with habitats in areas affected by the operations of the company:

Number of Species	2024	2023	2022
a) Critically endangered	0	0	0
b) Endangered	0	0	0
c) Vulnerable	0	0	0
d) Near Threatened	0	0	0
e) Least concern	0	0	0

Environmental Protection

The Paris Agreement, adopted in 2015, revitalised global climate action as a clear priority. This has led to a shift in capital flows towards climate change mitigation and adaptation initiatives.

The pervasive effects of climate change are evident on a global scale, impacting nearly all economic sectors. Though the precise consequences of climate change are impossible to predict, our current choices will undoubtedly affect future generations. The extent of climate-related risks can vary significantly across sectors, industries, geographies, and organisations.

Climate change can have both direct and indirect impacts on our operations, leading to both short-term and long-term risks. As climate-related issues can significantly influence the Group's financial performance and position, we require time to adjust our internal processes before providing accurate and comprehensive disclosures that align with the TCFD guidelines.

The following narrative is our initial statement, structured in accordance with the TCFD framework. It addresses the four key areas that define how our organisation operates: governance, strategy, risk management, and metrics and targets.

Our climate change governance structure and strategies are integrated into our overall Sustainability structure and strategies.

Climate Change Risks	Potential Financial Impacts
Our Transition Risks are listed below: **Policy and Legal Risks** refer to the enhanced emission reporting guidelines and the updated national and international regulatory requirements for fossil fuels. **Technology Risk** is the cost of transitioning to lower-emission technologies. **Market Risk** is the change in behaviour and preference of customers looking for fossil fuel substitutes. **Reputational Risk** is the increase in stakeholder concern if the company does nothing to tackle climate change. **Physical Risk** such as typhoons.	There has been a global shift in national and international policy paradigms in recent years, with mitigating climate change becoming a top priority. The 12th Malaysia Plan (2021-2025) highlights the importance and benefits of transitioning to renewable energy which will allow us to reduce our emissions and comply with new regulatory and statutory standards. Malaysia is in a typhoon-free zone; however, climate change could possibly reverse this scenario. The typhoon risk will directly affect the safety of our people and operations. Additionally, climate change risks can affect our employees' health and safety, leading to financial health obligations, increased insurance health coverage, and decreased manpower resources.
Climate Change Opportunities	**Potential Financial Impacts Financial Impacts**
Resource Efficiency can be achieved by using more energy efficient technologies. **Energy Sources** can come from various renewable energy sources, which can be augmented by the energy policy incentives from the government. **Access to New Markets** can be gained by strengthening sustainability efforts to compete in international markets. Also, diversifying into the alternative energy service/product section can be an opportunity to venture into new markets.	Operation costs can be decreased through efficiency gains, and the government incentives for renewable energy policies can also offset the initial solar power installation cost and the payment to public utility companies. Our plan is to initially implement conservation and efficiency programs to reduce emissions and resource wastage. In the longer term, we are exploring transition towards cleaner energy business segments.

SUSTAINABILITY STATEMENT

GHG Emissions

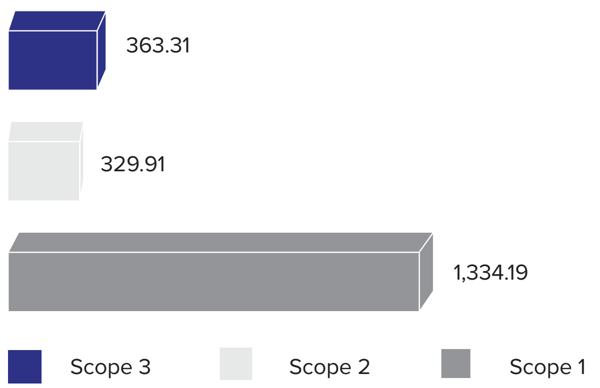
In FY2024, Carimin Petroleum Berhad recorded a total GHG emission of 2,027.41 tonnes of carbon dioxide equivalent (tCO_2e), comprising emissions from Scope 1, Scope 2, and Scope 3 categories. Compared to the previous year, our emissions have increased due to higher operational activity at our sites.

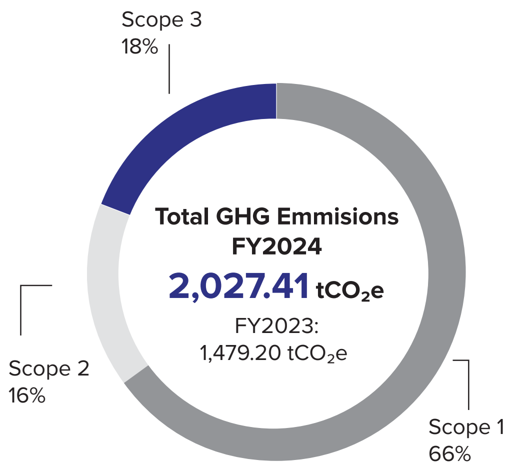
Recognizing the impact of our increased emissions, Carimin is fully committed to supporting Malaysia's national goal of achieving net zero emissions and aligning our targets with PETRONAS' pathway to net zero. We have set ambitious reduction targets to ensure that our growth remains sustainable:

Achieving net zero emissions by 2050

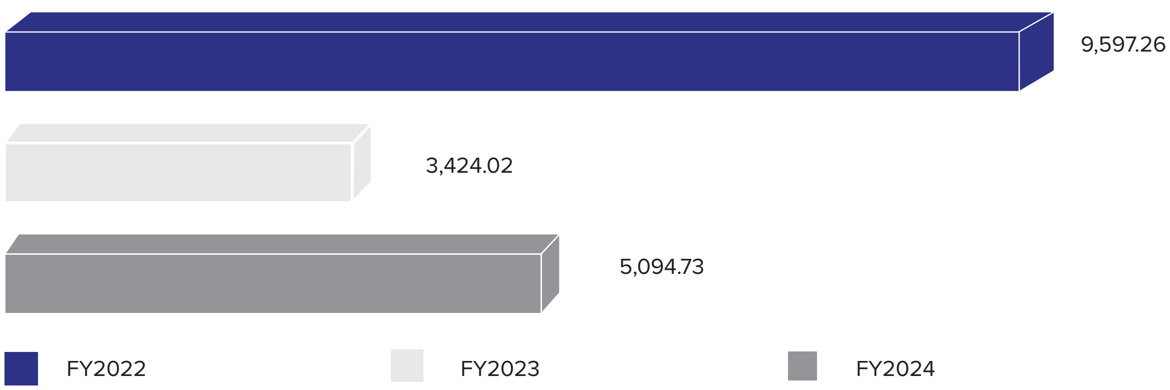
Through continued innovation, strategic planning, and a dedicated approach to reducing our carbon footprint, Carimin aims to contribute to a sustainable future for both the industry and the nation.

GHG Emmision FY2024 (tCO_2e)





Total Energy * Consumption (MW)



*Includes the usage of marine gas oil, diesel, petrol and purchased electricity, in megawatt

Occupational Health & Safety

3 GOOD HEALTH AND WELL-BEING

Carimin's Safety and Health Policy aims to prevent workplace injuries, illnesses, and fatalities by conducting thorough risk assessments and implementing effective control measures. We have established procedures to foster continuous improvement and cultivate a culture of health and safety throughout our operations. We adhere to legal and statutory requirements and meet our clients' standards. Our policy is written in both English and Bahasa Malaysia (where applicable) to ensure that all stakeholders can fully understand, consent to, and agree upon its contents. To access our policy, please go to https://carimin.com/wp-content/uploads/2023/10/Policies-English-Ver.pdf

In FY2024, we organised various training programmes conducted by government and third-party organisations, including OPITO, a global leader in oil and gas safety, skills, and competence. During the year, we conducted 1,325 hours of health and safety-related training for 101 employees. We are proud to have achieved zero fatalities, lost-time injuries, and LTIR.

Health and Safety Performance

ZERO

Number of work-related fatalities for all employees, contractors, and subcontractors.

FY2023: 0 fatalities
FY2022: 0 fatalities

ZERO

Lost Time Incident Rate ("LTIR") for employees, contractors, and subcontractors.

FY2023: 0 fatalities
FY2022: 0 fatalities

2,056,490

Total number of hours worked in the reporting period.

FY2023: 1,911,524 hours
FY2022: 1,818,670 hours

101

Total number of employees trained on health and safety standards.

FY2023: 85 people
FY2022: 49 people

SOCIETY MATTERS

Societal material matters encompass understanding and addressing critical developmental challenges faced by societies, including poverty, inequality, migration, and industrial relations. Emerging issues such as gender equality, diversity, well-being, and education are also included. At Carimin, we recognise these issues as material matters and address them by developing strategies to create value and foster meaningful relationships with stakeholders within our operating communities and the business sector.

Talent Retention

Aligned with our philosophy of employee development, we offer a variety of programmes designed to maximise their potential throughout their careers. We foster excellence and efficiency by expanding training beyond current job requirements, equipping employees with the skills they need for career advancement. We achieve our Vision by providing our team with numerous learning opportunities and enriching their work experiences.

SOCIETY MATERIAL MATTERS	SUSTAINABLE DEVELOPMENT GOAL
MM7 Talent Retention	4 Quality Education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
MM8 Human Rights	5 Gender Equality: Achieve gender equality and empower all women and girls
MM9 Employee Welfare	10 Reduced Inequalities: Reduce inequality within and among countries
MM10 Customer Satisfaction	17 Partnerships for the Goals: Strengthen the means of implementation and revitalise the Global Partnership
MM11 Community Engagement	

Talent Retention and Development

Our training programmes consist of both internal and external components.

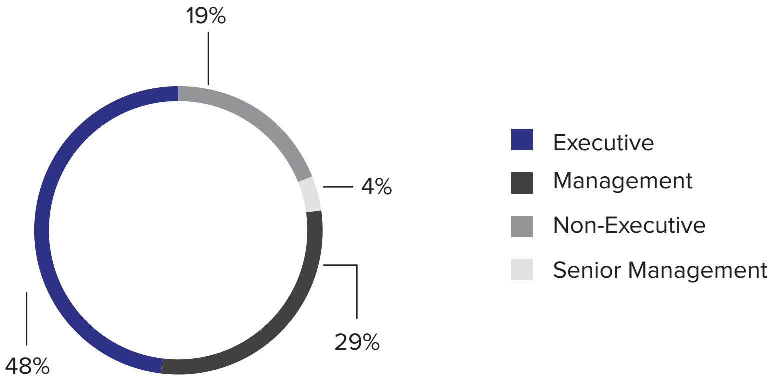
Supervisors and managers conduct internal training for new hires, new contractors/vendors, and current employees assuming new roles or responsibilities. External training is delivered by third-party service providers, institutional organisations, and government agencies.

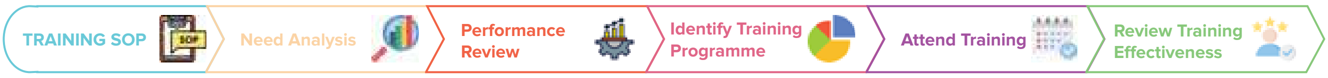
In FY2024, the total number of hours of training conducted for the employees was 1,085 compared to 1,889 hours in 2023.

Total hours of training

Total hours of training
1,085
Total training hours for Group-wide

45 Total training hours by Senior Management	**525** Total training hours by Executive
314 Total training hours by Management	**201** Total training hours by Non-Executive





Training needs are identified based on standard operating procedures ("SOPs"). Employee Needs Analysis ("ENA") is a process that helps employees identify areas for performance improvement and address weaknesses. In contrast, Training Needs Analysis ("TNA") is a process for upgrading skills, proficiency, knowledge, and attitude. HODs determine necessary training during the recruitment process and annual appraisals. They also adjust based on business plans, changes in customer specifications and regulatory policies.

HODs submit annual training plans and budget proposals, and all employee training sessions are evaluated to assess their effectiveness and ensure optimal results.

Remuneration and benefits: All work-related remuneration and benefits are based on merit and performance as determined by performance reviews.

The tables below summarise the training programmes completed in FY2024. The external health and safety training sessions are certified career-enhancement programmes designed to prepare employees for careers in the O&G industry.

SUSTAINABILITY STATEMENT

Diversity and Inclusion

5 GENDER EQUALITY

We uphold equal opportunity for all our employees, ensuring they are treated fairly and without discrimination based on artificial barriers, prejudices, or preferences. We recognise that our continued success is driven by the collective strength of our diverse workforce. Our Code of Conduct and Business Ethics espouses equal employment opportunity and non-discrimination based on gender, ethnicity, race, age and nationality at the workplace.

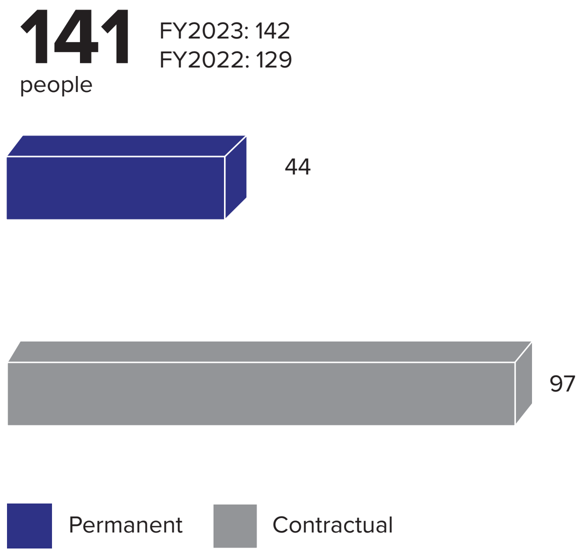
Board and Management Gender Diversity

Given the nature of the O&G operations, offshore and fabrication facilities make up the majority of our workforce. The inherent characteristics of these facilities contribute to the gender imbalance within our workforce.

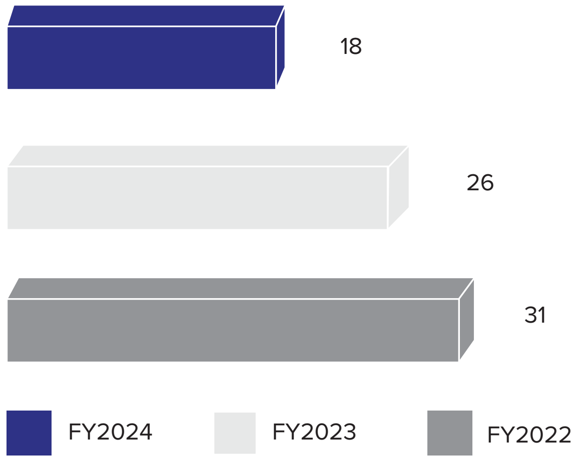
The Group recognises the importance of promoting gender diversity at the Board and senior management levels. We are actively working towards increasing the number of female Directors and senior Executives. Under the Group Diversity Policy, we will implement the following strategies to promote gender diversity at the Board and Senior Management levels:

- Recruit from a diverse pool of candidates for female Directors and Senior Management.
- Review succession plans to ensure an appropriate focus on gender diversity.
- Identify specific factors to consider in the recruitment and selection processes to encourage gender diversity.

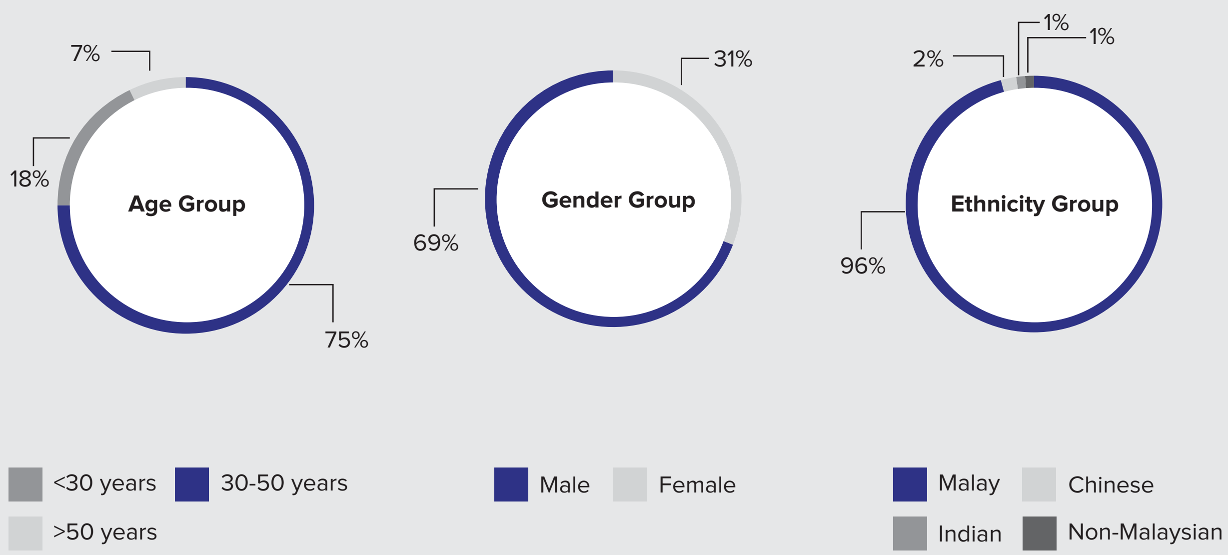
Workforce in FY2024



Number of employee turnover



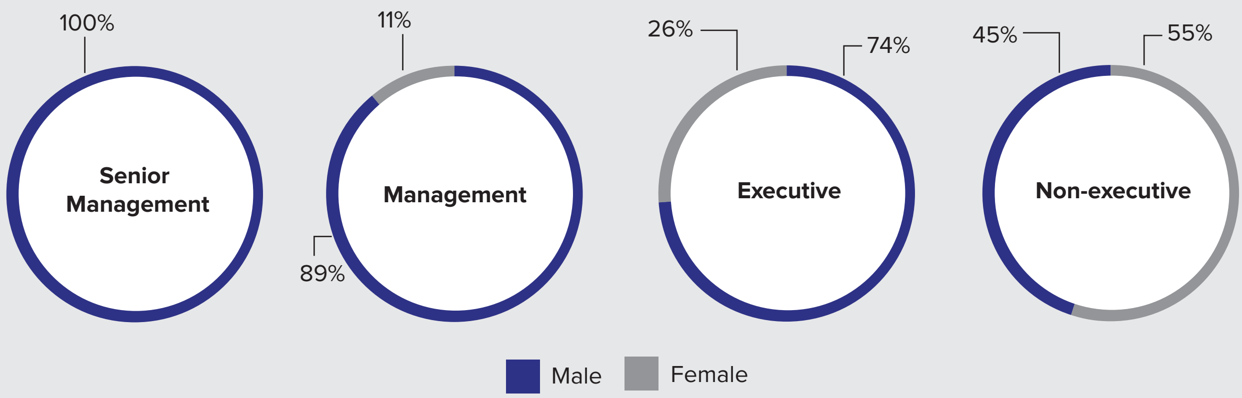
Workforce by age, gender, and ethnicity groups in FY2024



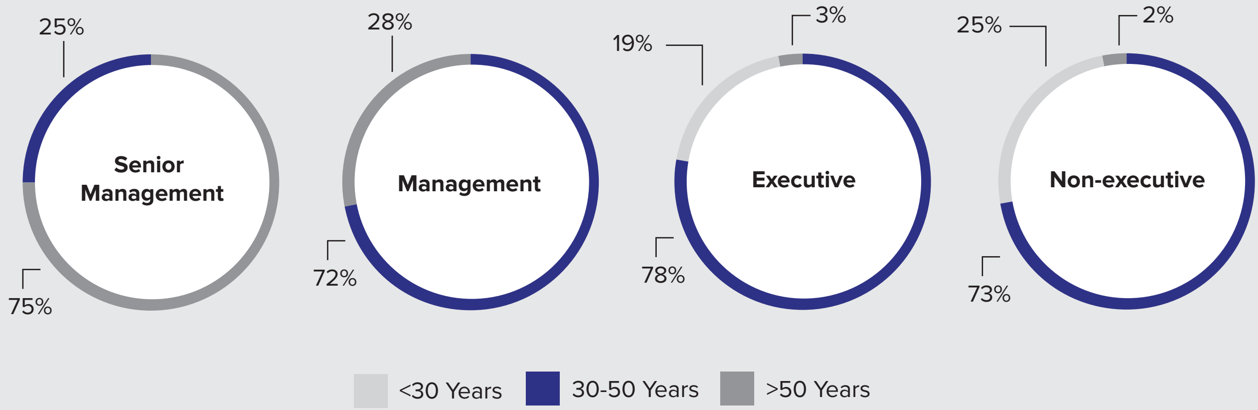
SUSTAINABILITY STATEMENT

EMPLOYEE DIVERSITY FY2024

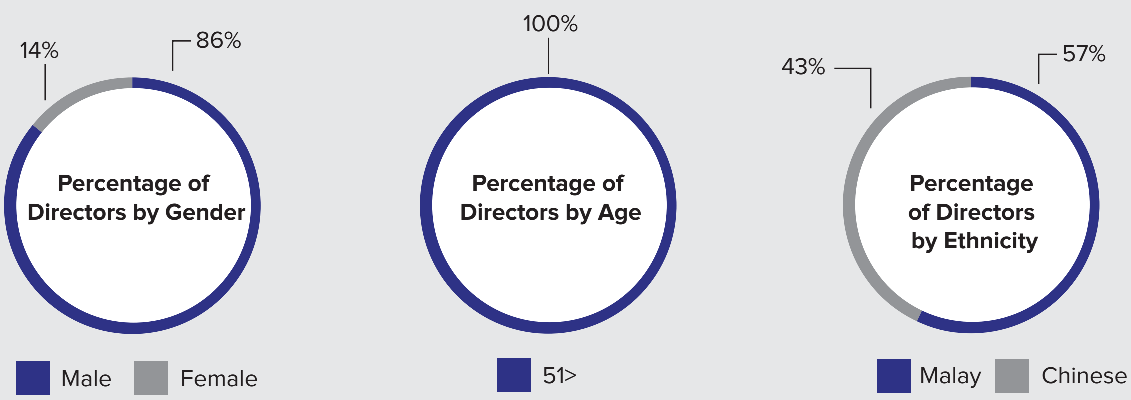
Percentage of Employees by Gender



Percentage of Employees by Age



DIRECTOR DIVERSITY 2024



Human Rights

We have established Human Rights and Labour Policies to reinforce our commitment to the inherent rights of all human beings. We also support the fundamental rights and principles in the International Labour Organisation and the United Nations International Bill of Human Rights.

