

SAPURA ENERGY BERHAD

Registration No. 201101022755 (950894-T)
(Incorporated in Malaysia)

**EXTRAORDINARY GENERAL MEETING
IN RELATION TO THE PROPOSED REGULARISATION PLAN
WEDNESDAY, 30 JULY 2025 AT 2.00 P.M.**

QUESTIONS AND ANSWERS

Pre-submitted Q&A

Azhar Bin Khamaruzaman posted the following question:

- Q1 The Independent Adviser's recommendation to approve the Mandatory Offer Exemption is based on the premise that liquidation is the only alternative. To ensure full transparency, can the Board provide shareholders with a detailed asset-by-asset liquidation valuation, so we can independently verify that this highly dilutive plan, which cedes control without an exit offer, is indeed the superior option?**

Response/Answer

- A1** If shareholders vote against the Proposed Regularisation Plan, the Board will have to consider alternative approaches, which include, amongst others, disposals of assets, refinancing of existing borrowings and/or obtaining additional borrowings from financial institutions. However, given the equity deficit position and Practice Note 17 (“**PN17**”) status of SEB, SEB may not be able to successfully undertake any of the above which could lead to a liquidation of the Company which may be detrimental to the interests of the shareholders and stakeholders of the Company.

While it is true that the restructuring results in significant shareholding dilution, especially for existing shareholders, including minority investors, the alternative — liquidation — would have offered no path to recovery. By executing this restructuring, the Company preserves value, stabilises operations, and creates a foundation for future growth.

This approach ensures that the Company can continue as a going concern, protecting jobs, retaining operational capabilities, and providing the potential for future shareholder value creation. It is a difficult but necessary compromise in order to safeguard long-term interests over short-term impacts.

Logachandaran A/L Loganathan posted the following question:

- Q2 Can creditors commence proceedings against the Scheme Companies after the scheme is approved by the Court?**

Response/Answer

- A2** It is the intention of the Schemes to fully settle the claims of creditors up to the Cut-Off Date (save for certain Designated Contingent Creditors). If the claims are settled, there is hopefully no further need for creditors to commence claims against the Scheme Companies.

The Scheme Paper also contemplates a standstill period between the date of Court Sanction, up to the Restructuring Effective Date. This is to allow time for the Company to implement the Schemes – if the Schemes are approved.

Logachandaran A/L Loganathan posted the following question:

- Q3 Why didn't the Board consider a merger with other companies, like MMHE or McDermott, etc. which will bring more value to minority shareholders? Is the Board willing to consider this option in the future?**

Response/Answer

- A3** The Board does not think that the time is right for SEB to consider merger as an option, given the multiple challenges confronting SEB. The high level of debts, the dire need for cash, and underlying operational issues that need fixing, do not put SEB in a position of strength in any merger negotiation, thus risking value destruction to shareholders.

The Board does not rule out the possibilities of considering a merger in future, or any other proposals, but this is not in our current plan.

Logachandaran A/L Loganathan posted the following question:

- Q4 The tentative for the Restructuring Effective Date is August 2025 onwards? What is the risk where the Restructuring Effective Date is being delayed? Is there a hard stop date after the Court Sanction?**

Response/Answer

- A4** For the Schemes to take effect, the Scheme Companies must meet the conditions precedent, such as obtaining approval from Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the Proposed Regularisation Plan and securing the Ministerial Tax Exemptions. The Scheme Companies are making their best efforts to achieve these requirements.

If the Restructuring Effective Date is not achieved by the Longstop Date — which is 12 months from the Sanction Date (i.e., by 6 March 2026) — the Schemes will automatically lapse and be deemed terminated. This termination would result in the cessation of all proposed restructuring arrangements under the Schemes.

Therefore, the Scheme Companies are employing all reasonable efforts to ensure the Restructuring Effective Date occurs by the Longstop Date.

Logachandaran A/L Loganathan posted the following question:

- Q5 Can you further elaborate on the haircut that each of your creditors is taking?**

Response/Answer

- A5** Our creditors fall into two classes: Preferred Unsecured Creditors and Unsecured Creditors. The Preferred Unsecured Creditors consists of Ecosystem Creditors and Essential Creditors. Ecosystem Creditors are predominantly vendors in the Malaysian oil and gas ecosystem.

There is no haircut for the Preferred Unsecured Creditors. The Ecosystem Creditors will receive full repayment (dollar for dollar) within 90 days after the Restructuring Effective Date from the drawdown of the RM1.1 billion allocation while the Essential Creditors will be paid using internal funds

The Unsecured Creditors are predominantly lenders — mostly banks, and some foreign creditors. Their restructuring is divided into different functions. Some actually paid by cash, sourced from the disposal of SOMV — that is, RM2.25 billion.

Then