Our policies reflect our belief in promoting workplace rights, encouraging decent employment opportunities, and enhancing social protection across our operations, including our supply chain. To this end, we strictly prohibit the following acts:

- **Child Labour**
- **Forced or Slave Labour, Debt and Bondage**
- **Human Trafficking**
- **Human Rights Abuses**

Labour Standards and Practices

We strongly uphold the human rights and ethical treatment of our employees, business partners, and the community. The Group condemns child and slave labour and adheres to the Children and Young Persons (Employment) Act 1996. We treat all employees with dignity and respect, prohibiting any acts of corporal punishment, mental or physical coercion, or verbal abuse. We comply with government-prescribed national laws and regulations minimum working hours (including overtime and rest periods) and holiday entitlements.

The Group's Human Rights commitments extend to all our business partners and stakeholders. We comply with freedom of association and collective bargaining rights as stipulated in Malaysian Labour Laws. Since our establishment, there have been no instances of child or slave labour within the Group or our supply chain. To date, we have received zero substantiated complaints regarding human rights violations associated with Carimin or any of our subsidiaries.

ZERO

Total Number of Substantiated Human Rights Complaints

FY2023: 0 cases reported
FY2022: 0 cases reported

Employee Welfare

The workplace culture and environment significantly influence employees' physical and mental health. Recent societal shifts have prioritised individual well-being over monetary rewards. Employees increasingly value work environments that support social rights and minimise negative impacts on family relationships, recreational activities, and physical health.

To foster a healthy and positive work environment, we have implemented Human Rights and Diversity Policies. Whilst the O&G sector's unique requirements may limit opportunities for equal work assignments, we ensure comparable remuneration and benefits and adherence to regulatory work hours and overtime policies. Additionally, we maintain a non-discriminatory approach to hiring, promotion, and training at our headquarters.

The Group adheres to all relevant laws and regulations regarding minimum wage, working hours, overtime, and working days. However, working hours may vary depending on the work location.

Offshore workers' hours follow regulatory guidelines, whereas onshore workers' hours are based on operational requirements and are entitled to a leave ratio of 4:1 (four consecutive offshore workdays to one day of leave).

Apart from the remunerations and contributions per labour laws, the employees are entitled to the following benefits.

SUSTAINABILITY STATEMENT

Leaves: Maternity, Paternity, Marriage, Compassionate, Offshore, Religious, Annual and Sick Leaves.
Health: Medical and Health Insurance, Annual Health Screening and Outpatient Treatment.
Monetary Benefits /Allowance: Offshore, Training and Business Trip allowance, Compassionate and Congratulatory Contribution, Commendation, and Yearly Bonus.

Raya Celebration

On Thursday, 2nd May 2024, Carimin Petroleum Berhad hosted a memorable Hari Raya celebration at IBIS Hotel, Jalan Yap Kwan Seng, Kuala Lumpur. The event brought together all staff from our KL office, along with the top management, to celebrate the festive occasion as one big Carimin family.

The gathering was an opportunity for employees to bond and strengthen relationships beyond the work environment, fostering a sense of unity and shared appreciation. Top management joined in the celebrations, showing their support and appreciation for the contributions of every team member.

The joyous event was filled with laughter, delicious traditional food, and engaging activities, reflecting the spirit of togetherness and gratitude that Hari Raya symbolizes. We look forward to more opportunities to celebrate such moments, reinforcing our company culture of inclusiveness and camaraderie.

Customer Satisfaction

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Our customers are a top priority amongst our stakeholders. We are committed to exceeding their expectations. By collaborating with our customers, we aim to build resilient infrastructure, promote sustainable industrialisation, and foster innovation, thereby contributing to SDG 9.

Quality

To ensure the highest quality for our customers, we have established a Quality Policy and obtained ISO 9001:2015 certification, demonstrating that our products and services meet international quality standards. This certification signifies our commitment to consistently satisfying customer quality requirements, adhering to regulatory conditions, enhancing our competencies, and investing in systems that improve efficiency. These strategies have contributed to our reliable performance and sustainable growth. Our QMS organizational structure outlines the leadership hierarchy and specific commitments required at each level. This structure defines departments, positions, responsibilities, authority, and the interrelationships of personnel involved in managing and verifying service quality.

Customer Satisfaction

We track customer perception through our Customer Satisfaction Survey ("CSS"), a platform where customers can file complaints and provide feedback. The CSS involves interviewing a representative sample of our customers about the products or services we have delivered. All complaints and feedback gathered through meetings, emails, and verbal communications are recorded, compiled, and analyzed to identify areas for improvement and implement corrective measures.

Community Engagement

SDG 17 emphasises partnerships for achieving the Sustainable Development Goals, promoting effective collaboration between public, private, and civil society sectors. Building on existing partnerships and resource strategies, we have collaborated with non-profit and non-government organizations to implement strategic community programmes.

Professional Memberships And Association

Malaysian Oil & Gas Services Council, Malaysia Petroleum Resources Corporation, Malaysia Ship Owners Association and Malaysian Gas Association

Carimin's collaborations with professional memberships and associations have created a platform for consultation and discussion among members on shared interests. These partnerships have led to the adoption of sound principles and practices in areas such as health and safety, human rights, human resources, industrial skills training, research, information, and other relevant activities.

Malaysia Petroleum Resource Corporation ("MPRC") Workshop

Carimin participated in the MPRC Workshop on ESG/Sustainability. This workshop, is aimed to gather feedback on ESG and Sustainability practices and disclosures among Oil and Gas Services and Equipment companies. The insights and contributions from this session will play a key role in shaping the National OGSE Sustainability Roadmap ("NOS-R").

This reaffirms our commitment to be engaged with industry standards and contributing to the advancement of sustainability practices in the OGSE sector.

Enhancing The Local Economy

Our business strategies are aligned with investments that support the development of the communities where we operate and the nation through the positive impacts of our operations. Our purchasing and sourcing practices contribute to the growth of the O&G industry and create opportunities for smaller companies to develop and for community members to find employment.

Local hiring is a key contribution to our community. We support the local economy by employing fellow Malaysians and developing their skills and capabilities. Our workforce consists primarily of Malaysians, with only one non-Malaysian employee. Our Labuan and Kemaman yards employ an average of 83 semi-skilled and unskilled workers from the local community each year.

Local sourcing is a priority at Carimin. All our contractors and subcontractors are Malaysian companies specializing in the O&G sector. Whenever possible, we engage local partners within or near our operating areas who share our values and standards for safety, diversity and environmental protection.

SUSTAINABILITY STATEMENT

Community Outreach Initiatives

Corporate giving enables us to build stronger relationships with the community and demonstrate our commitment to social welfare. In FY2024, as in previous years, our community welfare initiatives were focused on the lower-income household category (B40). We also collaborated with Zoo Negara Malaysia to carry out zoo cleaning activity together with 30 employee volunteers.

1. Palestine Relief Fund – MERCY Malaysia

2. Portable Aluminium Oxygen Tank Machine

3. Program Penukaran Bumbung Surau Sekolah - Surau At-Taqwa at SMK Sri Permata, Kelana Jaya

4. Zoo Animal Sponsorship Program – Sun Bear at Zoo Negara Malaysia

5. Green Project at Zoo Negara Malaysia – in conjunction with World Environment Day

6. Construction of Masjid Taman Puchong PRIMA
7. Food Aid Community – School Children (Poor – B40) at Section 27, Shah Alam, Selangor

Governance

Community Engagement

Sustainable governance is a cornerstone of corporate sustainability, enabling our Group to serve the common good, respect the environment, and maintain long-term productivity and impact. Amongst our material matters, we have prioritised governance, compliance ethics, and risk management. We strive to align the Group with these material matters closely associated with SDG 16: promoting peaceful and inclusive societies, ensuring access to justice for all, and building effective, accountable, and inclusive institutions at all levels.

Governance

MM12 Governance, Compliance & Ethics
MM13 Risk Management

Business Ethics and Anti-Corruption

We adhere to the highest ethical standards, as embodied by our core values of respect, responsibility, integrity, and trust. All employees and partners are expected to comply with all applicable laws, including the Malaysian Anti-Corruption Commission (Amendment) Act 2018. Our business transactions are conducted in accordance with the Group's Code of Business Ethics and Anti-Bribery and Corruption Policy (ABC Policy). We prioritise staying informed about emerging best sustainable practices to ensure that our policies are continually updated as needed.

Risk Assessment	The Group's corruption risk assessment identifies potential vulnerabilities in our systems that could create opportunities for corruption. Corruption risks are rated based on exposure levels, considering factors such as contacts with counterparties, activities, and transactions. As part of our broader enterprise risk management framework, the corruption risk assessment informs preventive actions to mitigate critical risks. In the past year, we conducted another corruption risk assessment, enhanced our risk registers, and required 51 employees deemed high and medium risk to attend the Anti-Corruption Briefing Program. Additionally, we implemented a Counterparty Corruption Due Diligence program for high-risk vendors and business partners.
Management and Monitoring	We have implemented rigorous procedures to ensure strict compliance with our policies. All newly hired employees undergo induction sessions, and accredited business partners in our supply chain are informed of our policies. All parties must acknowledge their understanding and acceptance of the COBE and ABC policies through signed confirmation. Additionally, checks and balances are in place across relevant operations to prevent corruption and bribery incidents. To further strengthen this area, the Head of Corporate Compliance and Control conducted ABC/COBE training programs during the financial year.
Grievance Channel	The Whistleblowing Policy provides a platform for all stakeholders to report grievances and actual or suspected misconduct. The policy outlines the steps for making a confidential report, and each case will be handled according to established procedures. Both the policy and the procedure are published on our corporate website.

Supplier Transparency and Ethics

Accredited suppliers and contractors receive copies of our policies as part of our onboarding process. They are informed of the procedures relevant to their roles and responsibilities. Our purchasing personnel are trained on the Group's COBE and ABC Policy to ensure they adhere to the highest standards of behaviour in their business dealings. Suppliers seeking to raise concerns or report improper conduct can utilise our whistleblowing platform.

Anti-Corruption Performance Data

Anti-Corruption Training
Training Topics
Anti Rasuah Bagi Sesebuah Organisasi & Taklimat Seksyen 17A Akta SPRM 2009 (SPRM)
Anti-Bribery & Anti-Corruption Training

Employees who have received training on anti-corruption FY2024

78 Employees[1] *"Exclude daily rated workers"* who have received training

FY2023: 108 employees
FY2022: 67 employees

Risk Management

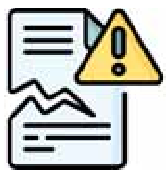
As businesses evolve, companies must proactively plan for the potential consequences of global and national sustainability challenges, including climate change, health disruptions, geopolitical shifts, technological advancements, and emerging business models.

100 %

Of our operations assessed for corruption-related risks FY2024

ZERO

Number of confirmed incidents of corruption and action taken in FY2024



The Group's sustainability risk management identifies risks and opportunities to guide the integration of material matters in our organisation and create positive impacts. By examining scenarios and anticipating potential challenges, sustainable risk management helps us identify opportunities, address challenges, and position ourselves to overcome the most pressing issues facing our business and industry.

In case of a crisis, our management is prepared to effectively address existing problems and avoid project miscalculations.

For more detailed information on our risk management, please go to the Section: Our Approach to Sustainability, subsection sustainability risk management of this statement.

"Exclude daily rated workers"

SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	88.48
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	12.310000
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	5,094.73
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	101
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	45
Management	Hours	314
Executive	Hours	525
Non-executive	Hours	201
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	69.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	0
Management	Number	1
Executive	Number	16
Non-executive	Number	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	25.00
Senior Management Above 50	Percentage	75.00
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	72.00
Management Above 50	Percentage	28.00
Executive Under 30	Percentage	19.00
Executive Between 30-50	Percentage	78.00
Executive Above 50	Percentage	3.00
Non-executive Under 30	Percentage	25.00
Non-executive Between 30-50	Percentage	73.00
Non-executive Above 50	Percentage	2.00

Internal assurance External assurance No assurance (*)Restated

SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024
Gender Group by Employee Category		
Senior Management Male	Percentage	100.00
Senior Management Female	Percentage	0.00
Management Male	Percentage	89.00
Management Female	Percentage	11.00
Executive Male	Percentage	74.00
Executive Female	Percentage	26.00
Non-executive Male	Percentage	45.00
Non-executive Female	Percentage	55.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	86.00
Female	Percentage	14.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	115,731.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	7
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	75.00
Management	Percentage	50.00
Executive	Percentage	56.00
Non-executive	Percentage	55.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0

Internal assurance External assurance No assurance (*)Restated

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

The Board of Directors ("Board") of Carimin Petroleum Berhad ("the Company") is pleased to present this statement to provide shareholders and investors with an overview of the corporate governance practices of the Company during the financial year ended 30 June 2024 ("FYE 2024"). The statement is also presented in compliance with Paragraph 15.25(2) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

This Corporate Governance Overview Statement ("CG Statement") is based on the three (3) principles as set out in the Malaysian Code on Corporate Governance ("MCCG") which was further updated by the Securities Commission Malaysia on 28 April 2021, which are:-

Principle A - Board leadership and effectiveness
Principle B - Effective audit and risk management
Principle C - Integrity in corporate reporting and meaningful relationships with stakeholders

This CG Statement is augmented with a Corporate Governance Report ("CG Report") which provides a detailed articulation of the application of the Company and its subsidiaries' ("the Group") corporate governance practices as set out in the MCCG throughout the FYE 2024. This CG Report is available on the Company's corporate website at www.carimin.com, as well as via an announcement on the website of Bursa Securities.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

PART I - BOARD RESPONSIBILITIES

1.1 Board and Board Committees

The Board collectively leads and is responsible for the overall performance and affairs of the Group including adherence to a high standard of good governance. All Board members are expected to demonstrate good stewardship and act in a professional manner whilst upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

The Board has the responsibility of leading and directing the Group towards realising long term objectives and as well maximising shareholders' value. The Board retains full and effective control of the Group's strategic plans, implementing an appropriate system of risk management and ensuring the adequacy and integrity of the Group's system of internal control.

In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter which outlines the duties and responsibilities of the Board. The Board also delegates certain responsibilities to the following Board Committees to assist in the execution of its responsibilities within their respective Terms of Reference:

a. Audit Committee ("AC");
b. Nomination and Remuneration Committee ("NRC"); and
c. Risk Management Committee ("RMC").

Each committee operates in accordance with its respective Terms of Reference as approved by the Board. The Board Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their respective Terms of Reference and report to the Board on their proceedings and deliberation together with its recommendations to the Board for approval. The Board Committees' Terms of Reference can be accessed via the Company's corporate website at www.carimin.com.

Apart from the responsibilities of the Board Committees, the Managing Director ("MD"), Executive Directors and other Senior Management are also delegated with certain authorities to enable them to effectively discharge their responsibilities on the day-to-day operations of the Group.

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

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.2 Chairman of the Board

The Board is chaired by Tan Sri Dato' Kamaruzzaman Bin Shariff, who is a Non-Independent Non-Executive Chairman and is primarily responsible for matters pertaining to the Board and ensures the orderly conduct and performance of the Board. The Chairman is committed to good corporate governance practices and has been leading the Board towards a high performing culture.

The key responsibilities of the Chairman, amongst others, are as follows:-

- To provide leadership to the Board;
- To oversee the effective discharge of the Board's supervisory role;
- To facilitate the effective contribution of all Directors;
- To conduct and chair Board meetings and general meetings of the Company;
- To manage Board communications and Board effectiveness and effective supervision over Management;
- To ensure that quality information to facilitate decision making is delivered to the Board in a timely manner;
- To ensure Board meetings and general meetings comply with good conduct and best practices;
- To promote constructive and respectful relations between Board members and between the Board and the Management; and
- To jointly represent the Company together with the MD to external groups such as shareholders, creditors, consumer groups, and local governments.

The Chairman does not assume the position of chairman of the Board Committees but as a member of the AC and NRC. Through his participation and corporate experience, it is believed that the Board's objectivity in receiving or reviewing the committee reports has not been diminished in any way.

1.3 Chairman and MD

The positions of the Chairman and MD are held by two different individuals. There is a clear division of responsibilities between the two roles to ensure that there is an appropriate balance of power and authority, such that no one individual has unfettered decision making powers.

The Chairman of the Board is primarily responsible for the leadership, effectiveness, conduct and governance of the Board while the MD is responsible for the development and implementation of strategy, overseeing and managing the day-to-day operations of the Group, such as, amongst others, developing long-term strategic and short-term cash flow plans, directing and controlling all aspects of business operations, overseeing the human resources need of the Group and ensuring compliance with all governmental procedures and regulations.

1.4 Qualified and Competent Company Secretaries

The Board is supported by two (2) Company Secretaries who are experienced and qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016 ("CA 2016") and are also registered holders of the Practicing Certificate issued by the Companies Commission of Malaysia.

The Company Secretaries are responsible for ensuring overall compliance with the CA 2016, Listing Requirements, and other relevant laws and regulations. In addition, the Company Secretaries assist the Board and Board Committees in fulfilling their duties effectively while adhering to established Board policies and procedures and best practices.

To discharge these critical roles, the Company Secretaries regularly attend relevant training programs, conferences, seminars, and forums to stay current with the latest developments in corporate governance and regulatory requirements relevant to their profession. This ongoing education enables the Company Secretaries to provide the necessary advice to the Board and ensure that the Company remains compliant.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.4 Qualified and Competent Company Secretaries (Cont'd)

The Board has direct access to the professional advice and services of the Company Secretaries to assist them in performing their duties and discharging their responsibilities effectively. The Company Secretaries' role in facilitating compliance and ensuring the smooth functioning of the Board is critical to the Company's success.

Overall, the Board is satisfied with the service and support rendered by the Company Secretaries and their team to the Board in the discharge of their duties and functions.

1.5 Meeting of Board and Board Committees

To facilitate the Directors' time planning, an annual meeting calendar is prepared in advance of each new year by the Company Secretaries. The calendar provides the Directors with scheduled dates for meetings of the Board and Board Committees as well as the annual general meeting ("AGM"). The closed periods for dealings in securities by Directors and principal officers based on the scheduled dates of meetings for making announcements of the Group's quarterly results were also provided therein.

Except in the case of an emergency, the notices of Board and Board Committees meetings together with the meeting papers are generally furnished to the Board members within five (5) working days prior to the dates of meetings. This is to ensure that the Directors have sufficient preparation time and information to make an informed decision at each meeting.

The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes are circulated for the Board or Committee Chairman's review within a reasonable timeframe after the meetings. The minutes of meetings accurately captured the deliberations and decisions of the Board and/or the Board Committees, including whether any Director abstains from voting or deliberating on a particular matter.

All the records of proceedings and resolutions passed are kept at the registered office of the Company.

For matters which require the Board's decision on an urgent basis outside of Board Meetings, board papers along with Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.

1.6 Board Charter

The Board Charter clearly sets out the roles and responsibilities, composition and balance, operation and processes of the Board. It is designed to provide guidance and clarity to Directors with regard to the respective roles and responsibilities of the Board, Board Committees, Chairman and MD, as well as issues and decisions reserved for the Board, the Board's governance structure and authority. This is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities, and the legislations and regulations affecting their conduct.

The Board Charter would be reviewed as and when necessary to ensure it remains consistent with the Board's objectives and responsibilities and reflects the latest compliance requirements as a result of changes in the regulatory framework.

The Board Charter is published on the Company's corporate website at www.carimin.com.

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

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.7 Code of Conduct and Business Ethics

The Board has adopted a Code of Conduct and Business Ethics for Directors and employees towards their day-to-day duties and operations of the Group. It sets out the ethical standards and underlying core ethical values to guide the actions and behaviours of all Directors and employees. The Code of Conduct and Business Ethics is formalised in the Company handbook and is available on the Company's corporate website at www.carimin.com. A brief Code of Conduct and Business Ethics is also incorporated in Part 6 of the Board Charter.

The Board will review the Code of Conduct and Business Ethics regularly to ensure that it continues to remain relevant and appropriate with the prescribed requirements and best corporate governance practices.

1.8 Whistleblowing Policy

The Board has put in place a Whistleblowing Policy which is published on the Company's corporate website at www.carimin.com to provide the appropriate communication and feedback channels to facilitate whistleblowing, as well as to guide and address any reports of wrongdoing under the Code of Conduct and Business Ethics, including communication through the Company's corporate website. The Whistleblowing Policy, which is published on the Company's corporate website, sets out the processes for employees or members of the public to report genuine concerns about illegal, unethical or questionable practices in confidence and without risk or reprisal.

The Board will review and update the Whistleblowing Policy as and when necessary to ensure that it remains relevant to the Group's changing business circumstances and/or comply with the applicable laws and regulations.

1.9 Anti-Bribery & Corruption Policy ("ABC Policy")

In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018"), the Company has put in place ABC Policy to encourage a culture of integrity and transparency in all of the Group's activities. This policy which adheres to the Listing Requirements of Bursa Securities and the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act 2018, generally sets out the responsibilities of the Company, and all individuals who work for the Group, in observing and upholding the Group's position on bribery and corruption and provides key anti-bribery and corruption principles that apply to all interactions with the Group's customers, business partners, and other third parties, as well as guidelines for the prevention, management, and remediation of bribery and corruption related risks.

The ABC Policy is made available on the Company's corporate website at www.carimin.com.

The ABC Policy will be reviewed from time to time to ensure that it continues to remain relevant and appropriate.

1.10 Directors' Fit and Proper Policy

In line with the new Paragraph 15.01A of the Listing Requirements of Bursa Securities, the Board had adopted the Directors' Fit and Proper Policy which serves as a guide to the NRC and the Board in their review and assessment of the potential candidates for appointment to the Board as well as the retiring Directors who are seeking re-election at the AGM.

The Directors' Fit and Proper Policy shall be reviewed periodically by the Board and be revised at any time as it may deem necessary to ensure that they remain consistent with the Board's objectives, current law and practices. The Directors' Fit and Proper Policy is available on the Company's website at www.carimin.com.

The Board has also adopted the Nomination and Appointment of New Directors Process and Procedures to formalise the process for the nomination and appointment of a new Director to be undertaken by the NRC and the Board in discharging their responsibilities in terms of the nomination and appointment of new Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.11 Sustainability Governance

The Board believes that sustainable business practices are essential to the creation of long-term value, and that running the business in a responsible manner is intrinsically tied to achieving operational excellence.

The Board has oversight over sustainability including strategies, priorities and targets, with Management being responsible for operational execution with respect to Environmental, Social and Governance.

As fiduciary to the Company's shareholders, the Board is focused on maintaining exemplary corporate governance practices, which include a commitment to ethics, integrity and corporate responsibility. The Board also ensures the Company's internal and external stakeholders are well informed on the sustainability strategies, priorities, targets as well as overall performance in which the Sustainability Statement has provided a detailed articulation in this Annual Report.

The Board also incorporated the assessment of the Board's understanding of sustainability issues in the annual performance evaluation process. This is critical to the Company's performance and reflects the Board's ongoing commitment to sustainability.

PART II - BOARD COMPOSITION

2.1 Board Composition

The composition of the Board complies with Paragraph 15.02 of the Listing Requirements of Bursa Securities, which stipulates that the Company must ensure that at least two (2) Directors or one-third (1/3) of the Board members, whichever is the higher, are Independent Directors. Currently, the Board has three (3) out of seven (7) members are Independent Non-Executive Directors as follows:-

No.	Names	DESIGNATIONS
1.	Tan Sri Dato' Kamaruzzaman Bin Shariff	Non-Independent Non-Executive Chairman
2.	Yip Jian Lee	Independent Non-Executive Director
3.	Mohd Rizal Bahari Bin Md Noor	Independent Non-Executive Director
4.	Muhammad Khadzir Bin Abdul Mutalib *(Appointed on 12 August 2024)*	Independent Non-Executive Director
5.	Mokhtar Bin Hashim	MD
6.	Wong Kong Foo	Executive Director
7.	Lim Yew Hoe	Executive Director

This composition is able to provide independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, and ensure high standards of conduct and integrity are maintained.

The Board members have diverse backgrounds and experiences in various fields. Collectively, they bring a wide range of skills, experience and knowledge to manage the Group's business. The profiles of these Directors are provided on pages 10 to 13 in this Annual Report.

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

PART II - BOARD COMPOSITION (CONT'D)

2.2 Tenure of Independent Directors

The Board is fully aware that the tenure of an Independent Non-Executive Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting.

Based on the assessment carried out during the financial year under review, the Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their abilities to act in the best interest of the Company.

Currently, Pn. Yip Jian Lee and En. Mohd Rizal Bahari Bin Md Noor have served the Board as Independent Non-Executive Directors for a cumulative term of more than nine (9) years.

The Company has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years. Notwithstanding that, the assessment of the independence of Independent Directors will be conducted annually via the Annual Evaluation of Independence of Directors to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

2.3 New Appointment to the Board

The members of the Board are appointed in a formal and transparent practice as endorsed by the MCCG. The new candidates will be considered and evaluated by the NRC, and the NRC will then recommend the candidates to be approved and appointed by the Board. In making a recommendation to the Board on the candidates for directorship, the NRC will consider and nominate the candidates based on the objective criteria, including:-

(a) skills, knowledge, expertise and experience;
(b) professionalism;
(c) integrity;
(d) time commitment to the Company based on the number of directorships held; and
(e) in the case of candidates for the position of Independent Non-Executive Directors, the NRC will also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

In identifying suitable candidates, the NRC may receive suggestions from existing Board members, Management and major shareholders. The NRC is also open to referrals from external sources available or independent search firms.

All Directors shall not hold more than five (5) directorships in other listed issuers as required under Paragraph 15.06 of the Listing Requirements of Bursa Securities.

The new appointment of Senior Management would be reviewed by the NRC based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

The role of the NRC is detailed in its Terms of Reference, which is accessible on the Company's corporate website at www.carimin.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

PART II - BOARD COMPOSITION (CONT'D)

2.4 Board Diversity and Senior Management Team

The Board recognises that gender diversity and equitable representation at Board and Senior Management levels are essential elements of good governance, and is a critical attribute of a well-functioning Board and maintaining a competitive advantage. The Group is an equal opportunity employer and does not practice discrimination of any form, whether based on age, gender, or ethnicity throughout the organisation, including the selection of Board members and Senior Management. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Group.

In the event that a vacancy in the Board arises, the Board, through the NRC, will consider female representation when suitable candidates are identified. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the skill sets, experience and knowledge of the candidate. The Company's prime responsibility in new appointments is always to select the best candidates available. Hence, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remains a priority.

Recognizing the importance of boardroom diversity for a well-functioning organisation, the Board has put in place a Gender Diversity Policy which provides a framework for the Company to improve its gender diversity at the Board and Senior Management level and the same is published on the Company's website at www.carimin.com.

Currently, there is one (1) female Director on the Board, namely Pn. Yip Jian Lee. The Board will continue to explore opportunities to attract and retain diverse talent while ensuring that all appointments are based on merit and suitability.

2.5 Board Committees

The Board Committees are set up to manage specific tasks for which the Board is responsible within clearly defined Terms of Reference. This ensures that the Board members can spend their time more efficiently while the Board Committees are entrusted with the authority to examine particular issues.

The Board has established three (3) Board Committees and the membership of each committee is set out in the table below:-

Composition	AC	NRC	RMC
Tan Sri Dato' Kamaruzzaman Bin Shariff *(Non-Independent Non-Executive Chairman)*	Member	Member	N/A
Yip Jian Lee *(Independent Non-Executive Director)*	Chairman	Member	N/A
Mohd Rizal Bahari Bin Md Noor *(Independent Non-Executive Director)*	Member	Chairman	Member
Muhammad Khadzir Bin Abdul Mutalib *(Independent Non-Executive Director)* *(Appointed on 12 August 2024)*	Member	N/A	Member
Mokhtar Bin Hashim *(MD)*	N/A	N/A	Member
Lim Yew Hoe *(Executive Director)*	N/A	N/A	N/A
Wong Kong Foo *(Executive Director)*	N/A	N/A	N/A

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

PART II - BOARD COMPOSITION (CONT'D)

2.6 NRC

The NRC is chaired by En. Mohd Rizal Bahari Bin Md Noor, an Independent Non-Executive Director of the Company.

The NRC is responsible for identifying and recommending suitable candidates for Board membership and also for assessing the performance of the Directors on an ongoing basis. The Board will have the ultimate responsibility and final decision on the appointment of the Directors. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company and determine a skills matrix to support the strategic direction and needs of the Company.

The NRC has written Terms of Reference dealing with its authority and duties which include the selection and assessment of Directors. The Terms of Reference of the NRC had incorporated the relevant practices recommended under the MCCG.

The Terms of Reference of the NRC is published on the Company's website at www.carimin.com.

The activities undertaken by the NRC during the FYE 2024 were as follows:-

(i) Evaluated the balance of skills, knowledge and experience of the Board. Carried out the assessment and rating of each Director's performances against the criteria as set out in the annual assessment form. The performance of Non-Executive Directors was also carefully considered, including whether they could devote sufficient time to the role.
(ii) Undertaken evaluation exercise of the Board and its Committees as a whole with the objective of assessing its effectiveness.
(iii) Reviewed and assessed the contribution and performance of the AC and recommended to the Board for endorsement.
(iv) Reviewed and assessed the independence of the Independent Directors of the Company.
(v) Reviewed and recommended to the Board the re-election of the Directors who retired pursuant to the Company's Constitution at last AGM held on 30 November 2023.
(vi) Reviewed and recommended to the Board the remuneration packages and directors' fees and/or benefits of all Directors of the Company.
(vii) Reviewed and considered succession planning for key senior management.

2.7 Board Appointment and Re-appointment Process

The NRC is tasked by the Board to make independent recommendations for appointments to the Board. In evaluating the suitability of candidates, the NRC considers, inter-alia, the character, experience, integrity, commitment, competency, qualification and track record of the proposed new nominee for appointment to the Board. In the case of a nominee for the position of Independent Non-Executive Director, NRC evaluates the nominee's ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

In accordance with the Listing Requirements of Bursa Securities and the Company's Constitution, one-third (1/3) of the Directors of the Company for the time being shall retire at the AGM of the Company provided always that all Directors, shall retire from office at least once in every three (3) years but shall be eligible for re-election at the AGM. Additionally, the Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election.

In assessing the candidates' eligibility for re-election, the NRC considers their competencies, commitment, contribution and performance based on their respective performance evaluation to the Board and their ability to act in the best interest of the Company.

The Board makes recommendations concerning the re-election, re-appointment and continuation in office of any Director for shareholders' approval at the AGM.

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

PART II - BOARD COMPOSITION (CONT'D)

2.8 Annual Assessment of the Board and Board Committees as a whole

The Board has, through the NRC, undertaken a formal and objective annual evaluation to assess the effectiveness of the Board and the Board Committees as a whole and the contribution of each Director, including the independence of the Independent Non-Executive Director, making reference to the guides available and the good corporate governance compliance. The evaluation process was carried out by sending the following customised assessment forms to Directors:-

i. Performance of MD;
ii. Performance of Executive Directors;
iii. Performance of Non-Executive Directors/Chairman;
iv. Independence of the Independent Directors;
v. Performance of the AC; and
vi. Effectiveness of the Board and Board Committees as a whole.

The assessment of the Board and Board Committees is performed on a Board review whilst the assessment of the individual Directors is performed on a peer-review basis. Each Director is provided with the assessment forms for their completion prior to the meeting. The results of all assessments and comments by the Directors are summarised and deliberated at the NRC meeting and thereafter the NRC's Chairman will report the results and deliberation to the Board.

In evaluating the performance of Non-Executive Directors, the assessment comprises amongst others, the attendance at Board or Committee meetings, adequate preparation for Board and/or Board Committees' meetings, regular contribution to Board or Board Committees' meetings, personal input to the role and other contributions to the Board or Board Committees as a whole.

In evaluating the performance of the MD and Executive Directors, the assessment was carried out against diverse key performance indicators including amongst others, financial, strategic and sustainability, conformance and compliance, business acumen or increase shareholders' wealth, succession planning and personal input to the role.

Based on the evaluations conducted in the FYE 2024, the NRC and the Board were satisfied with the performance of the individual Directors, the Board as a whole, Board Committees as well as the independence and objective judgements that the Independent Directors have brought to the Board.

2.9 Attendance of Board and Board Committees' Meetings

The Board schedules at least four (4) meetings in a financial year with additional meetings to be convened where necessary. During the FYE 2024, the Board conducted seven (7) Board meetings where they deliberated and approved various reports and matters, including the quarterly financial results of the Group for the announcement to Bursa Securities as well as the Group's budget, strategy, operational and financial performance.

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

PART II - BOARD COMPOSITION (CONT'D)

2.9 Attendance of Board and Board Committees' Meetings (Cont'd)

The number of meetings held and attended by each member of the Board and Board Committees during the FYE 2024 are as follows:-

Name of Directors	Attendance			
	Board	AC	NRC	RMC
Tan Sri Dato' Kamaruzzaman Bin Shariff *(Non-Independent Non-Executive Chairman)*	7/7	1/1	3/3	N/A
Yip Jian Lee *(Independent Non-Executive Director)*	7/7	5/5	3/3	N/A
Mohd Rizal Bahari Bin Md Noor *(Independent Non-Executive Director)*	7/7	5/5	3/3	2/2
Wan Muhamad Hatta Bin Wan Mos *(Independent Non-Executive Director)* *(Resigned on 23 February 2024)*	4/5	4/4	2/2	2/2
Muhammad Khadzir Bin Abdul Mutalib *(Independent Non-Executive Director)* *(Appointed on 12 August 2024)*	N/A	N/A	N/A	N/A
Mokhtar Bin Hashim *(MD)*	6/7	N/A	N/A	N/A
Lim Yew Hoe *(Executive Director)*	7/7	N/A	N/A	N/A
Wong Kong Foo *(Executive Director)*	6/7	N/A	N/A	N/A

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

PART II - BOARD COMPOSITION (CONT'D)

2.10 Directors' Training

Relevant guidelines on statutory and regulatory requirements were circulated to the Board from time to time for Board reference. During the FYE 2024, all Directors attended the following training programmes in compliance with Paragraph 15.08 of the Listing Requirements of the Bursa Securities:-

Name of Directors	Training/seminars attended
Tan Sri Dato' Kamaruzzaman Bin Shariff	• Key Amendments to the Listing Requirements of Bursa Securities relating to Sustainability Training for Directors, Conflict of Interest ("COI"), and Other Amendments
Yip Jian Lee	• Key Amendments to the Listing Requirements of Bursa Securities relating to Sustainability Training for Directors, COI, and Other Amendments • AC Conference 2023 – AC: Catalysts of Change • Management of Cyber Risk • COI and Governance of COI • Budget 2024 Highlights • ESG Awareness • Mandatory Accreditation Programme ("MAP") Part II: Leading for Impact • Sustainable Sustainability : Why ESG is not enough • Navigating Cyber Threats in the Age of AI & Thriving in High Risk Landscape • Corporate Board Leadership Symposium 2024 - Strategic Leadership : Navigating Transitions with Resilience
Mohd Rizal Bahari Bin Md Noor	• Key Amendments to the Listing Requirements of Bursa Securities relating to Sustainability Training for Directors, COI, and Other Amendments
Mokhtar Bin Hashim	• Key Amendments to the Listing Requirements of Bursa Securities relating to Sustainability Training for Directors, COI, and Other Amendments • MAP Part II: Leading for Impact
Lim Yew Hoe	• COI and Governance of COI • Key Amendments to the Listing Requirements of Bursa Securities relating to Sustainability Training for Directors, COI, and Other Amendments • Diversification, The Way Forward • OGSE100 CEOs Forum
Wong Kong Foo	• Key Amendments to the Listing Requirements of Bursa Securities relating to Sustainability Training for Directors, COI, and Other Amendments

The Board has continuously, evaluated and assessed the training needs of each Director to keep them abreast with the state of the economy, technological advances, regulatory updates, management strategies and development in various aspects of the business environment to enhance the Board's skills and knowledge in discharging its responsibilities.

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

PART III – REMUNERATION

3.1 Remuneration Policy

The Board acknowledges the importance of fair remuneration in attracting, retaining and motivating Directors and Senior Management. Hence, the Board has established a formal and transparent Remuneration Policy as a guide for the Board and the NRC to determine the remuneration of Directors and Senior Management of the Company, which considers the demands, complexities and performance of the Company as well as skills and experience required. The Remuneration Policy is available on the Company's corporate website at www.carimin.com.

The Remuneration Policy is guided by the following key principles in remunerating the Directors of the Company:-

a. fees payable for Directors who hold a non-executive role in the Company shall be paid by a fixed sum and not by commission on or percentage of profits or turnover;

b. fees and/or benefits (including meeting allowance) payable to Directors are subject to annual shareholders' approval at a general meeting, where notice of the proposed fees and/or benefits has been given in the notice convening the meeting;

c. fees payable to an alternate Director (if any) shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and

d. salaries and other emoluments payable to Directors who hold executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting and such salaries and emoluments may not include a commission on or percentage of turnover.

The Board, assisted by the NRC, implements the policy and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The NRC is responsible for ensuring that the remuneration packages are benchmarked with industry standards in light of the Group's performance in the industry as well as commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Group.

The Board will determine the remuneration package of the MD and Executive Directors, taking into consideration the recommendations of the NRC. The remuneration package for the MD and Executive Directors are structured in such a way that it links rewards to both corporate and individual performance.

Non-Executive Directors will be paid a basic fee as ordinary remuneration and will be paid a sum based on their responsibilities in committees and the Board, their attendance and/or special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Apart from Directors' fees, all Non-Executive Directors are entitled to meeting allowances for attending Board and Board Committee meetings.

Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.

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

PART III – REMUNERATION (CONT'D)

3.2 Remuneration of Directors

The remuneration payable to the Directors on the Company and the Group basis for the FYE 2024 are as follows:-

The Company

Name of Directors	RM ('000)						
	Fee	Allowance	Salary	Bonus	Benefits-in Kind	Other emolument	Total
Tan Sri Dato' Kamaruzzaman Bin Shariff	140.0	8.2	-	-	-	-	**148.2**
Yip Jian Lee	100.0	5.9	-	-	-	-	**105.9**
Mohd Rizal Bahari Bin Md Noor	85.0	6.2	-	-	-	-	**91.2**
Mokhtar Bin Hashim	-	-	-	-	-	-	**-**
Lim Yew Hoe	-	-	-	-	-	-	**-**
Wong Kong Foo	-	-	-	-	-	-	**-**
Wan Muhamad Hatta Bin Wan Mos *(Resigned on 23 February 2024)*	56.7	4.4	-	-	-	-	**61.1**
TOTAL	**382**	**24.7**	**-**	**-**	**-**	**-**	**406.4**

The Group

Name of Directors	RM ('000)						
	Fee	Allowance	Salary	Bonus	Benefits-in Kind	Other emolument	Total
Tan Sri Dato' Kamaruzzaman Bin Shariff	140.0	8.2	-	-	-	-	**148.2**
Yip Jian Lee	100.0	5.9	-	-	-	-	**105.9**
Mohd Rizal Bahari Bin Md Noor	85.0	6.2	-	-	-	-	**91.2**
Mokhtar Bin Hashim	-	-	1,320.0	246.4	-	158.4	**1,724.8**
Lim Yew Hoe	156.0	-	-	-	-	36.0	**192.0**
Wong Kong Foo	-	-	664.0	-	-	56.0	**720.0**
Wan Muhamad Hatta Bin Wan Mos *(Resigned on 23 February 2024)*	56.7	4.4	-	-	-	-	**61.1**
TOTAL	**537.7**	**24.7**	**1,984.0**	**246.4**	**-**	**250.4**	**3,043.2**

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

PART III – REMUNERATION (CONT'D)

3.3 Remuneration of Senior Management

The Board is of the view that the disclosure of the Senior Management's remuneration components on a named basis would not be in the best interest of the Company as it may be detrimental to the Company's human resource management due to the competitive nature of talents within the construction industry.

The Board also took into consideration of sensitivity and security of the remuneration package of Senior Management, hence, opts not to disclose on a named basis the remuneration or in bands of RM50,000.00 for the Senior Management.

Alternatively, the Board is of the view that the disclosure of the Senior Management's aggregated remuneration on an unnamed basis in the bands of RM50,000.00 in this Annual Report is adequate.

The aggregate remuneration and benefits paid to the Senior Management of the Group for the FYE 2024 are as follows:-

Range of Remuneration	Number of Senior Management
RM200,001 to RM250,000	2
RM250,001 to RM300,000	1
RM350,001 to RM400,000	1
RM450,001 to RM550,000	1
TOTAL	**5**

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – AC

4.1 Effective and independent AC

The AC is relied upon by the Board to, amongst others, provide advice and oversee in the areas of financial reporting, external audit, internal control environment and internal audit processes, review of related party transactions as well as COI situations.

The AC is chaired by Pn. Yip Jian Lee, an Independent Non-Executive Director, whereas the Board is chaired by Tan Sri Dato' Kamaruzzaman Bin Shariff, a Non-Independent Non-Executive Director of the Company. The positions of Board Chairman and AC Chairman are assumed by different individuals to ensure that the Board's review of the AC's findings and recommendations is not impaired.

The AC comprises four (4) members. The composition of the AC complies with Paragraphs 15.09 and 15.10 of the Listing Requirements of Bursa Securities and the recommendation of MCCG whereby three (3) out of four (4) AC members are Independent Non-Executive Directors. None of the Independent Directors has appointed alternate directors.

The policy which requires a former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC has been incorporated in the Terms of Reference of the AC and the same is accessible on the Company's corporate website at www.carimin.com.

Currently, none of the members of the AC were former key audit partners of the present auditors of the Group.

The term of office and performance of the AC and its members are reviewed by the NRC annually to determine whether such AC and members have carried out their duties in accordance with the Terms of Reference.

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

PART I – AC (CONT'D)

4.2 External Auditors

The Board has established the External Auditors Assessment Policy together with an annual performance evaluation form. The Policy is to outline the guidelines and procedures for the AC to review, assess and monitor the performance, suitability and independence of the External Auditors.

The AC reviewed the nature and extent of non-audit services rendered by the External Auditors during the financial year and concluded that the provision of these services did not compromise their independence and objectivity. In addition, the AC had received 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.

The AC had carried out an annual performance assessment of the External Auditors together with the MD, Executive Directors and General Manager of Finance.

The AC is satisfied with the suitability and independence of the External Auditors and had recommended their re-appointment to the shareholders for approval at the forthcoming AGM.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

5.1 Risk Management and Internal Control Framework

The Board has oversight in maintaining sound systems of risk management and internal controls to ensure that risks faced by the Group are identified, assessed and managed to tolerable levels determined by the Board so that shareholders' investments and the Group's assets are safeguarded.

The Board is responsible for the Group's system of internal controls. The internal control covers the financial and non-financial aspects including risk assessment. It also encompasses compliance and operational controls, as well as risk management matters. The Group has formalised Standard Operating Procedures and Financial Authority Limits which take into consideration the adequacy and integrity of the system of internal control.

The review and assessment of the Company's internal control and risk management framework are conducted at least once a year. Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control of the Annual Report 2024.

5.2 Internal Audit Function

The Group's Internal Audit Function is outsourced to an independent professional service firm that assists the AC in managing the risks and establishing the internal control system and processes of the Group by providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The Internal Auditors report directly to the AC.

The outsourced Internal Auditors are free from any relationship or COI, which could impair their objectivity and independence.

The AC had obtained assurance from the outsourced Internal Auditors confirming that they are, and have been, independent throughout the conduct of the internal audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The internal audit functions and activities carried out during the FYE 2024 are as disclosed in the AC Report and Statement on Risk Management and Internal Control of the Annual Report 2024.

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

5.3 RMC

The Board, via the RMC, oversees the Group's risk management framework and policies. The risk management and internal control are ongoing processes, which are undertaken in each department. The RMC conducted a risk identification and evaluation process via a series of interviews and discussions with the key personnel and management of the Group with the consideration of both internal and external environmental factors.

The RMC is required to identify major business and compliance risks concerning their respective business units and ensure the integration of risk management into their business processes to safeguard the interest of the Group.

The RMC comprises a majority of Independent Non-Executive Directors and its scope and function are set out in the Terms of Reference which is available on the Company's corporate website at www.carimin.com.

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

PART I – COMMUNICATION WITH STAKEHOLDERS

6.1 Continuous Communication with Stakeholders

The Company recognises the need for stakeholders and the wider investment community to ensure that they are kept informed of all material business matters affecting the Group. This is done through the timely dissemination of information on the Group's performance and major developments.

Quarterly results, announcements and annual reports serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments. The Company's corporate website, www.carimin.com serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, Board Charter and policies, announcements, news and events relating to the Group.

6.2 Corporate Disclosure Policy

The Board values the importance of the timely flow of information and is committed to provide effective communication to its shareholders and the general public regarding the business, operations and financial performance of the Group and where necessary, that information filed with regulators is in accordance with all applicable legal and regulatory requirements.

The Company has adopted a Corporate Disclosure Policy, which is applicable to the Board and all employees of the Group, in handling and disclosing material information to the shareholders and the investing public. A copy of the policy is published on the Company's corporate website at www.carimin.com.

PART II – CONDUCT OF GENERAL MEETINGS

7.1 Conduct of General Meetings

The notice of the Eleventh AGM ("11th AGM") of the Company held on 30 November 2023 was sent to the shareholders on 31 October 2023, which is more than 28 days prior to the date of the 11th AGM. This has given sufficient time to shareholders to review the Annual Report and consider the resolutions for any questions they might wish to raise at the AGM.

At the 11th AGM, the shareholders were encouraged to participate in discussing the resolutions proposed or future developments of the Group.

All resolutions set out in the notice of the 11th AGM were put to vote by poll and the votes cast were validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meetings was announced to Bursa Securities at the end of the meeting day.

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

PART II – CONDUCT OF GENERAL MEETINGS (CONT'D)

7.2 Effective Communication and Proactive Engagement

Saved for En. Wong Kong Foo, an Executive Director of the Company, who was absent due to a prior engagement requiring his attention, all Directors of the Company including the Chairman of the respective Board Committees had attended the 11th AGM and were accountable to the shareholders for their stewardship of the Company. The Chairman of the Board and its Board Committees members were available to respond to shareholders' queries concerning the Company and the Group at the 11th AGM. The Senior Management and External Auditors were also invited to attend the AGM and assist the Board in addressing relevant queries made by the shareholders.

From the Company's perspective, the AGM serves as a principal forum for Directors to engage with the shareholders personally to understand their needs and seek their feedback. During the proceedings of the 11th AGM, the Company provided shareholders with a brief overview of the financial performance of the Group, the general outlook of Malaysia's oil and gas and energy transition as well as the challenges faced by the Group. The Chairman also invited shareholders to raise questions pertaining to the Company's audited financial statements and the other agenda items tabled for approval at the 11th AGM. All questions raised by the shareholders were answered and addressed accordingly.

The Chairman ensures that a reasonable time is provided to the shareholders for discussion at the 11th AGM before each resolution is proposed. The summary of the key matters discussed at the 11th AGM was also published on the Company's corporate website for the shareholders' information.

STATEMENT BY THE BOARD ON CG STATEMENT

The Board has deliberated, reviewed and approved this CG Statement. The Board considers and is satisfied that to the best of its knowledge, the Company has fulfilled its obligations under the MCCG, the relevant chapters of the Listing Requirements of Bursa Securities on corporate governance and all applicable laws and regulations throughout the FYE 2024, except for the departures set out in the CG Report. The Company shall continue to strive for high standards of corporate governance throughout the Group, and the highest level of integrity and ethical standards in all of its business dealings.

STATEMENT OF **DIRECTORS' RESPONSIBILITY**

The Directors having taken advice are accountable for ensuring that the financial statements are drawn up in accordance with the requirements of the Companies Act 2016 and the applicable approved accounting standards issued by the Malaysian Accounting Standards Board so as to 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 operation results and cash flows of the Group and the Company for the financial year then ended.

In preparing the financial statements for the financial year ended 30 June 2024, the Directors have:

a. applied relevant and appropriate accounting policies consistently and in accordance with applicable approved accounting standards;

b. made judgment and estimates that are prudent and reasonable; and

c. applied the going concern basis for the preparation of the financial statements.

The Directors are responsible for ensuring that proper accounting records are kept, which disclose with reasonable accuracy, the financial position of the Group and the Company, and to enable proper financial statements to be prepared in accordance with the applicable laws and regulations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and as guided by the Statement on Risk Management and Internal Control : Guidelines for Directors of Listed Issuers, the Board of Directors of Carimin Petroleum Berhad ("Board") is pleased to present the Statement on Risk Management and Internal Control ("Statement") which outlines the nature and scope of the risk management and internal control of the Company and its subsidiaries ("Group") during the financial year under review and up to date of this Statement for inclusion in the Annual Report.

BOARD RESPONSIBILITY

The Board affirms its overall responsibility for maintaining a sound system of risk management and internal controls to ensure that shareholders' interest and the Group's assets are safeguarded as well as for reviewing the adequacy and effectiveness of these systems. The responsibility for reviewing the adequacy and effectiveness of the risk management and internal controls system has been delegated to the Risk Management Committee ("RMC") and Audit Committee ("AC") respectively.

However, as there are inherent limitations in any system of risk management and internal controls, such systems put into effect by Management can only mitigate but not eliminate all risks that may impede the Group's business objectives. Therefore, such systems can only provide reasonable and not absolute assurance against material misstatements or losses.

The Group's system of risk management and internal control applies principally to the Group but do not apply to the non-controlled entity. The Group's interest in the non-controlled entity is served through Board representation. This representation also provides the Board with information for timely decision-making on the continuity of the Group's investments based on the performance of the joint ventures.

MANAGEMENT RESPONSIBILITY

The Management team led by the Managing Director and Executive Directors acknowledges that the Groups' business activities involve a certain degree of risk. Key Management staff and Heads of Department are delegated with the responsibility of managing identified risks within defined parameters and standards. Such identified risks are discussed annually with the Internal Auditors and are brought to the RMC and subsequently to AC for deliberation at its scheduled meetings.

RISK MANAGEMENT PROCESS

The RMC that comprises two (2) Independent Non-Executive Directors and one (1) Managing Director was established with the primary objective of assisting the Board in the following:

- Overseeing the Group's risk management framework and policies;
- Ensuring that Management maintains a sound system of internal controls and risk management; and
- Determining the nature and extent of risks taken by Management in achieving the Group's strategic objectives.

During the financial year ended 30 June 2024 ("FYE 2024"), the RMC met twice with the Management and respective Head of Department to deliberate on the Enterprise Risk Management and Corruption Risk Assessment and later recommended for adoption by the Board. The Management also briefed the RMC on other risk management activity carried out in FYE 2024.

The abovementioned risk management practice is an on-going process used to identify, assess and mitigate risks during the financial year under review.

INTERNAL AUDIT FUNCTION

The Group's internal audit function which is outsourced to a professional service firm, assists the Board and AC in providing an independent assessment of the adequacy and effectiveness of the Group's internal control, risk management and governance processes. The Internal Auditors which is independent of the activities and operations of the Group, report directly to the AC.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION (CONT'D)

During the financial year under review, the Internal Auditors carried out the following:

a) Executed internal control reviews in accordance with the approved risk based internal audit plan. The entities and business processes reviewed were as follows:

Entity	Businesses Process
Carimin Petroleum Berhad – performed on a group level	Internal Control review on:- - Budgetary Control; - Billing to Collection; and - Yard Management

b) Performed follow-up reviews to ensure that corrective actions have been implemented in a timely manner.

Based on the abovementioned work carried out, the findings of the reviews were discussed with Management and subsequently presented to the AC at their scheduled meetings. None of the weaknesses noted resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

The costs incurred in maintaining the outsourced internal audit function for the FYE 2024 is RM72,000.00.

OTHER KEY ELEMENTS OF INTERNAL CONTROLS

The following are the other key elements of the Group's current internal controls:-

i. Organisation Structure

The Group has a defined organisational structure with clear lines of accountability and delegation of authority for major tenders, major projects capital expenditure, acquisition and disposal of business and other significant transactions that require the Board's approval. The Management team is led by the Managing Director and assisted by the Executive Directors together with the respective Heads of Departments. The Group has in place competent and responsible personnel to oversee the Group's operating functions.

ii. Clearly Defined Policies and Procedures and Authority Limits

The terms of references, responsibilities and authority limits of the various committees, the Managing Director, Executive Directors and other Senior Management staff of the Group are clearly defined to achieve an effective check and balance, promote accountability, transparency, responsibility, operational efficiency and good corporate governance.

These terms of references, responsibilities and authority limits are formally documented in official documents such as the Group Financial Authority Limit and various Standard Operating Procedures and Guidelines.

iii. Regular Management Meetings

The management meetings are held regularly and are attended by Executive Directors and Heads of Business Units to discuss operational performance and operational matters.

iv. Periodic Financial Performance Reviews

The Group Finance Department prepares the monthly Management accounts for review by the Chief Financial Officer and subsequently presents it to the Managing Director at their scheduled meetings. The AC and the Board review the quarterly financial performance results with the Executive Directors to monitor the Group's progress in achieving its business objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ANTI-BRIBERY & CORRUPTION POLICY

The Group adopts a zero-tolerance approach to all forms of bribery and corruption. The Group is committed in conducting its business free from any acts of bribery and corruption by upholding high standards of ethics and integrity. The Group has established an anti-bribery & corruption policy which prohibits all forms of bribery and corruption practices. All employees are required to attend training and briefing to understand the policy. The Group has a policy for the consultants and contractors to comply with the Group's anti-corruption policy and guidelines. The said policy is also made available on the Company's corporate website at www.carimin.com.

WHISTLEBLOWING POLICY

The Group has put in place a whistleblowing policy which allows, supports and encourages its employees and members of the public to report and disclose any improper, alleged or illegal activities within the Group. The whistleblowing policy is made available on the Company's corporate website at www.carimin.com.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Listing Requirements of Bursa Securities, the external auditors have reviewed this Statement for inclusion in the Annual Report for the FYE 2024. Their review was carried out in accordance with the Audit and Assurance Practice Guide 3 ("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. The external auditors report to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures requested by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

ASSURANCE TO THE BOARD

The Board has received assurance from the Managing Director and Executive Directors of the Company that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects, in meeting the business objectives of the Group and nothing has come to their attention which may render the financial results presented and information provided to be false and misleading in any material respect.

CONCLUSION

Premise on the above, the Board is of the view that the Group's internal control and risk management systems are adequate to safeguard shareholders' investment and the Group's assets. However, the Board recognises that the development of risk management and internal control systems is an on-going process. Therefore, the Board will continue to strengthen the systems of internal control and risk management.

This Statement was made on the recommendation of the AC to the Board and is made in accordance with the Boards's resolution dated on 23 October 2024.

AUDIT COMMITTEE REPORT

OBJECTIVES

The principle objectives of the Audit Committee ("AC") is to assist the Board of Directors ("the Board") of Carimin Petroleum Berhad ("the Company") in discharging its statutory duties and responsibilities in relation to corporate governance, internal control systems, management and financial reporting practices of the Company and its subsidiaries ("the Group") and to ensure proper disclosure to the shareholders of the Company.

COMPOSITION OF AC

The composition of the AC of the Company is as follows:

AC Members	Designation	Directorship
Yip Jian Lee	Chairman	Independent Non-Executive Director
Mohd Rizal Bahari Bin Md Noor	Member	Independent Non-Executive Director
Tan Sri Dato' Kamaruzzaman Bin Shariff *(Appointed on 21 May 2024)*	Member	Non-Independent Non-Executive Director Chairman
Muhammad Khadzir Bin Abdul Mutalib *(Appointed on 12 August 2024)*	Member	Independent Non-Executive Director

The Company has complied with Paragraph 15.09 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") which requires all members of the AC to be Non-Executive Directors with a majority of them being Independent Directors. No alternate Director is appointed as a member of the AC.

All members of the AC are financially literate. The Chairman of the AC, Pn. Yip Jian Lee is an Independent Non-Executive Director. Hence, the Company complied with Paragraph 15.10 of the Listing Requirements. She has been a member of the Malaysian Institute of Accountants since 1984.

The Chairman of the AC is not the Chairman of the Board. The AC has adopted a policy whereby no former partner of the external audit firm of the Company shall be appointed as a member of the AC before observing a cooling-off period of at least three (3) years. This policy had been codified in the Terms of Reference of the AC. The Terms of Reference of the AC is available for reference on the Company's corporate website at www.carimin.com.

SUMMARY OF WORKS DURING THE FINANCIAL YEAR

During the financial year under review, the AC convened five (5) meetings and the attendance of the members of the AC is set out as follows: -

AC Members	No. of meetings attended
Yip Jian Lee, Chairman	5 of 5
Mohd Rizal Bahari Bin Md Noor, Member	5 of 5
Tan Sri Dato' Kamaruzzaman Bin Shariff, Member *(Appointed on 21 May 2024)*	1 of 1

AUDIT COMMITTEE REPORT

The following is a summary of the main works carried out by the AC during the financial year ended 30 June 2024 ("FYE 2024"):-

i. Reviewed the Group's unaudited quarterly financial results and annual audited financial statements of the Company including the announcements pertaining thereto before recommending to the Board for approval and release to Bursa Securities;

ii. Reviewed with the External Auditors on the results and issues arising from their audit of the financial year and statements and their resolutions of such issues highlighted in their report to the AC;

iii. Reviewed with the Internal Auditors, the internal audit plan, work done and reports of the internal audit function, whistleblowing incident and considered the findings of Internal Auditors and Management responses thereon, and ensured that appropriate actions were taken on the recommendations raised by the Internal Auditors;

iv. Considered and recommended the re-appointment of Crowe Malaysia PLT as External Auditors and their audit fees of the Group to the Board for consideration based on the competency, efficiency and independency as demonstrated by the External Auditors during their audit;

v. Reviewed the AC Report, Statement on Risk Management and Internal Control and Corporate Governance Overview Statement and its recommendation to the Board for inclusion in the Annual Report;

vi. Reviewed any related party transactions and/or recurrent related party transactions, if any, that transpired within the Group during the financial year under review to ensure that the transactions entered into were at arm's length basis and on normal commercial terms;

vii. Reviewed all whistleblowing reports received during the financial year under review and ensured that appropriate actions were taken to address them;

viii. Reviewed and recommended to the Board for the adoption of updated Terms of Reference of the AC with the incorporation of sustainability component;

ix. Self-appraised the performance of the AC, Internal and External Auditors for the FYE 2024 and submitted the evaluation to the Nomination and Remuneration Committee for assessment; and

x. Reviewed the disclosures of conflict of interest ("COI") involving the Directors and key senior management of the Group and concluded that there were no additional or mitigation measures were deemed necessary from the COI disclosed.

INTERNAL AUDIT FUNCTION

Internal audit function of the Group has been outsourced to BDO Governance Advisory Sdn. Bhd. ("the Internal Auditors"), an independent consulting firm, to carry out internal audit services for the Group. Internal audit reports and follow-up review reports are presented, together with Management's response and proposed action plans to the AC on a quarterly basis.

The Internal Auditors undertake internal audit functions based on the operational, compliance and risk-based audit plan approved by the AC. The risk-based audit plans cover the review of the key operational and financial activities including the efficacy of risk management practices, efficiency and effectiveness of operational controls and compliance with relevant laws and regulations. Scheduled audits are carried out on subsidiaries of the Company in accordance to the approved Internal Audit Plan. A risk-based methodology is adopted to evaluate the adequacy and effectiveness of the risk management, financial, operational and governance processes.

The cost incurred for the internal audit function of the Group for the FYE 2024 is RM72,000.00.

A summary of the works of the internal audit function is disclosed in the Statement on Risk Management and Internal Control.

The internal audits conducted did not reveal any weakness which would result in material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

Carimin Petroleum Berhad ("the Company") did not raise funds through any corporate proposal during the FYE2024.

AUDIT AND NON-AUDIT FEES

The fees paid/payable for services rendered by the External Auditors during the FYE 2024 are as below:-

Description	Audit Fee (RM)	Non-Audit Fee (RM)	Total (RM)
The Company	51,000	13,000	64,000
The Group	250,000	13,000	263,000

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest during the FYE 2024.

RECURRENT RELATED PARTY TRANSACTIONS

There was no recurrent related party transaction of a revenue or trading nature during the FYE 2024.

FINANCIAL
STATEMENTS

DIRECTORS' **REPORT**

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	42,847	26,299
Attributable to:-		
Owners of the Company	42,809	26,299
Non-controlling interests	38	-
	42,847	26,299

DIVIDENDS

Dividends paid or declared by the Company since 30 June 2023 are as follows:-

	RM'000
In respect of the financial year ended 30 June 2023	
An interim dividend of 2.0 sen per ordinary share, paid on 4 October 2023	4,678
In respect of the financial year ended 30 June 2024	
A first interim dividend of 2.0 sen per ordinary share, paid on 1 July 2024	4,678
	9,356

On 22 August 2024, the Company declared a second interim dividend of 1.5 sen per ordinary share amounting to RM3,508,170 for the current financial year, payable on 1 October 2024, to shareholders whose names appeared in the record of depositors on 6 September 2024. The financial statements for the current financial year do not reflect this second interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2025.

The directors do not recommend the payment of any further dividends for the financial year.

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

DIRECTORS' REPORT

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, 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.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Tan Sri Dato' Kamaruzzaman Bin Shariff
Mokhtar Bin Hashim
Lim Yew Hoe
Mohd Rizal Bahari Bin Md Noor
Wong Kong Foo
Yip Jian Lee
Muhammad Khadzir Bin Abdul Mutalib (Appointed on 12.8.2024)
Wan Muhamad Hatta Bin Wan Mos (Resigned on 23.2.2024)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Armand Emir Bin Johany
Wan Hamdan Bin Wan Embong
Zhafri Bin Mokhtar

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company during the financial year are as follows:-

	Number of Ordinary Shares			
	At 1.7.2023	Bought	Sold	At 30.6.2024
The Company				
Direct Interests				
Tan Sri Dato' Kamaruzzaman Bin Shariff	2,000,000	-	-	2,000,000
Mokhtar Bin Hashim	53,751,734	-	-	53,751,734
Lim Yew Hoe	3,350,000	-	-	3,350,000
Mohd Rizal Bahari Bin Md Noor	50,000	-	-	50,000
Yip Jian Lee	50,000	-	-	50,000

DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONT'D)

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company during the financial year are as follows :- (Cont'd)

	Number of Ordinary Shares			
	At 1.7.2023	Bought	Sold	At 30.6.2024
The Company				
Indirect Interests				
Lim Yew Hoe*	6,040,000	-	-	6,040,000
Wong Kong Foo**	53,737,428	-	-	53,737,428

* Deemed interested by virtue of his interest in Emas Kiara Marketing Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act") and his spouse, Madam Lim Guan Nee.

** Deemed interested by virtue of his interest in Emas Kiara Marketing Sdn. Bhd., Intan Kuala Lumpur Sdn. Bhd. and Cipta Pantas Sdn. Bhd. pursuant to Section 8 of the Act.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) 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 except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 43(b) to the financial statements.

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

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:

	The Group RM'000	The Company RM'000
Fee	538	382
Salaries, bonuses and other benefits	2,339	25
Defined contribution benefits	166	-
	3,043	407

INDEMNITY AND INSURANCE COST

During the financial year, the amount of indemnity coverage and insurance premium paid for the directors of the Company were RM15,000,000 and RM25,440 respectively. No indemnity was given to or insurance effected for auditors of the Company.

DIRECTORS' REPORT

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 47 to the financial statements.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM'000	The Company RM'000
Audit fee	250	51
Non-audit fee	13	13
	263	64

Signed in accordance with a resolution of the directors dated 23 October 2024.

Tan Sri Dato' Kamaruzzaman Bin Shariff

Mokhtar Bin Hashim

STATEMENT BY **DIRECTORS**

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

We, Tan Sri Dato' Kamaruzzaman Bin Shariff and Mokhtar Bin Hashim, being two of the directors of Carimin Petroleum Berhad, state that, in the opinion of the directors, the financial statements set out on pages 102 to 160 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements 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 of 30 June 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 23 October 2024.

Tan Sri Dato' Kamaruzzaman Bin Shariff

Mokhtar Bin Hashim

STATUTORY **DECLARATION**

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

I, Lim Yew Hoe, being the director primarily responsible for the financial management of Carimin Petroleum Berhad, do solemnly and sincerely declare that the financial statements set out on pages 102 to 160 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Lim Yew Hoe, NRIC Number: 680618-10-5165
at Kuala Lumpur
in the Federal Territory
on this 23 October 2024

Lim Yew Hoe

Before me

Shaiful Hilmi Bin Halim (No. W-804)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARIMIN PETROLEUM BERHAD
(Incorporated in Malaysia) Registration No: 201201006787 (908388 - K)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Carimin Petroleum Berhad, which comprise the statements of financial position as at 30 June 2024 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 102 to 160.

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 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition for construction contract
Refer to Note 29 to the financial statements

Key Audit Matter	How our audit addressed the Key Audit Matter
Construction contract revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. We focused on this area as construction contract accounting is inherently complex due to the contracting nature of the business, which involves significant judgements. These include the determination of the total budgeted contract costs to complete the projects and the calculation of percentage of completion which affects the reported revenue and profits to be recognised. In making the estimate, the management relies on workdone certified by customers and/or independent third parties, past experience and the continuous monitoring mechanism.	▪ Our audit procedures include, amongst others:- - Making enquiries and obtaining an understanding from management on the procedures and controls in relation to the estimation of and revision to the project revenue and cost; - Reviewing major contracts and identifying its distinct performance obligations; and - Reviewing the reasonableness and basis of estimation of the contract works awarded and comparing to actual costs incurred to-date reflects each performance obligation.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARIMIN PETROLEUM BERHAD (CONT'D)
(Incorporated in Malaysia) Registration No: 201201006787 (908388 - K)

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report. (Cont'd)

Impairment of trade receivables Refer to Note 10 to the financial statements	
Key Audit Matter	**How our audit addressed the Key Audit Matter**
As at 30 June 2024, the Group's trade receivables amounted to approximately RM9.08 million net of impairment losses. Trade receivables are a major component of the financial position of the Group's total assets. We focused on this area due to the magnitude of the amount involved and judgements are required to assess the allowance for impairment losses of trade receivables.	▪ Our audit procedures include, amongst others:- - Reviewing ageing analysis of trade receivables; - Reviewing the Group's recent invoices and collections during and after the financial year for major receivables and comparing against historical data from the Group's previous collection experience; - Testing the adequacy of the Group's allowance for impairment losses on trade receivables by assessing the management's policy; and - Reviewing the adequacy of the Group's disclosure in this area.

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARIMIN PETROLEUM BERHAD (CONT'D)
(Incorporated in Malaysia) Registration No: 201201006787 (908388 - K)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CARIMIN PETROLEUM BERHAD (CONT'D)
(Incorporated in Malaysia) Registration No: 201201006787 (908388 - K)

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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Chong Wei-Chnoong
03525/08/2026 J
Chartered Accountant

Kuala Lumpur

23 October 2024

STATEMENTS OF **FINANCIAL POSITION**

AT 30 JUNE 2024

	Note	The Group 2024 RM'000	The Group 2023 RM'000	The Company 2024 RM'000	The Company 2023 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	45,944	84,840
Property, plant and equipment	6	127,891	92,855	-	-
Right-of-use assets	7	7,442	7,582	-	-
Investment in joint venture	8	-	-	-	-
Other investments	9	590	590	-	-
		135,923	101,027	45,944	84,840
CURRENT ASSETS					
Trade receivables	10	9,075	24,034	-	-
Other receivables, deposits and prepayments	11	38,093	12,527	11	12
Contract assets	12	86,909	68,859	-	-
Amount owing by subsidiaries	13	-	-	101,433	37,284
Amount owing by joint venture	14	400	400	-	-
Amount owing by a joint operator	15	683	350	-	-
Amount owing by a related party	16	33	435	-	-
Current tax assets		821	420	7	14
Short-term investments	17	24,796	32,395	18,735	27,587
Fixed deposits with licensed banks	18	18,782	19,365	978	956
Cash and bank balances		30,253	15,804	744	246
		209,845	174,589	121,908	66,099
TOTAL ASSETS		345,768	275,616	167,852	150,939

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AT 30 JUNE 2024 (CONT'D)

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	149,385	149,385	149,368	149,368
Merger deficit	20	(80,802)	(80,802)	-	-
Retained profits/(Accumulated losses)		158,698	123,700	17,112	(673)
Fair value reserve	21	-	1,545	-	842
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		227,281	193,828	166,480	149,537
Non-controlling interests	5	54	16	-	-
TOTAL EQUITY		227,335	193,844	166,480	149,537
NON-CURRENT LIABILITIES					
Long-term borrowings	22	7,686	2,928	-	-
Deferred tax liabilities	23	4,259	36	-	-
		11,945	2,964	-	-
CURRENT LIABILITIES					
Trade payables	25	22,434	23,256	-	-
Other payables and accruals	26	80,469	46,838	1,372	1,402
Amount owing to a joint operator	15	-	2,099	-	-
Current tax liabilities		28	948	-	-
Short-term borrowings	27	3,099	5,126	-	-
Lease liabilities	28	458	541	-	-
		106,488	78,808	1,372	1,402
TOTAL LIABILITIES		118,433	81,772	1,372	1,402
TOTAL EQUITY AND LIABILITIES		345,768	275,616	167,852	150,939

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
REVENUE	29	310,736	254,736	67,330	-
COST OF SALES	30	(260,467)	(207,090)	-	-
GROSS PROFIT		50,269	47,646	67,330	-
OTHER INCOME	31	22,915	1,331	758	245
		73,184	48,977	68,088	245
ADMINISTRATIVE EXPENSES	32	(20,025)	(16,187)	(806)	(770)
OTHER EXPENSES	33	(898)	(864)	(38,896)	-
FINANCE COSTS	34	(888)	(2,809)	-	-
NET (IMPAIRMENT LOSSES)/ REVERSAL ON FINANCIAL ASSETS	35	(1,535)	(1,889)	(2,087)	3,278
PROFIT BEFORE TAXATION		49,838	27,228	26,299	2,753
INCOME TAX EXPENSE	36	(6,991)	(4,359)	-	(4)
PROFIT AFTER TAXATION		42,847	22,869	26,299	2,749
OTHER COMPREHENSIVE INCOME					
Items that Will Not be Reclassified Subsequently to Profit or Loss					
Fair value changes of equity investments		-	978	-	575
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		42,847	23,847	26,299	3,324

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONT'D)

		The Group		The Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		42,809	22,946	26,299	2,749
Non-controlling interests		38	(77)	-	-
		42,847	22,869	26,299	2,749
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		42,809	23,924	26,299	3,324
Non-controlling interests		38	(77)	-	-
		42,847	23,847	26,299	3,324
EARNINGS PER SHARE (SEN)					
- Basic	37	18.30	9.81		
- Diluted	37	18.30	9.81		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The Group	Share Capital RM'000	Merger Deficit RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance at 1.7.2022	149,385	(80,802)	567	100,806	169,956	205	170,161
Profit after taxation for the financial year	-	-	-	22,946	22,946	(77)	22,869
Other comprehensive income for the financial year:							
- Fair value changes of equity investments	-	-	978	-	978	-	978
Total comprehensive income for the financial year	-	-	978	22,946	23,924	(77)	23,847
Contributions by and distributions to owners of the Company:							
- Acquisition of non-controlling interests	-	-	-	(52)	(52)	(112)	(164)
Total transactions with owners	-	-	-	(52)	(52)	(112)	(164)
Balance at 30.6.2023	149,385	(80,802)	1,545	123,700	193,828	16	193,844

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONT'D)

The Group	Note	Share Capital RM'000	Merger Deficit RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance at 30.6.2023/ 1.7.2023		149,385	(80,802)	1,545	123,700	193,828	16	193,844
Profit after taxation for the financial year		-	-	-	42,809	42,809	38	42,847
Total comprehensive income for the financial year		-	-	-	42,809	42,809	38	42,847
Contributions by and distributions to owners of the Company:								
- Dividend by the Company	38	-	-	-	(9,356)	(9,356)	-	(9,356)
Realisation of fair value reserve		-	-	(1,545)	1,545	-	-	-
Total transactions with owners		-	-	(1,545)	(7,811)	(9,356)	-	(9,356)
Balance at 30.6.2024		149,385	(80,802)	-	158,698	227,281	54	227,335

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONT'D)

The Company	Note	Share Capital RM'000	Fair Value Reserve RM'000	(Accumulated Losses)/ Retained Profits RM'000	Total Equity RM'000
Balance at 1.7.2022		149,368	267	(3,422)	146,213
Profit after taxation for the financial year		-	-	2,749	2,749
Other comprehensive income for the financial year:					
- Fair value changes of equity investments		-	575	-	575
Total comprehensive income for the financial year		-	575	2,749	3,324
Balance at 30.6.2023/1.7.2023		149,368	842	(673)	149,537
Profit after taxation for the financial year		-	-	26,299	26,299
Total comprehensive income for the financial year		-	-	26,299	26,299
Contributions by and distributions to owners of the Company:					
- Dividends	38	-	-	(9,356)	(9,356)
Realisation of fair value reserve		-	(842)	842	-
Total transactions with owners		-	(842)	(8,514)	(9,356)
Balance at 30.6.2024		149,368	-	17,112	166,480

The annexed notes form an integral part of these financial statements.

STATEMENTS OF **CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	49,838	27,228	26,299	2,753
Adjustments for:-				
Depreciation of property, plant and equipment	7,607	6,736	-	-
Depreciation of right-of-use assets	701	513	-	-
Dividend income	-	-	(67,330)	-
Impairment losses:				
- trade receivables	1,999	2,081	-	-
- amount owing by subsidiaries	-	-	2,087	-
- investments in subsidiaries	-	-	38,896	-
Interest income	(1,092)	(848)	(300)	(245)
Interest expense	888	2,809	-	-
Reversal of impairment losses:				
- trade receivables	(278)	(139)	-	-
- other receivables	(186)	(53)	-	-
- property, plant and equipment	(20,997)	-	-	-
- amount owing by subsidiaries	-	-	-	(3,278)
Net unrealised gain on foreign exchange	-	(18)	-	-
Operating profit/(loss) before working capital changes	38,480	38,309	(348)	(770)
Increase in contract assets	(18,050)	(2,671)	-	-
(Increase)/Decrease in trade and other receivables	(12,142)	(5,707)	1	573
Increase/(Decrease) in trade and other payables	32,809	(19,906)	(30)	1,011
(Decrease)/Increase in amount owing to a joint operator	(2,099)	2,099	-	-
CASH FROM/(FOR) OPERATIONS	38,998	12,124	(377)	814
Interest paid	(888)	(2,809)	-	-
Income tax paid	(4,104)	(3,952)	(7)	(4)
Income tax refunded	15	-	14	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES/BALANCE CARRIED FORWARD	34,021	5,363	(370)	810

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONT'D)

		The Group		The Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
BALANCE BROUGHT FORWARD		34,021	5,363	(370)	810
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Additional investments in an existing subsidiary	5(c)	-	-	-	(3,500)
Dividend received		-	-	10,000	-
Interest received		1,092	848	300	245
Purchase of property, plant and equipment	40(a)	(14,614)	(4,995)	-	-
Addition to right-of-use assets	40(a)	-	(5,426)	-	-
(Advances to)/Repayment from subsidiaries		-	-	(8,906)	820
Advances to a joint operator		(333)	(350)	-	-
Repayment from/(Advances to) a related party		402	(435)	-	-
Repayment from joint venture		-	1,730	-	-
(Additions of)/Withdrawal of fixed deposits with tenure more than 3 months	40(c)	(25)	559	(22)	(956)
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(13,478)	(8,069)	1,372	(3,391)
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividend paid	38	(9,356)	-	(9,356)	-
Drawdown of term loans	40(b)	2,600	-	-	-
Drawdown of invoice financing	40(b)	-	1,810	-	-
Repayment of lease liabilities	40(b)	(644)	(491)	-	-
Repayment of hire purchase payables	40(b)	(437)	(204)	-	-
Repayment of term loans	40(b)	(2,543)	(20,784)	-	-
Repayment of invoice financing	40(b)	(1,810)	-	-	-
Withdrawal of pledged fixed deposits	40(c)	608	13,914	-	-
NET CASH FOR FINANCING ACTIVITIES		(11,582)	(5,755)	(9,356)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		8,961	(8,461)	(8,354)	(2,581)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		-	18	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		46,088	54,531	27,833	30,414
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	40(c)	55,049	46,088	19,479	27,833

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	:	B-1-6, Block B, Megan Avenue 1, 189 Jalan Tun Razak, 50400 Kuala Lumpur.

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 23 October 2024.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3. BASIS OF PREPARATION (CONT'D)

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)
MFRS 17: Insurance Contracts
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 17: Insurance Contracts
Amendments to MFRS 101: Disclosure of Accounting Policies
Amendments to MFRS 108: Definition of Accounting Estimates
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company except as follows:-

Amendments to MFRS 101: Disclosure of Accounting Policies

The Amendments to MFRS 101 "Disclosure of Accounting Policies" did not result in any changes to the existing accounting policies of the Group and of the Company. However, the amendments require the disclosure of 'material' rather than 'significant' accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures.

The Group and the Company have made updates to the accounting policies presented in Note 4 to the financial statements in line with the amendments.

3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charge for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charge could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

(b) Impairment of Property, Plant and Equipment, Right-of-use Assets, Investment in Joint Venture and Other Investments

The Group determines whether its property, plant and equipment, right-of-use assets, investment in joint venture and other investments are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment, right-of-use assets, investment in joint venture and other investments as at the reporting date are disclosed in Notes 6, 7, 8 and 9 to the financial statements respectively.

(c) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 10 and 12 to the financial statements respectively.

(d) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables, amount owing by subsidiaries, amount owing by joint operator, amount owing by joint venture and amount owing by a related party as at the reporting date are disclosed in Notes 11, 13, 14, 15 and 16 to the financial statements respectively.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(e) Revenue Recognition for Construction Contracts

(i) Hook up, Construction and Commissioning

The Group recognises construction revenue by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the value transferred by the Group to the customer to the satisfaction of the performance obligation. Significant judgement is required in determining the progress of the construction contract. In making the judgement, the Group relies on survey of works performed by the customers. The carrying amount of the contract assets as at the reporting date is disclosed in Note 12 to the financial statements.

(ii) Civil Construction

The Group recognises construction revenue by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to-date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The carrying amount of contract assets as at the reporting date is disclosed in Note 12 to the financial statements.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

(g) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(b) Contingent Liabilities

The recognition and measurement for contingent liabilities are based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business. Furthermore, management is of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Group and the Company are remote.

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Group has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflect the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statues do not prohibit the use of such reserves.

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment loss, if any.

4.5 INVESTMENT IN JOINT VENTURE

Investment in joint venture is stated in the financial statements of the Group at cost less impairment losses, if any. The Group recognises its interest in the joint venture using the equity method.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	3% - 5%
Furniture and fittings	20%
Operation tools and equipment	20%
Office equipment	20%
Motor vehicles	20%
Plant and equipment	10%
Renovation	20%
Vessels	4%
Vessels equipment	4%
Drydocking	4%
Others	20%

Capital work-in-progress represent vessel and buildings under construction. They are not depreciated until such time when the asset is available for use.

4.7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Construction Services

Revenue from construction services is recognised over time in the period in which the services are rendered using the input method, determined based the proportion of construction costs incurred for work performed to date over the estimated total construction costs and output method by reference to the construction progress on the survey of works performed by the customers. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives and penalties. Past experience is used to estimate and provide for the variable consideration, using expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the construction services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the construction services rendered exceed the payment received, a contract asset is recognised. If the payments exceed the construction services rendered, a contract liability is recognised.

(b) Rendering of Services

Revenue is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. The Group recognises revenue based on the actual labour hours spent relative to the total expected labour hours.

Customers are invoiced on a monthly basis and consideration is payable when invoiced.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.9 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

(a) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(b) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

(c) Rental Income

Rental income from property, plant and equipment is accounted for on a straight-line method over the lease term.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024	**2023**
	RM'000	**RM'000**
Unquoted shares, at cost		
Ordinary shares		
At 1 July	106,467	101,803
Addition during the financial year	-	4,664
At 30 June	106,467	106,467
Preference shares		
At 1 July/30 June	1,500	1,500
	107,967	107,967
Allowance for impairment losses	(62,023)	(23,127)
	45,944	84,840
Allowance for impairment losses:-		
At 1 July	(23,127)	(23,127)
Addition during the financial year	(38,896)	-
At 30 June	(62,023)	(23,127)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2024 %	2023 %	Principal Activities
Carimin Sdn. Bhd.	Malaysia	100	100	Providing manpower supply services.
Carimin Engineering Services Sdn. Bhd.	Malaysia	100	100	Construction, offshore hook up and commissioning and topside major maintenance services.
Carimin Equipment Management Sdn. Bhd.	Malaysia	100	100	Management of fabrication yards and equipment rental services.
Carimin Corporate Services Sdn. Bhd.	Malaysia	100	100	Providing project management services.
Carimin Marine Services Sdn. Bhd.	Malaysia	100	100	Providing chartering of offshore support vessel.
Carimin Resources Services Sdn. Bhd.	Malaysia	100	100	Dormant.
Carimin Airis Offshore Sdn. Bhd.*	Malaysia	100	100	Providing chartering of offshore support vessel.
Carimin Acacia Offshore Sdn. Bhd.*	Malaysia	100	100	Providing chartering of offshore support vessel.
Carimin Bina Sdn. Bhd.	Malaysia	60	60	General contracting work and geosynthetic engineering.
Carimin Subsea Sdn. Bhd.	Malaysia	60	60	Engaging in subsea underwater inspections, repairs and maintenance services.
Fazu Resources (M) Sdn. Bhd.**	Malaysia	100	100	Dormant.
Uniblue Marine Sdn. Bhd.***	Malaysia	100	-	Dormant.

* *These subsidiaries' interests are held by Carimin Marine Services Sdn. Bhd.*
** *The subsidiary's interest is held by Carimin Engineering Services Sdn. Bhd.*
*** *The financial statements of this subsidiary was consolidated based on management accounts since the date of incorporation.*

(a) During the financial year, the Company assessed the recoverable amount of investments in the subsidiaries. A total impairment loss of approximately RM38,896,000, representing the write-down of the investment to its recoverable amount, was recognised in "Other Expenses" line item of the statements of profit or loss and other comprehensive income. The recoverable amount is determined using the fair value less costs of disposal approach, and this is derived from the net assets position of the respective subsidiaries as at end of the reporting period.

(b) On 2 May 2024, the Company incorporated a subsidiary known as Uniblue Marine Sdn. Bhd. ("UMSB"). The paid-up share capital of UMSB is RM1 comprising 1 ordinary share. The Company subscribed for 100% of the issued and paid-up share capital of UMSB in cash. Consequently, UMSB became a 100% owned subsidiary of the Company.

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) In the previous financial year, Carimin Marine Services Sdn. Bhd., a 100% owned subsidiary of the Company increased its issued and paid-up share capital from RM9,000,000 to RM13,500,000 by the issuance of 4,500,000 ordinary shares for a cash consideration of RM3,500,000 and RM1,000,000 other than cash.

(d) In the previous financial year, the Company acquired an additional 40% equity interest in Carimin Resources Services Sdn. Bhd. ("CRS") from its non-controlling interest. Following the completion of the acquisition, CRS became a 100% owned subsidiary of the Company.

(e) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		**The Group**	
	2024	**2023**	**2024**	**2023**
	%	**%**	**RM'000**	**RM'000**
Carimin Bina Sdn. Bhd.	40	40	756	712
Carimin Subsea Sdn. Bhd.	40	40	(702)	(696)
			54	16

(f) Summarised financial information of non-controlling interests has not been presented as the non-controlling interests of the subsidiaries are not individually material to the Group.

6. PROPERTY, PLANT AND EQUIPMENT

The Group	**At 1.7.2023 RM'000**	**Additions (Note 40(a)) RM'000**	**Reversal of Impairment Loss (Note 31) RM'000**	**Depreciation Charge (Notes 30 and 33) RM'000**	**At 30.6.2024 RM'000**
2024					
Carrying Amount					
Freehold land	225	-	-	-	225
Buildings	3,707	-	-	(431)	3,276
Furniture and fittings	6	44	-	(4)	46
Operation tools and equipment	66	1,475	-	(290)	1,251
Office equipment	120	20	-	(45)	95
Motor vehicles	513	832	-	(209)	1,136
Renovation	1	-	-	-	1
Vessels	78,096	-	20,997	(5,198)	93,895
Vessels equipment	776	18	-	(242)	552
Drydocking	1,419	3,858	-	(1,066)	4,211
Capital work-in-progress	7,661	15,328	-	-	22,989
Others #	265	71	-	(122)	214
	92,855	21,646	20,997	(7,607)	127,891

Others includes computers and telecommunication equipment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.7.2022 RM'000	Additions (Note 40(a)) RM'000	Depreciation Charge (Notes 30 and 33) RM'000	At 30.6.2023 RM'000
2023				
Carrying Amount				
Freehold land	225	-	-	225
Buildings	4,138	-	(431)	3,707
Furniture and fittings	6	-	-	6
Operation tools and equipment	191	-	(125)	66
Office equipment	102	59	(41)	120
Motor vehicles	192	447	(126)	513
Renovation	1	-	-	1
Vessels	82,931	-	(4,835)	78,096
Vessels equipment	831	223	(278)	776
Drydocking	2,193	-	(774)	1,419
Capital work-in-progress	358	7,303	-	7,661
Others #	303	88	(126)	265
	91,471	8,120	(6,736)	92,855

\# Others includes computers and telecommunication equipment.

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Accumulated Impairment Losses RM'000	Carrying Amount RM'000
2024				
Freehold land	225	-	-	225
Buildings	9,820	(6,178)	(366)	3,276
Furniture and fittings	640	(594)	-	46
Operation tools and equipment	8,145	(6,435)	(459)	1,251
Office equipment	954	(734)	(125)	95
Motor vehicles	2,765	(1,629)	-	1,136
Plant and equipment	923	(507)	(416)	-
Renovation	2,213	(2,182)	(30)	1
Vessels	140,875	(46,980)	-	93,895
Vessels equipment	2,531	(1,979)	-	552
Drydocking	8,109	(3,898)	-	4,211
Capital work-in-progress	22,989	-	-	22,989
Others	1,931	(1,562)	(155)	214
	202,120	(72,678)	(1,551)	127,891

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Accumulated Impairment Losses RM'000	Carrying Amount RM'000
2023				
Freehold land	225	-	-	225
Buildings	9,820	(5,747)	(366)	3,707
Furniture and fittings	596	(590)	-	6
Operation tools and equipment	6,670	(6,145)	(459)	66
Office equipment	934	(689)	(125)	120
Motor vehicles	1,992	(1,479)	-	513
Plant and equipment	923	(507)	(416)	-
Renovation	2,213	(2,182)	(30)	1
Vessels	140,875	(41,782)	(20,997)	78,096
Vessels equipment	2,513	(1,737)	-	776
Drydocking	4,251	(2,832)	-	1,419
Capital work-in-progress	7,661	-	-	7,661
Others	1,860	(1,440)	(155)	265
	180,533	(65,130)	(22,548)	92,855

(a) Included in the carrying amount of property, plant and equipment of the Group at the end of the reporting period are the following assets charged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 24 to the financial statements.

	The Group 2024 RM'000	The Group 2023 RM'000
Vessel	-	19,350
	-	19,350

(b) During the financial year, the Group recognised a reversal of impairment loss of approximately RM20,997,000 on two (2) marine vessels in "Other Income" line item of the statements of profit or loss and other comprehensive income, as their estimated recoverable amounts of these vessels are higher than their carrying amounts. The recoverable amounts were determined based on their fair values less costs of disposal ("FVLCOD").

FVLCOD was used to determine the recoverable amounts of the two (2) marine vessels based on the market-comparable approach, including consideration of the recent market transaction of vessels of similar type and age. The fair value measurement of the marine vessels was performed by independent valuers with appropriate qualifications and experience.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

7. RIGHT-OF-USE ASSETS

The Group	At 1.7.2023 RM'000	Modification of Lease Liabilities (Note 40(b)) RM'000	Depreciation Charge (Notes 30 and 33) RM'000	At 30.6.2024 RM'000
2024				
Carrying Amount				
Leasehold land	7,044	-	(55)	6,989
Buildings	538	561	(646)	453
	7,582	561	(701)	7,442

The Group	At 1.7.2022 RM'000	Additions (Note 40(a)) RM'000	Modification of Lease Liabilities (Note 40(b)) RM'000	Depreciation Charge (Notes 30 and 33) RM'000	At 30.6.2023 RM'000
2023					
Carrying Amount					
Leasehold land	1,667	5,426	-	(49)	7,044
Buildings	270	171	561	(464)	538
	1,937	5,597	561	(513)	7,582

(a) The Group leases certain pieces of leasehold land and buildings of which the leasing activities are summarised below:-

i. Leasehold land — The Group entered into 3 (2023 - 3) years non-cancellable operating lease agreements for the use of land. The leases are for a period of 60 to 999 (2023 - 60 to 999) years with no renewal or purchase option included in the agreements. The leases do not allow the Group to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the land. A tenancy, is however, allowed with the consent of the lessor.

ii. Buildings — The Group leased office buildings for 2 to 5 (2023 - 2 to 3) years, with an option to extend for another 1 to 2 (2023 - 1 to 2) years.

(b) Included in the carrying amount of right-of-use assets of the Group at the end of the reporting period is the following asset charged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 24 to the financial statements.

	The Group 2024 RM'000	The Group 2023 RM'000
Leasehold land	6,215	810

8. INVESTMENT IN JOINT VENTURE

	The Group 2024 RM'000	The Group 2023 RM'000
Unquoted shares, at cost	1,500	1,500
Share of post-acquisition profits	-	-
	1,500	1,500
Accumulated impairment losses	(1,500)	(1,500)
	-	-

The details of the joint venture is as follows:-

Name of Joint Venture	Principal Place of Business	Percentage of Ownership held by Company 2024	Company 2023	Subsidiary 2024	Subsidiary 2023	Principal Activities
Synergy Kenyalang Offshore Sdn. Bhd.* ("SKO")	Malaysia	-	-	15%	15%	Providing chartering of offshore support vessel.

* *Not audited by Crowe Malaysia PLT.*

The Group has not recognised losses relating to SKO, where its share of losses exceeded the Group's interest in this joint venture.

9. OTHER INVESTMENTS

		The Group 2024 RM'000	The Group 2023 RM'000
Investment in club membership, at fair value		50	50
Investment in redeemable secured loan stock ("RSLS"), at amortised cost	(a)	540	540
		590	590

(a) The Group has designated the investment in RSLS at amortised cost because the Group intends to hold for collection of contractual cash flow only.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. TRADE RECEIVABLES

	The Group	
	2024 RM'000	2023 RM'000
Third parties	17,637	30,913
Allowance for impairment losses	(8,562)	(6,879)
	9,075	24,034

	The Group	
	2024 RM'000	2023 RM'000
Allowance for impairment losses:-		
At 1 July	(6,879)	(4,937)
Addition during the financial year (Note 35)	(1,999)	(2,081)
Reversal during the financial year (Note 35)	278	139
Written off during the financial year	38	-
At 30 June	(8,562)	(6,879)

The Group's normal trade credit terms range from 30 to 60 (2023 - 30 to 60) days.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other receivables:-					
Third parties		787	916	-	2
Allowance for impairment losses		(549)	(735)	-	-
		238	181	-	2
Advance payments to suppliers	(a)	36,356	11,505	-	-
Deposits		618	113	-	-
Prepayments		881	728	11	10
		38,093	12,527	11	12

	The Group	
	2024 RM'000	2023 RM'000
Allowance for impairment losses:-		
At 1 July	(735)	(788)
Reversal during the financial year (Note 35)	186	53
At 30 June	(549)	(735)

(a) Being advance payments to suppliers for purchase of goods/materials.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

12. CONTRACT ASSETS

	The Group	
	2024 RM'000	2023 RM'000
At 1 July	68,859	66,188
Performance obligations performed	310,736	254,736
Transfer to trade receivables	(292,686)	(252,065)
At 30 June	86,909	68,859
Represented by:		
- Construction, offshore hook up and commissioning and topside major maintenance ("CHUCTMM")	74,719	56,288
- Marine services ("MS")	9,515	8,077
- Manpower services ("MPS")	1,896	3,547
- Civil construction ("CC")	779	947
	86,909	68,859

(a) The contract assets primarily relate to the Group's right to consideration for construction work completed on construction contracts but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

(b) Included in the contract assets are retention sum receivables totalling RM779,481 (2023 - RM947,481). The retention sums represent a portion of progress billings which are due and receivable upon expiry of the warranty period and the satisfaction of conditions specified in the relevant contracts.

13. AMOUNT OWING BY SUBSIDIARIES

	The Company	
	2024 RM'000	2023 RM'000
Current		
Non-trade balance	104,572	38,336
Allowance for impairment losses	(3,139)	(1,052)
	101,433	37,284
Allowance for impairment losses:-		
At 1 July	(1,052)	(4,330)
Addition during the financial year (Note 35)	(2,087)	-
Reversal during the financial year (Note 35)	-	3,278
At 30 June	(3,139)	(1,052)

The non-trade balance represent unsecured payments made on behalf. The amount owing is repayable on demand and is to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

14. AMOUNT OWING BY JOINT VENTURE

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

15. AMOUNTS OWING BY/(TO) A JOINT OPERATOR

	The Group	
	2024 RM'000	**2023 RM'000**
Amount owing by a joint operator		
Current		
Non-trade balance	683	350
Amount owing to a joint operator		
Current		
Trade balance	-	(2,099)

The trade balance in the previous financial year was subjected to the normal credit term of 30 days.

The non-trade balance represents unsecured interest-free advances which is repayable on demand. The amount owing is to be settled in cash.

16. AMOUNT OWING BY A RELATED PARTY

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

17. SHORT-TERM INVESTMENTS

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Money market fund, at fair value (Note 40(c))	24,796	32,395	18,735	27,587

The money market fund represents investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable with one (1) day notice at known amounts of cash, and are subject to an insignificant risk of changes in value.

18. FIXED DEPOSITS WITH LICENSED BANKS

(a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 1.60% to 2.75% (2023 - 1.30% to 2.70%) per annum and 2.25% (2023 - 2.10% to 2.55%) per annum respectively. The fixed deposits have maturity periods ranging from 30 to 365 (2023 - 30 to 365) days and 90 (2023 - 90) days for the Group and the Company respectively.

(b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period is an amount of RM17,744,103 (2023 - RM18,351,752) which has been pledged to licensed banks as security for banking facilities granted to the Group.

(c) Included in the fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period are amount of RM1,037,565 (2023 - RM1,013,650) and RM978,343 (2023 - RM956,402) which are with tenure of more than 3 months.

19. SHARE CAPITAL

	2024	2023	2024	2023
	Number of Shares ('000)		RM'000	RM'000
Issued and Fully Paid-Up				
The Group				
Ordinary Shares				
At 1 July/30 June	233,878	233,878	149,385	149,385
The Company				
Ordinary Shares				
At 1 July/30 June	233,878	233,878	149,368	149,368

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

20. MERGER DEFICIT

The merger deficit relates to the subsidiaries which were consolidated under the merger method of accounting.

The merger deficit arose from the difference between the nominal value of shares issued for the acquisition of subsidiaries and the nominal value of the shares acquired.

21. FAIR VALUE RESERVE

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of investments mandatorily at fair value through other comprehensive income.

22. LONG-TERM BORROWINGS

	The Group 2024 RM'000	2023 RM'000
Term loans (Note 24)	6,637	2,769
Hire purchase payables	1,049	159
	7,686	2,928

23. DEFERRED TAX LIABILITIES

The Group	At 1.7.2023 RM'000	Recognised in Profit or Loss (Note 36) RM'000	At 30.6.2024 RM'000
2024			
Deferred Tax Liabilities			
Property, plant and equipment	63	4,272	4,335
Deferred Tax Assets			
Allowance for impairment losses on trade receivables	(27)	(49)	(76)
	36	4,223	4,259

The Group	At 1.7.2022 RM'000	Recognised in Profit or Loss (Note 36) RM'000	At 30.6.2023 RM'000
2023			
Deferred Tax Liabilities			
Property, plant and equipment	63	-	63
Deferred Tax Assets			
Allowance for impairment losses on trade receivables	(27)	-	(27)
	36	-	36

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

24. TERM LOANS (SECURED)

	The Group	
	2024 RM'000	2023 RM'000
Current liabilities (Note 27)	2,433	1,043
Non-current liabilities (Note 22)	6,637	2,769
	9,070	3,812

The interest rate profile of the term loans is summarised below:-

	Effective Interest Rate %	The Group	
		2024 RM'000	2023 RM'000
Floating rate term loans	4.80 - 4.96	9,070	3,812

The term loans are secured by:-

(i) legal charges over certain leasehold land as disclosed in Note 7 to the financial statements;
(ii) letters of set-off and Memorandum of Deposit against sinking funds account and subordination of debts;
(iii) pledges of fixed deposits as disclosed in Note 18 to the financial statements;
(iv) corporate guarantees of the Company; and
(v) an assignment of contract proceeds in respect of commodity sale agreement.

25. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 60 (2023 - 30 to 60) days.

26. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other payables	3,219	3,317	995	940
Accruals	77,233	43,504	377	462
Deposits received	17	17	-	-
	80,469	46,838	1,372	1,402

27. SHORT-TERM BORROWINGS

		The Group	
		2024 RM'000	2023 RM'000
Bank overdrafts (secured)	(a)	-	2,111
Invoice financing		-	1,810
Hire purchase payables		666	162
Term loans (secured) (Note 24)		2,433	1,043
		3,099	5,126

(a) In the previous financial year, the bank overdrafts of the Group bore fixed interest rates ranging from 5.23% to 7.90% per annum and were secured by fixed deposits with licensed banks of the Group as disclosed in Note 18 to the financial statements.

(b) The interest rate profiles of the borrowings of the Group are summarised below:

		The Group	
		2024 %	2023 %
Bank overdrafts	Floating	-	5.23 - 7.90
Invoice financing	Floating	-	1.43 - 2.33
Hire purchase payables	Fixed	2.06 - 8.64	4.52 - 7.07

28. LEASE LIABILITIES

	The Group	
	2024 RM'000	2023 RM'000
At 1 July	541	300
Addition (Note 40(b))	-	171
Changes due to lease modification (Notes 7 and 40(b))	561	561
Interest expense recognised in profit or loss (Notes 34 and 40(b))	21	12
Repayment of principal	(644)	(491)
Repayment of interest expense	(21)	(12)
At 30 June	458	541
Analysed by:-		
Current liabilities	458	541

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. REVENUE

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Revenue from Contracts with Customers				
Recognised over time				
Manpower services	66,816	57,676	-	-
Hook up, construction and commissioning	201,617	143,233	-	-
Marine services	42,303	53,827	-	-
	310,736	254,736	-	-
Recognised at a point in time				
Dividend income	-	-	67,330	-
	310,736	254,736	67,330	-

The information on the disaggregation of revenue by business segment is disclosed in Note 44.1 to the financial statements.

30. COST OF SALES

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Included are the following items:				
Depreciation:				
- property, plant and equipment (Note 6)	7,004	6,206	-	-
- right-of-use assets (Note 7)	561	457	-	-
Rental of vehicles, yard and others	179	175	-	-
Staff costs:				
- salaries and others	43,642	34,610	-	-
- defined contribution benefits	2,194	2,151	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

31. OTHER INCOME

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included are the following items:				
Gain on foreign exchange:				
- realised	16	60	-	-
- unrealised	10	39	-	-
Interest income:				
- fixed deposits	373	439	-	18
- repo	38	29	13	2
- short-term investments	345	250	287	222
- others	336	130	-	3
Rental income	66	66	-	-
Reversal of impairment losses:				
- property, plant and equipment (Note 6)	20,997	-	-	-

32. ADMINISTRATIVE EXPENSES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included are the following items:				
Auditors' remuneration:				
- audit fee:				
- current financial year	250	250	51	51
- non-audit fee	13	13	13	13
Contributions to defined contribution benefits (Note 41):				
- directors of the Company	166	151	-	-
Directors' fee (Note 41):				
- directors of the Company	538	410	382	410
Directors' non-fee emoluments (Note 41):				
- directors of the Company	2,339	1,742	25	20
Staff costs (including other key management personnel):				
- salaries and others	12,291	10,267	-	-
- defined contribution benefits	1,292	1,234	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

33. OTHER EXPENSES

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Included are the following items:				
Depreciation:				
- property, plant and equipment (Note 6)	603	530	-	-
- right-of-use assets (Note 7)	140	56	-	-
Impairment loss:				
- investments in subsidiaries (Note 5)	-	-	38,896	-
Loss on foreign exchange:				
- realised	145	257	-	-
- unrealised	10	21	-	-
	898	864	38,896	-

34. FINANCE COSTS

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Interest expense:				
- bank overdrafts	53	168	-	-
- term loans	287	2,384	-	-
- hire purchase payables	64	19	-	-
- others	463	226	-	-
- lease liabilities (Note 28)	21	12	-	-
	888	2,809	-	-

35. NET (IMPAIRMENT LOSSES)/REVERSAL ON FINANCIAL ASSETS

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Impairment losses:				
- trade receivables (Note 10)	(1,999)	(2,081)	-	-
- amount owing by subsidiaries (Note 13)	-	-	(2,087)	-
Reversal of impairment losses:				
- trade receivables (Note 10)	278	139	-	-
- other receivables (Note 11)	139	53	-	-
- amount owing by subsidiaries (Note 13)	-	-	-	3,278
	(1,535)	(1,889)	(2,087)	3,278

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

36. INCOME TAX EXPENSE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax:				
- current financial year	2,787	4,348	-	5
- (over)/under provision in the previous financial year	(19)	11	-	(1)
	2,768	4,359	-	4
Deferred tax (Note 23):	4,223	-	-	-
	6,991	4,359	-	4

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation	49,838	27,228	26,299	2,753
Tax at the statutory tax rate of 24%	11,961	6,535	6,312	661
Tax effects of:-				
Non-taxable income	(3,069)	(62)	(16,342)	(840)
Non-deductible expenses	552	635	10,030	184
Deferred tax assets not recognised during the financial year	541	659	-	-
Utilisation of deferred tax assets previously not recognised	(2,975)	(3,419)	-	-
(Over)/Under provision in the previous financial year:				
- current tax	(19)	11	-	(1)
	6,991	4,359	-	4

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year.

No deferred tax assets were recognised for the following items:

	The Group	
	2024 RM'000	2023 RM'000
Accelerated capital allowances	(17,319)	(77,966)
Unrealised gain on foreign exchange	(1)	(15)
Allowance for impairment losses on trade receivables	8,526	6,566
Unused tax losses	6,723	10,377
Unabsorbed capital allowances	26,252	95,362
	24,181	34,324

36. INCOME TAX EXPENSE (CONT'D)

At the end of the reporting period, the Group has unused tax losses and unabsorbed capital allowances of approximately RM6,723,000 (2023 - RM10,377,000) and RM26,252,000 (2023 - RM95,362,000) respectively that are available for offset against future taxable profits of the subsidiaries in which the losses arose. No deferred tax assets are recognised in respect of these items as it is not probable that taxable profits of the subsidiaries will be available against which the deductible temporary differences can be utilised.

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment while the unabsorbed capital allowances are allowed to be carried forward indefinitely.

37. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year, as follows:-

	The Group	
	2024	**2023**
Profit attributable to owners of the Company (RM)	42,809,000	22,946,000
Weighted average number of ordinary shares at 30 June	233,878,000	233,878,000
Basic earnings per share (sen)	18.30	9.81

The Company has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

38. DIVIDENDS

	The Company	
	2024	**2023**
	RM'000	**RM'000**
An interim dividend of 2.0 sen per ordinary share in respect of the previous financial year	4,678	-
A first interim dividend of 2.0 sen per ordinary share in respect of the current financial year	4,678	-
	9,356	-

39. INTEREST IN A JOINT OPERATION

In the previous financial year, Carimin Engineering Services Sdn. Bhd. ("CES"), a wholly-owned subsidiary of the Company together with I Drill Pipelines Constructions Sdn. Bhd. formed a joint operation, Carimin Engineering-Idrill JV.

The joint operation was awarded a project by Petronas Gas Berhad to provide engineering, procurement, construction and commissioning services. The contract was valued at RM53,291,924 and the duration for completion of works is within 17 months from initial acceptance.

39. INTEREST IN A JOINT OPERATION (CONT'D)

The joint operation has contributed revenue of RM5,119,699 (2023 - RM24,190,859) and profit after taxation of RM1,133,348 (2023 - RM3,559,026) to the Group since the date of commencement.

40. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets are as follows:-

	The Group 2024 RM'000	The Group 2023 RM'000
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	21,646	8,120
Less: Acquired through term loans	(5,201)	(2,769)
Less: Acquired through hire purchase arrangements (Note 40(b))	(1,831)	(356)
Cash disbursed for purchase of property, plant and equipment	14,614	4,995
Right-of-use assets		
Cost of right-of-use assets acquired (Note 7)	-	5,597
Less: Additions of new lease liabilities (Note 40(b))	-	(171)
Cash disbursed for purchase of right-of-use assets	-	5,426

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM'000	Invoice Financing RM'000	Hire Purchase Payables RM'000	Lease Liabilities RM'000	Total RM'000
2024					
At 1 July	3,812	1,810	321	541	6,484
Changes in Financing Cash Flows					
Proceeds from drawdown	7,801	-	-	-	7,801
Repayment of borrowing principal	(2,543)	(1,810)	(437)	(644)	(5,434)
Repayment of borrowing interests	(287)	(232)	(64)	(21)	(604)
	4,971	(2,042)	(501)	(665)	1,763
Non-cash Changes					
Interest expense recognised in profit or loss (Note 34)	287	232	64	21	604
Modification of leases (Notes 7 and 28)	-	-	-	561	561
Acquisition of new hire purchase (Note 40(a))	-	-	1,831	-	1,831
	287	232	1,895	582	2,996
At 30 June	9,070	-	1,715	458	11,243

NOTES TO THE FINANCIAL STATEMENTS

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40. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

The Group	Term Loans RM'000	Invoice Financing RM'000	Hire Purchase Payables RM'000	Lease Liabilities RM'000	Total RM'000
2023					
At 1 July	21,827	-	169	300	22,296
Changes in Financing Cash Flows					
Proceeds from drawdown	2,769	1,810	-	-	4,579
Repayment of borrowing principal	(20,784)	-	(204)	(491)	(21,479)
Repayment of borrowing interests	(2,384)	-	(19)	(12)	(2,415)
	(20,399)	1,810	(223)	(503)	(19,315)
Non-cash Changes					
Interest expense recognised in profit or loss (Note 34)	2,384	-	19	12	2,415
Modification of leases (Notes 7 and 28)	-	-	-	561	561
Acquisition of new lease (Notes 28 and 40(a))	-	-	-	171	171
Acquisition of new hire purchase (Note 40(a))	-	-	356	-	356
	2,384	-	375	744	3,503
At 30 June	3,812	1,810	321	541	6,484

(c) The cash and cash equivalents comprise the following:-

	The Group 2024 RM'000	The Group 2023 RM'000	The Company 2024 RM'000	The Company 2023 RM'000
Short-term investments (Note 17)	24,796	32,395	18,735	27,587
Fixed deposits with licensed banks (Note 18)	18,782	19,365	978	956
Cash and bank balances	30,253	15,804	744	246
Bank overdrafts (Note 27)	-	(2,111)	-	-
	73,831	65,453	20,457	28,789
Less: Fixed deposits pledged to licensed banks (Note 18)	(17,744)	(18,352)	-	-
Fixed deposits with tenure more than 3 months (Note 18)	(1,038)	(1,013)	(978)	(956)
	55,049	46,088	19,479	27,833

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

41. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

(a) Directors of the Company

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Directors				
Directors of the Company				
Executive Directors				
Short-term employee benefits:				
- fee	156	-	-	-
- non-fee emoluments	1,594	1,452	-	-
Defined contribution benefits	166	151	-	-
	1,916	1,603	-	-
Non-executive Directors				
Short-term employee benefits:				
- fee	382	410	382	410
- non-fee emoluments	745	290	25	20
	1,127	700	407	430
	3,043	2,303	407	430

(b) Other Key Management Personnel

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Short-term employee benefits:				
- non-fee emoluments	1,107	1,338	-	-
Defined contribution benefits	132	155	-	-
Total compensation for other key management personnel	1,239	1,493	-	-

42. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amounts are not capable of reliable measurement.

	The Group	
	2024 RM'000	2023 RM'000
Bank/Performance guarantee extended to third parties by:		
- subsidiaries	23,415	30,264

43. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(i) Subsidiaries:				
- interest income	-	-	-	3
- dividend from a subsidiary	-	-	67,330	-
(ii) Joint Operator:				
- subcontractor cost	(2,326)	(14,086)	-	-

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

The related party transactions described above were entered into in the normal course of business carried out based on negotiated terms and conditions and are mutually agreed with respective parties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

44. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Managing Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into five (5) main reportable segments as follows:-

- Manpower services ("MPS") - providing services to its customers in sourcing suitable personnel to fulfil specified functions.
- Construction, offshore hook up and commissioning and topside major maintenance ("CHUCTMM") - providing offshore hook up and commissioning on production platforms typically involving the final installation, testing and commissioning of the facilities' structures machinery and equipment.
- Marine services ("MS") - providing vessel chartering, underwater inspection, repair, and maintenance works and services to external customers.
- Civil construction ("CC") - providing general contracting work and geotechnical engineering to external customers.
- Others - comprises investment holding, providing corporate and management services, rental of equipment and machineries to external customers, neither of which are of a sufficient size to be reported separately.

(a) The Managing Director assesses the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

(b) Each reportable segment assets is measured based on all assets of the segment other than tax-related assets.

(c) Each reportable segment liabilities is measured based on all liabilities of the segment other than tax-related liabilities.

Transactions between reportable segments are carried out on agreed terms between both parties. Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

44.1 BUSINESS SEGMENTS

	MPS RM'000	CHUCTMM RM'000	MS RM'000	CC RM'000	Others RM'000	Elimination RM'000	Group RM'000
2024							
Revenue							
External revenue	66,816	201,617	42,303	-	-	-	310,736
Inter-segment revenue	-	-	41,880	-	73,570	(115,450)	-
Total revenue	66,816	201,617	84,183	-	73,570	(115,450)	310,736
Results							
Segment results	5,148	19,490	37,074	91	26,189	(38,358)	49,634
Finance costs	(5)	(824)	(59)	-	-	-	(888)
Interest income	125	602	30	26	309	-	1,092
Profit before taxation							49,838
Income tax expense							(6,991)
Consolidated profit after taxation							42,847

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

44. OPERATING SEGMENTS (CONT'D)

44.1 BUSINESS SEGMENTS (CONT'D)

	MPS RM'000	CHUCTMM RM'000	MS RM'000	CC RM'000	Others RM'000	Elimination RM'000	Group RM'000
2024							
Assets							
Segment assets	28,165	170,410	169,577	2,920	178,449	(204,574)	344,947
Current tax assets							821
Consolidated total assets							345,768
Liabilities							
Segment liabilities	8,285	106,947	135,493	1,090	14,743	(152,412)	114,146
Deferred tax liabilities							4,259
Current tax liabilities							28
Consolidated total liabilities							118,433
2024							
Capital expenditure							
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	-	10,735	3,882	-	7,029	-	21,646
2024							
Other material items of expenses/(income) consist of the following:							
Depreciation:							
- property, plant and equipment	377	643	6,508	-	79	-	7,607
- right-of-use assets	22	652	-	-	15	12	701
Impairment losses on:							
- trade receivables	-	-	1,999	-	-	-	1,999
- investments in subsidiaries	-	-	-	-	38,896	(38,896)	-
- amount owing by subsidiaries	-	-	-	-	2,087	(2,087)	-
Interest expense	5	824	59	-	-	-	888
Reversal of impairment losses on:							
- trade receivables	-	(278)	-	-	-	-	(278)
- other receivables	-	-	-	(186)	-	-	(186)
- property, plant and equipment	-	-	(20,997)	-	-	-	(20,997)
- amount owing by subsidiaries	(4,338)	(4,355)	-	-	(18)	8,711	-
Interest income	(125)	(602)	(30)	(26)	(309)	-	(1,092)

44. OPERATING SEGMENTS (CONT'D)

44.1 BUSINESS SEGMENTS (CONT'D)

	MPS RM'000	CHUCTMM RM'000	MS RM'000	CC RM'000	Others RM'000	Elimination RM'000	Group RM'000
2023							
Revenue							
External revenue	57,676	143,233	53,827	-	-	-	254,736
Inter-segment revenue	-	-	35,991	-	5,635	(41,626)	-
Total revenue	57,676	143,233	89,818	-	5,635	(41,626)	254,736
Results							
Segment results	3,393	16,378	23,086	(145)	8,734	(22,257)	29,189
Finance costs	(75)	(330)	(2,404)	(3)	-	3	(2,809)
Interest income	100	320	157	22	252	(3)	848
Profit before taxation							27,228
Income tax expense							(4,359)
Consolidated profit after taxation							22,869
2023							
Assets							
Segment assets	87,409	133,416	144,561	2,898	159,967	(253,055)	275,196
Current tax assets							420
Consolidated total assets							275,616
Liabilities							
Segment liabilities	18,919	68,574	147,702	1,185	7,311	(162,903)	80,788
Deferred tax liabilities							36
Current tax liabilities							948
Consolidated total liabilities							81,772
2023							
Capital expenditure							
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	-	7,864	223	-	33	-	8,120
- right-of-use assets	-	5,597	-	-	-	-	5,597

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

44. OPERATING SEGMENTS (CONT'D)

44.1 BUSINESS SEGMENTS (CONT'D)

	MPS RM'000	CHUCTMM RM'000	MS RM'000	CC RM'000	Others RM'000	Elimination RM'000	Group RM'000
2023							
Other material items of expenses/(income) consist of the following:							
Depreciation:							
- property, plant and equipment	381	373	5,888	-	94	-	6,736
- right-of-use assets	22	464	-	-	15	12	513
Impairment loss on:							
- trade receivables	82	-	1,999	-	-	-	2,081
Interest expense	75	330	2,404	3	-	(3)	2,809
Reversal of impairment loss on:							
- amount owing by subsidiaries	-	-	-	-	(3,278)	3,278	-
Interest income	(100)	(320)	(157)	(22)	(252)	3	(848)

44.2 GEOGRAPHICAL SEGMENTS

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segments is not presented.

44.3 MAJOR CUSTOMER

There is only one major customer with revenue equal to or more than 10% of the Group's total revenue:

	Revenue 2024 RM'000	Revenue 2023 RM'000	
Customer A	201,617	143,233	CHUCTMM Segment

45. CAPITAL COMMITMENTS

	The Group 2024 RM'000	The Group 2023 RM'000
Purchase of property, plant and equipment	22,004	13,886

46. FINANCIAL INSTRUMENTS

The activities of the Group are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

46.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currency other than the respective functional currencies of entities within the Group. The currency giving rise to this risk is primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	**United States Dollar RM'000**
2024	
Financial Assets	
Trade receivables	248
Cash and bank balances	98
Financial Liabilities	
Trade payables	(74)
Currency Exposure	272
2023	
Financial Assets	
Trade receivables	502
Cash and bank balances	99
Financial Liabilities	
Trade payables	(26)
Currency Exposure	575

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024 RM'000	**2023 RM'000**
Effects on Profit After Taxation		
USD/RM		
- strengthened by 10%	21	44
- weakened by 10%	(21)	(44)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed deposits with licensed banks and bank overdrafts are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither their carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period are disclosed in Notes 17, 24 and 27 to the financial statements respectively.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Effects on Profit After Taxation				
Increase of 100 basis points	120	203	142	210
Decrease of 100 basis points	(120)	(203)	(142)	(210)

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, are not exposed to equity price risk.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by five (5) customers which constituted approximately 85% of its trade receivables at the end of the reporting period.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group and the Company closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over a period of 12 (2023 - 12) months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts. The Group has identified the Gross Domestic Product (GDP) as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2024				
Current (not past due)	7,020	-	(13)	7,007
1 to 30 days past due	1,778	-	(8)	1,770
31 to 60 days past due	80	-	(4)	76
61 to 90 days past due	55	-	(2)	53
More than 90 days past due	230	-	(61)	169
	9,163	-	(88)	9,075
Credit impaired	8,474	(8,434)	(40)	-
Trade receivables	17,637	(8,434)	(128)	9,075
Contract assets	86,909	-	-	86,909
	104,546	(8,434)	(128)	95,984

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2023				
Current (not past due)	21,137	-	(27)	21,110
1 to 30 days past due	597	-	(21)	576
31 to 60 days past due	22	-	(6)	16
61 to 90 days past due	183	-	(29)	154
More than 90 days past due	2,221	-	(43)	2,178
	24,160	-	(126)	24,034
Credit impaired	6,753	(6,713)	(40)	-
Trade receivables	30,913	(6,713)	(166)	24,034
Contract assets	68,859	-	-	68,859
	99,772	(6,713)	(166)	92,893

The movements in the loss allowances in respect of trade receivables is disclosed in Note 10 to the financial statements.

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables, amount owing by a related party, joint venture and joint operator.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

The Group	Gross Amount RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2024			
Low credit risk	1,354	-	1,354
Credit impaired	549	(549)	-
	1,903	(549)	1,354
2023			
Low credit risk	1,366	-	1,366
Credit impaired	735	(735)	-
	2,101	(735)	1,366

The movement in the loss allowances in respect of these receivables are disclosed in Notes 11, 14, 15 and 16 to the financial statements respectively.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing By Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount Owing By Subsidiaries (Non-trade Balances) (Cont'd)

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The Company	Gross Amount RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
2024			
Low credit risk	104,572	(3,139)	101,433
2023			
Low credit risk	38,336	(1,052)	37,284

The movements in the loss allowances is disclosed in Note 13 to the financial statements.

Financial Guarantee Contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2024						
Non-derivative Financial Liabilities						
Trade payables	-	22,434	22,434	22,434	-	-
Other payables and accruals	-	80,469	80,469	80,469	-	-
Lease liabilities	4.48	458	467	467	-	-
Hire purchase payables	2.06 - 8.64	1,715	1,914	763	1,151	-
Term loans	4.80 - 4.96	9,070	13,496	3,011	10,320	165
		114,146	118,780	107,144	11,471	165
2023						
Non-derivative Financial Liabilities						
Trade payables	-	23,256	23,256	23,256	-	-
Other payables and accruals	-	46,838	46,838	46,838	-	-
Amount owing to a joint operator	-	2,099	2,099	2,099	-	-
Lease liabilities	3.22 - 4.88	541	557	557	-	-
Hire purchase payables	4.52 - 7.07	321	338	174	164	-
Term loans	4.80 - 4.96	3,812	7,576	1,216	548	5,812
Bank overdrafts	5.23 - 7.90	2,111	2,111	2,111	-	-
Invoice financing	1.43 - 2.33	1,810	1,810	1,810	-	-
		80,788	84,585	78,061	712	5,812

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

46. FINANCIAL INSTRUMENTS (CONT'D)

46.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):- (Cont'd)

The Company	Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000
2024				
Non-derivative Financial Liabilities				
Other payables and accruals	-	1,372	1,372	1,372
Financial guarantee contracts in relation to corporate guarantee given to subsidiaries	-	-	32,484	32,484
		1,372	33,856	33,856
2023				
Non-derivative Financial Liabilities				
Other payables and accruals	-	1,402	1,402	1,402
Financial guarantee contracts in relation to corporate guarantee given to subsidiaries	-	-	37,997	37,997
		1,402	39,399	39,399

46.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

46. FINANCIAL INSTRUMENTS (CONT'D)

46.2 CAPITAL RISK MANAGEMENT (CONT'D)

The debt-to-equity ratio of the Group at the end of the reporting period is as follows:-

	The Group	
	2024 RM'000	**2023 RM'000**
Hire purchase payables (Notes 22 and 27)	1,715	321
Term loans (Note 24)	9,070	3,812
Bank overdrafts (Note 27)	-	2,111
Invoice financing (Note 27)	-	1,810
	10,785	8,054
Less: Short-term investments (Note 17)	(24,796)	(32,395)
Less: Fixed deposits with licensed banks (Note 18)	(18,782)	(19,365)
Less: Cash and bank balances	(30,253)	(15,804)
Net cash	(63,046)	(59,510)
Total equity	227,335	193,844
Debt-to-equity ratio	*	*

* Not applicable as the Group's cash and cash equivalents exceed its borrowings.

There was no changes in the approach to capital management during the financial year.

46.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2024	
	The Group RM'000	**The Company RM'000**
Financial Assets		
Mandatorily at Fair Value Through Profit or Loss		
Short-term investments (Note 17)	24,796	18,735
Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition		
Other investments (Note 9)		
- club membership	50	-

46. FINANCIAL INSTRUMENTS (CONT'D)

46.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	2024 The Group RM'000	2024 The Company RM'000
Financial Assets (Cont'd)		
Amortised Cost		
Other investments (Note 9)		
- redeemable secured loan stock	540	-
Trade receivables (Note 10)	9,075	-
Other receivables (Note 11)	238	-
Amount owing by subsidiaries (Note 13)	-	101,433
Amount owing by a related party (Note 16)	33	-
Amount owing by joint venture (Note 14)	400	-
Amount owing by a joint operator (Note 15)	683	-
Fixed deposits with licensed banks (Note 18)	18,782	978
Cash and bank balances	30,253	744
	60,004	103,155
Financial Liability		
Amortised Cost		
Trade payables (Note 25)	22,434	-
Other payables and accruals (Note 26)	80,469	1,372
Hire purchase payables (Notes 22 and 27)	1,715	-
Term loans (Note 24)	9,070	-
	113,688	1,372

	2023 The Group RM'000	2023 The Company RM'000
Financial Assets		
Mandatorily at Fair Value Through Profit or Loss		
Short-term investments (Note 17)	32,395	27,587
Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition		
Other investments (Note 9)		
- club membership	50	-

46. FINANCIAL INSTRUMENTS (CONT'D)

46.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	2023	
	The Group RM'000	**The Company RM'000**
Financial Assets (Cont'd)		
Amortised Cost		
Other investments (Note 9)		
- redeemable secured loan stock	540	-
Trade receivables (Note 10)	24,034	-
Other receivables (Note 11)	181	2
Amount owing by subsidiaries (Note 13)	-	37,284
Amount owing by a related party (Note 16)	435	-
Amount owing by joint venture (Note 14)	400	-
Amount owing by a joint operator (Note15)	350	-
Fixed deposits with licensed banks (Note18)	19,365	956
Cash and bank balances	15,804	246
	61,109	38,488
Financial Liability		
Amortised Cost		
Trade payables (Note 25)	23,256	-
Other payables and accruals (Note 26)	46,838	1,402
Amount owing to a joint operator (Note 15)	2,099	-
Hire purchase payables (Notes 22 and 27)	321	-
Term loans (Note 24)	3,812	-
Bank overdrafts (Note 27)	2,111	-
Invoice financing (Note 27)	1,810	-
	80,247	1,402

46.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	2024	
	The Group RM'000	**The Company RM'000**
Financial Assets		
Mandatorily at Fair Value Through Profit or Loss		
Net gain recognised in profit or loss	654	458
Amortised Cost		
Net loss recognised in profit or loss	(443)	(1,787)
Financial Liabilities		
Amortised Cost		
Net loss recognised in profit or loss	(888)	-

46. FINANCIAL INSTRUMENTS (CONT'D)

46.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS (CONT'D)

	2023 The Group RM'000	2023 The Company RM'000
Financial Assets		
Mandatorily at Fair Value Through Profit or Loss		
Net gain recognised in profit or loss	978	575
Amortised Cost		
Net (loss)/gain recognised in profit or loss	(1,041)	3,523
Financial Liabilities		
Amortised Cost		
Net loss recognised in profit or loss	(2,809)	-

46.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value				
The Group	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total Fair Value RM'000**	**Carrying Amount RM'000**
2024								
Financial Assets								
Other investments								
- club membership	-	50	-	-	-	-	50	50
- redeemable secured loan stock	-	-	-	-	540	-	540	540
Short-term investments								
- money market fund	-	24,796	-	-	-	-	24,796	24,796
Financial Liability								
Term loans	-	-	-	-	9,070	-	9,070	9,070

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

46. FINANCIAL INSTRUMENTS (CONT'D)

46.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:- (Cont'd)

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	RM'000	RM'000
2023								
Financial Assets								
Other investments								
- club membership	-	50	-	-	-	-	50	50
- redeemable secured loan stock	-	-	-	-	540	-	540	540
Short-term investments								
- money market fund	-	32,395	-	-	-	-	32,395	32,395
Financial Liability								
Term loans	-	-	-	-	3,812	-	3,812	3,812
2024								
Financial Asset								
Short-term investments								
- money market fund	-	18,735	-	-	-	-	18,735	18,735
2023								
Financial Asset								
Short-term investments								
- money market fund	-	27,587	-	-	-	-	27,587	27,587

(a) Fair Value of Financial Instruments Carried at Fair Value

The fair value above have been determined using the following basis:-

(i) The fair value for golf club membership is estimated based on references to current available counterparty quotations of the same investments.

(ii) The fair value of money market fund is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

(iii) There were no transfer between level 1 and level 2 during the financial year.

46. FINANCIAL INSTRUMENTS (CONT'D)

46.5 FAIR VALUE INFORMATION (CONT'D)

(b) Fair Value of Financial Instruments not Carried at Fair Value

(i) The fair value of the Group's term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rate on or near the reporting date.

(ii) The fair value of the Group's redeemable secured loan stock that carry fixed interest rates are determined based on the present value of the schedule repayment.

47. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 3 November 2023, Carimin Engineering Services Sdn. Bhd. ("CES"), a wholly-owned subsidiary of the Company accepted a letter of contract extension and amendment No. 2 from Petronas Carigali Sdn. Bhd. for the provision of integrated Hook-Up and Commissioning ("iHUC") services (Package C- SKG). The extension will be for a duration of one year effective from 1 January 2024 and will expire on 31 December 2024;

(b) On 24 November 2023, CES entered into a Joint Venture Agreement ("JVA") with Evolusi Bersatu Sdn. Bhd. to jointly bid for the provision of Pan-Malaysia MCM HUC for Petroliam Nasional Berhad;

(c) On 27 December 2023, CES accepted a letter of contract amendment and extension No. 2 from Petronas Carigali Sdn. Bhd. for the provision of Offshore Maintenance, Construction and Modification ("MCM") services. The extension will be for a duration of one year effective from 1 January 2024 and will expire on 31 December 2024; and

(d) On 17 May 2024, Carimin Resources Services Sdn. Bhd. ("CRS"), a wholly-owned subsidiary of the Company, entered into a Memorandum of Agreement ("MOA") with Penguin Shipyard Asia Pte. Ltd. for the proposed acquisition of an unregistered new build crew boat, named "Hull 460" (PENGUIN's proprietary "Flex-42X" design) ("the Vessel") for a total cash consideration of USD4,960,000, equivalent to approximately RM23,388,880. The Protocol of Delivery and Acceptance was entered into by the parties on 12 September 2024 and CRS took possession of the vessel.

ANALYSIS OF **SHAREHOLDINGS**

AS AT 2 OCTOBER 2024

Total Number of Issued Shares	:	233,878,000 Ordinary Shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) vote for every ordinary share held

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100 shares	13	0.49	338	0.00
100 - 1,000 shares	549	20.80	296,700	0.13
1,001 - 10,000 shares	1,299	49.23	6,968,400	2.98
10,001 - 100,000 shares	639	24.21	21,470,600	9.18
100,001 - less than 5% of issued shares	137	5.19	132,684,300	56.73
5% and above of issued shares	2	0.08	72,457,662	30.98
Total	**2,639**	**100.00**	**233,878,000**	**100.00**

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(As per the Register of Substantial Shareholders)

	Direct Interest		Indirect Interest	
Name of Substantial Shareholders	No. of Shares	%	No. of Shares	%
Mokhtar Bin Hashim	53,751,734	22.98	-	-
Cipta Pantas Sdn. Bhd.	42,787,428	18.29	-	-
Wong Kong Foo	-	-	53,737,428[1]	22.98

Note:

1 *Deemed interested by virtue of his interest held through Intan Kuala Lumpur Sdn. Bhd., Emas Kiara Marketing Sdn. Bhd. and Cipta Pantas Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act").*

DIRECTORS' SHAREHOLDINGS

(As per the Register of Directors' Shareholdings)

	Direct Interest		Indirect Interest	
Name of Directors	No. of Shares	%	No. of Shares	%
Tan Sri Dato' Kamaruzzaman Bin Shariff	2,000,000	0.86	-	-
Mokhtar Bin Hashim	53,751,734	22.98	-	-
Wong Kong Foo	-	-	53,737,428[1]	22.98
Lim Yew Hoe	3,350,000	1.43	6,040,000[2]	2.58
Yip Jian Lee	50,000	0.02	-	-
Mohd Rizal Bahari Bin Md Noor	50,000	0.02	-	-
Muhammad Khadzir Bin Abdul Mutalib	-	-	-	-

Note:

1 *Deemed interested by virtue of his interest held through Intan Kuala Lumpur Sdn. Bhd., Emas Kiara Marketing Sdn. Bhd. and Cipta Pantas Sdn. Bhd. pursuant to Section 8 of the Act.*

2 *Deemed interested by virtue of his interest held through his spouse, Madam Lim Guan Nee, and Emas Kiara Marketing Sdn. Bhd. pursuant to Section 8 of the Act.*

ANALYSIS OF SHAREHOLDINGS

AS AT 2 OCTOBER 2024

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS AT 2 OCTOBER 2024

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of Shares Held	%
1	Mokhtar Bin Hashim	49,670,234	21.24
2	Affin Hwang Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Cipta Pantas Sdn. Bhd.)	22,787,428	9.74
3	Cipta Pantas Sdn. Bhd.	11,000,000	4.70
4	Universal Trustee (Malaysia) Berhad (KAF Core Income Fund)	9,624,800	4.12
5	Maybank Nominees (Tempatan) Sdn. Bhd. (National Trust Fund (IFM KAF) (446190))	9,538,700	4.08
6	Maybank Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Gan Hai Toh)	6,160,900	2.63
7	Maybank Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Cipta Pantas Sdn. Bhd.)	5,000,000	2.14
8	Universal Trustee (Malaysia) Berhad (KAF Tactical Fund)	4,100,000	1.75
9	Amsec Nominees (Tempatan) Sdn. Bhd. (Pledged securities account – Ambank (M) Berhad for Cipta Pantas Sdn. Bhd.)	4,000,000	1.71
10	Maybank Nominees (Tempatan) Sdn. Bhd. (Maybank Private Wealth Management for Mokhtar Bin Hashim (PW-M01039) (422768))	4,000,000	1.71
11	Cartaban Nominees (Tempatan) Sdn. Bhd. (RHB Trustees Berhad for KAF Vision Fund)	3,288,100	1.41
12	Maybank Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Intan Kuala Lumpur Sdn. Bhd.)	3,050,000	1.30
13	AmSec Nominees (Tempatan) Sdn. Bhd. (Pledged securities account - Ambank (M) Berhad for Emas Kiara Marketing Sdn. Bhd.)	3,000,000	1.28
14	Emas Kiara Marketing Sdn. Bhd.	3,000,000	1.28
15	Maybank Nominees (Tempatan) Sdn. Bhd. (Maybank Private Wealth Management for Lim Yew Hoe (PW-M00613) (419180))	3,000,000	1.28
16	HSBC Nominees (Tempatan) Sdn. Bhd. (HSBC (M) Trustee Bhd. for Manulife Investment Shariah Progress Plus Fund)	2,573,800	1.10
17	Public Invest Nominees (Asing) Sdn. Bhd. (Exempt an for Phillip Securities Pte. Ltd. (Clients))	2,520,000	1.08
18	UOBM Nominees (Tempatan) Sdn. Bhd. (UOB Asset Management (Malaysia) Berhad for FWD Aggressive Fund)	2,382,000	1.02
19	HSBC Nominees (Tempatan) Sdn. Bhd. (HSBC (M) Trustee Bhd. for Manulife Investment Progress Fund (4082))	2,301,100	0.98
20	KAF Trustee Berhad (KIFB for Felda A/C A2)	2,300,000	0.98
21	Alliancegroup Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Khor Jan Yeow (8083119))	2,111,300	0.90
22	Tan Sri Dato' Kamaruzzaman Bin Shariff	2,000,000	0.86
23	Affin Hwang Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Intan Kuala Lumpur Sdn. Bhd.)	1,900,000	0.81
24	Maybank Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Su Ming Keat)	1,521,200	0.65
25	Alliancegroup Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Raymond Cheah Sin Beng (7005439))	1,380,400	0.59
26	Maybank Nominees (Tempatan) Sdn. Bhd. (Maybank Trustees Berhad for KAF Islamic Dividend Income Fund (290411))	1,374,800	0.59
27	Citigroup Nominees (Tempatan) Sdn. Bhd. (Employees Provident Fund Board (KenangaESG))	1,265,400	0.54
28	Rondy Yunanda Yong	1,188,000	0.51
29	Public Nominees (Tempatan) Sdn. Bhd. (Pledged securities account for Kong Kok Choy (SRB/PMS))	1,160,000	0.50
30	KAF Trustee Berhad (KIFB for Felda A/C A)	1,149,100	0.49

LIST OF **PROPERTIES**

PROPERTIES OCCUPIED AND OWNED BY THE GROUP

The summary of the information on the material land and buildings owned by our Group as at 30 June 2024 are set out below:-

Registered Owner		Postal address Description of property/ existing use	Tenure / expiry lease /Age Building	Category of land use/land area/ Built-up area (sq m)	Audited Net Book Value as at 30 June 2024 (RM)
Carimin Sdn. Bhd.	(i)	No. 6048, Bangunan MIEL, Kawasan Industri Teluk Kalong, 24000 Chukai, Terengganu • Industrial Land	Leasehold of 60 years expiring on 22 Aug 2057	Industrial 7,288	130,878
	(ii)	B-1-4, Megan Avenue 1, No. 189, Jalan Tun Razak, 50400 Kuala Lumpur • Office lot	Freehold 25 years	179	457,601
	(iii)	B-1-5, Megan Avenue 1, No. 189, Jalan Tun Razak, 50400 Kuala Lumpur • Office Lot	Freehold 25 years	179	306,352
	(iv)	B-1-6, Megan Avenue 1, No. 189, Jalan Tun Razak, 50400 Kuala Lumpur • Office Lot	Freehold 25 years	179	289,011
	(v)	B-1-7, Megan Avenue 1, No. 189, Jalan Tun Razak, 50400 Kuala Lumpur • Office lot	Freehold 25 years	179	289,011
	(vi)	B-1-8, Megan Avenue 1, No. 189, Jalan Tun Razak, 50400 Kuala Lumpur • Office lot	Freehold 25 years	391	675,384
	(vii)	B-7-6, Megan Avenue 1, No. 189, Jalan Tun Razak, 50400 Kuala Lumpur • Office lot	Freehold 25 years	215	387,234
	(viii)	No. 7, Jalan SS15/2A, Subang Jaya, 47500 Selangor Darul Ehsan • Double storey intermediate terrace shophouse • Office use	Freehold 38 years	123 246	224,911
Carimin Engineering Services Sdn. Bhd.	(ix)	2 units of single storey workshop, 1 unit of storage building, 3 units of guardhouse and 1 unit of outdoor toilet erected on No. 4094, 4095, 4100, 4101 and 6048 Bangunan MIEL, Kawasan Industri Teluk Kalong, 24000 Chukai, Terengganu • Industrial Building	12 years	1,499	871,893
	(x)	Lot 31407, PN 11664 Wilayah Persekutuan Labuan • Industrial Land	Leasehold of 999 years expiring on 26 Sep 2906	Industrial 9,278	5,419,355
Fazu Resources (M) Sdn. Bhd.	(xi)	PT10363 Mukim Teluk Kalung, Kemaman Terengganu • Industrial land	Leasehold of 60 years expiring on 27 Feb 2078	Industrial 21,130	796,131

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting ("12th AGM" or "the Meeting") of CARIMIN PETROLEUM BERHAD ("Carimin" or "the Company") will be held at Greens III, Sports Wing, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 25 November 2024 at 3:00 p.m. or at any adjournment thereof, to transact the following businesses: -

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon. — **Please refer to Explanatory Note 1**

2. To approve the payment of Directors' fees and benefits of up to RM850,000.00 for the financial year ending 30 June 2025. — **Ordinary Resolution 1**

3. To re-elect the following Directors who retire by rotation pursuant to Clause 85 of the Company's Constitution: -

   i. Tan Sri Dato' Kamaruzzaman Bin Shariff; and — **Ordinary Resolution 2**
   ii. En. Mokhtar Bin Hashim. — **Ordinary Resolution 3**

4. To re-elect En. Muhammad Khadzir Bin Abdul Mutalib who retires pursuant to Clause 91 of the Company's Constitution. — **Ordinary Resolution 4**

5. To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting ("AGM") and to authorise the Directors to fix their remuneration. — **Ordinary Resolution 5**

AS SPECIAL BUSINESS:

To consider and if thought fit, pass with or without any modifications, the following resolutions: -

6. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

"THAT the following Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, be and are hereby retained as Independent Non-Executive Directors of the Company:-

   i. Pn. Yip Jian Lee; and — **Ordinary Resolution 6**
   ii. En. Mohd Rizal Bahari Bin Md Noor." — **Ordinary Resolution 7**

7. GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("ACT") — **Ordinary Resolution 8**

"THAT subject always to the Constitution of the Company, the Act, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/ regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company ("Shares") to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time ("Mandate") AND the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.

AND FURTHER THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank pari passu in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares."

8. PROPOSED RENEWAL OF THE AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY") **Ordinary Resolution 9**

"THAT subject to the provisions of the Act, the provisions of the Constitution of the Company, the Listing Requirements of Bursa Securities and all prevailing laws, rules, regulations, orders, guidelines and requirements for the time being in force, approval and authority be and are hereby given to the Directors of the Company ("Directors"), to the extent permitted by law, to purchase such number of ordinary shares of the Company ("Carimin Shares") as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, provided that:

(i) the maximum aggregate number of Carimin Shares which may be purchased and/or held as treasury shares shall not exceed 10% of the total number of issued shares in the Company at any point in time subject to compliance with the provisions of the Act, the Listing Requirements of Bursa Securities and/or any other relevant authorities;

(ii) the maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back Authority shall not exceed the aggregate of the retained profits of the Company; and

(iii) the authority conferred by this resolution shall be effective immediately after the passing of this resolution and shall continue to be in force until:

(a) the conclusion of the next AGM of Carimin following the general meeting at which the ordinary resolution for the Proposed Renewal of Share Buy-Back Authority is passed, at which time shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within the next AGM is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company of the Carimin Shares before the aforesaid expiry date and made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any other relevant government and/or regulatory authorities.

THAT the Directors be and are hereby authorised to deal with the Carimin Shares purchased under the Proposed Renewal of Share Buy-Back Authority, at their discretion, in the following manner:

(i) cancel the purchased Carimin Shares; or

(ii) retain the purchased Carimin Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or resell in accordance with the relevant rules of Bursa Securities and/or transfer under an employees' share scheme and/or transfer as purchase consideration; or

(iii) retain part of the purchased Carimin Shares as treasury shares and cancel the remainder.

AND THAT the Directors, be and are hereby authorised and empowered to do all acts and things and to take all such steps as necessary or expedient and to enter into and execute, on behalf of the Company, any instruments, agreements and/or arrangements with any person, and with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by Bursa Securities or any relevant regulatory authority, and/or as may be required in the best interest of the Company and to take all such steps as they may deem fit, necessary and expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority."

9. To transact any other business of which due notice shall have been given.

By order of the Board

TEA SOR HUA (MACS 01324) (SSM PC No.: 201908001272)
WINNIE GOH KAH MUN (MAICSA 7068836) (SSM PC No.: 202308000205)
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan
30 October 2024

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

(a) A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

(b) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.

(c) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

(e) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.

(f) To be valid, the instrument appointing a proxy may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:-

*(1) **In Hardcopy Form***

The proxy form shall be deposited at the Share Registrar's office, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

*(2) **By Electronic Means***

The proxy form shall be electronically lodged via TIIH Online website at https://tiih.online. Kindly refer to the Administrative Notes on the procedures for the electronic lodgement of the proxy form via TIIH Online.

(g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 18 November 2024. Only members whose names appear in the General Meeting Record of Depositors as at 18 November 2024 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

(h) All the resolutions set out in this Notice of the Meeting will be put to vote by poll.

(i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.

(j) Kindly check Bursa Securities' website at www.bursamalaysia.com and the Company's corporate website at www.carimin.com for the latest updates on the status of the Meeting.

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS

1. Item 1 of the Agenda - Audited Financial Statements for the financial year ended 30 June 2024

This Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

2. Item 2 of the Agenda - Directors' Fees and Benefits

The estimated Directors' fees and benefits were calculated based on the current Board size and the number of scheduled Board and Committee meetings to be held. This resolution is to facilitate payment of Directors' fees and benefits on a current financial year basis. In the event the proposed amount is insufficient due to more meetings or an enlarged Board size, approval will be sought at the next AGM for such shortfall.

3. Items 3 and 4 of the Agenda - Re-election of Directors

Clause 85 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being or if their number is not a multiple of three, then the number nearest to one-third (1/3) shall retire by rotation at an AGM of the Company and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

Clause 91 of the Company's Constitution provides that the Directors shall have power at any time and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next AGM, and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors to retire by rotation at such meeting.

Following thereto, Tan Sri Dato' Kamaruzzaman Bin Shariff and En. Mokhtar Bin Hashim will retire by rotation pursuant to Clause 85 of the Company's Constitution whereas En. Muhammad Khadzir Bin Abdul Mutalib who was appointed on 12 August 2024 will retire pursuant to Clause 91 of the Company's Constitution (collectively referred to as "the Retiring Directors"). The Retiring Directors being eligible, have offered themselves for re-election at the 12th AGM.

The Board has endorsed the Nomination and Remuneration Committee's recommendation to seek shareholders' approval to re-elect the Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board's effectiveness and value.

The Retiring Directors had abstained from all deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

The details and profiles of the Retiring Directors are provided in the Directors' Profile section on pages 10 and 13 of the Company's Annual Report 2024.

NOTICE OF ANNUAL GENERAL MEETING

4. Item 6 of the Agenda - Retention of Independent Non-Executive Directors

The Board had assessed the independence of Pn. Yip Jian Lee and En. Mohd Rizal Bahari Bin Md Noor, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years. The Board is satisfied that they have met the independence and recommended them to continue to act as the Independent Non-Executive Directors of the Company based on the following reasons:

(a) they have declared and confirmed that they fulfilled the criteria under the definition of Independent Director as set out in Paragraph 1 of the Listing Requirements of Bursa Securities;
(b) they have vast experience in their respective industries which could provide the Board with a diverse set of experience, expertise and independent judgement;
(c) they have good knowledge of the Company and its subsidiaries' business operations;
(d) they have devoted sufficient time and attention to their responsibilities as Independent Directors of the Company; and
(e) they have exercised due care during their tenure as Independent Non-Executive Directors of the Company and carried out their duties in the best interest of the Company and shareholders of the Company.

Pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance, the retention of Pn. Yip Jian Lee and En. Mohd Rizal Bahari Bin Md Noor as Independent Non-Executive Directors of the Company are subject to the shareholders' approval through a two-tier voting process.

5. Item 7 of the Agenda - General Authority for the Directors to Issue and Allot Shares pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 8 proposed under item 7 of the Agenda, is to seek a general mandate for issuance and allotment of shares by the Company pursuant to Sections 75 and 76 of the Act. This Ordinary Resolution, if passed, will empower the Directors to issue and allot new shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening at a general meeting to approve the issuance and allotment of such shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

This general mandate will provide flexibility to the Company for issuance and allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, no new shares in the Company were issued and allotted pursuant to the mandate granted to the Directors at the last AGM held on 30 November 2023 which will lapse at the conclusion of the Meeting.

6. Item 8 of the Agenda - Proposed Renewal of Share Buy-Back Authority

The Ordinary Resolution 9 proposed under item 8 of the Agenda is to renew the shareholders' mandate for the share buy-back by the Company. The said proposed renewal of shareholders' mandate will empower the Directors to buy-back and/or hold up to a maximum of up to 10% of the Company's total number of issued shares at any point in time, by utilising the amount allocated which shall not exceed the total retained profits of the Company. This authority unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM, or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

Please refer to Share Buy-Back Statement dated 30 October 2024 for further details of the Proposed Renewal of Share Buy-Back Authority.

ADMINISTRATIVE NOTES

FOR THE TWELFTH ANNUAL GENERAL MEETING ("12TH AGM" OR "MEETING") OF CARIMIN PETROLEUM BERHAD ("CARIMIN" OR "THE COMPANY")

Day/ Date	:	**Monday, 25 November 2024**
Time	:	**3:00 p.m.**
Venue	:	**Greens III, Sports Wing, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan**

REGISTRATION ON THE DAY OF 12th AGM

1. Registration will commence at 2:00 p.m.
2. Please present your original National Registration Identity Card (NRIC) or Passport to the registration staff for verification.
3. A voting slip and an identification wristband will be given to you thereafter. No one will be allowed to enter the meeting room without an identification wristband.
4. Registration must be done in person. No person is allowed to register on behalf of another.
5. The registration counter will handle the verification of identity, registration and revocation of proxy/proxies.

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining who shall be entitled to attend the 12th AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 18 November 2024 and only a depositor whose name appears on such Record of Depositors shall be eligible to attend the 12th AGM.

APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

Shareholders who appoint proxy(ies) to participate at the 12th AGM must ensure that the duly executed Proxy Forms are deposited in a hard copy form or by electronic means to Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") not later than Saturday, 23 November 2024 at 3:00 p.m.

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner: -

(i) **In hardcopy form**
In the case of an appointment made in hardcopy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(ii) **By electronic means**
The proxy form shall be electronically lodged with the Share Registrar of the Company via TIIH Online website at https://tiih.online. Kindly refer to the procedures below for the electronic lodgement of a proxy form via TIIH Online.

Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan not later than **Saturday, 23 November 2024** at 3:00 p.m. to participate in the 12th AGM. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan on/or before the 12th AGM. The certificate of appointment should be executed in the following manner:-

ADMINISTRATIVE NOTES

FOR THE TWELFTH ANNUAL GENERAL MEETING ("12TH AGM" OR "MEETING") OF CARIMIN PETROLEUM BERHAD ("CARIMIN" OR "THE COMPANY")

(i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.

(ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:-

(a) at least two (2) authorised officers, of whom one shall be a director; or

(b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

PROCEDURES FOR ELECTRONIC SUBMISSION OF PROXY FORM

The procedures to lodge your Form of Proxy electronically via Tricor's TIIH Online website are summarised below:

	Procedures	Actions
I.	**Steps for Individual Shareholders**	
(a)	Register as a User with TIIH Online	• Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services" by selecting "**Create Account by Individual Holder**". Please refer to the tutorial guide posted on the homepage for assistance. • If you are already a user of TIIH Online, you are not required to register again.
(b)	Proceed with submission of Proxy Form	• After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. • Select the corporate event: "**CARIMIN PETROLEUM BERHAD 12TH AGM – SUBMISSION OF PROXY FORM**". • Read and agree to the Terms & Conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. • Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy(ies) will decide your vote. • Review and confirm your proxy(ies) appointment. • Print the proxy form for your records.
II.	**Steps for Corporation or Institutional Shareholders**	
(a)	Register as a User with TIIH Online	• Access TIIH online at https://tiih.online. • Under e-Services, the authorised or nominated representative of the corporation or institutional member selects "**Create Account by Representative of Corporate Holder**". • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by email within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the email and reset your own password. *(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate member electronic proxy submission. Please contact the persons stated under **"ENQUIRY"** section below if you need clarifications on the user registration.)*

ADMINISTRATIVE NOTES

FOR THE TWELFTH ANNUAL GENERAL MEETING ("12TH AGM" OR "MEETING") OF CARIMIN PETROLEUM BERHAD ("CARIMIN" OR "THE COMPANY")

	Procedures	Actions
(b)	Proceed with submission of Proxy Form	• Login to TIIH Online website at https://tiih.online. • Select the corporate event: "**CARIMIN PETROLEUM BERHAD 12TH AGM – SUBMISSION OF PROXY FORM**". • Read and agree to the Terms & Conditions and confirm the Declaration. • Proceed to download the file format for "**Submission of Proxy Form**" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxy(ies) by inserting the required data. • Submit the proxy appointment file. • Login to TIIH Online, select corporate event: "**CARIMIN PETROLEUM BERHAD 12TH AGM – SUBMISSION OF PROXY FORM**". • Proceed to upload the duly completed proxy appointment file. • Select "**Submit**" to complete your submission. • Print the confirmation report of your submission for your record.

NO RECORDING OR PHOTOGRAPHY

Unauthorised recording or photography of the proceedings of the 12th AGM is strictly not allowed. The Company reserves theright to take appropriate legal actions against anyone who violates this rule.

ENQUIRY

If you have any enquiries on the above, please contact our Share Registrar during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except on public holidays): -

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line	:	+603-2783 9299
Fax Number	:	+603-2783 9222
Email	:	is.enquiry@vistra.com
Contact person	:	Mohammad Khairudin : +603-27837973 Mohamad.Khairudin@vistra.com

CARIMIN

CARIMIN PETROLEUM BERHAD
201201006787 (908388-K)
(Incorporated in Malaysia)

PROXY FORM

I/We*____ NRIC/ Passport/ Registration No.*__________________________________

(full name in capital letters)

of ____

(full address)

Email Address ____ Mobile Phone No. ______________________________

being (a) member(s) of CARIMIN PETROLEUM BERHAD [201201006787 (908388-K)] ("the Company") hereby appoint:-

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

and / or*

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Twelfth Annual General Meeting ("Meeting") of the Company to be held at Greens III, Sports Wing, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 25 November 2024 at 3:00 p.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her* discretion.

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees and benefits of up to RM850,000.00 for the financial year ending 30 June 2025.		
2.	To re-elect Tan Sri Dato' Kamaruzzaman Bin Shariff as a Director who retires by rotation pursuant to Clause 85 of the Company's Constitution.		
3.	To re-elect En. Mokhtar Bin Hashim as a Director who retires by rotation pursuant to Clause 85 of the Company's Constitution.		
4.	To re-elect En. Muhammad Khadzir Bin Abdul Mutalib who retires pursuant to Clause 91 of the Company's Constitution.		
5.	To re-appoint Crowe Malaysia PLT as Auditors of the Company.		
6.	To retain Pn. Yip Jian Lee as an Independent Non-Executive Director of the Company.		
7.	To retain En. Mohd Rizal Bahari Bin Md Noor as an Independent Non-Executive Director of the Company.		
8.	To approve the authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
9.	To approve the Proposed Renewal of Share Buy-Back Authority.		

* *delete whichever not applicable*

Dated this _________ day of _________________, 2024.

CDS ACCOUNT NO.	NO. OF SHARES HELD

____

Signature of Member(s)/Common Seal

Notes:

(a) A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

(b) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.

(c) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

(e) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.

(f) To be valid, the instrument appointing a proxy may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:-

(1) In Hardcopy Form
The proxy form shall be deposited at the Share Registrar's office, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(2) By Electronic Means
The proxy form shall be electronically lodged via TIIH Online website at https://tiih.online. Kindly refer to the Administrative Notes on the procedures for the electronic lodgement of the proxy form via TIIH Online.

(g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 18 November 2024. Only members whose names appear in the General Meeting Record of Depositors as at 18 November 2024 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

(h) All the resolutions set out in this Notice of the Meeting will be put to vote by poll.

(i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.

(j) Kindly check Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com and the Company's corporate website at www.carimin.com for the latest updates on the status of the Meeting.

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AFFIX
STAMP

The Share Registrar of
CARIMIN PETROLEUM BERHAD
201201006787(908388-K)

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur,
Wilayah Persekutuan.

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www.carimin.com

CARIMIN PETROLEUM BERHAD
Registration No.: 201201006787 (908388-K)
(Incorporated in Malaysia)

B-1-6, Block B, Megan Avenue 1, 189, Jalan Tun Razak
50400 Kuala Lumpur, Wilayah Persekutuan

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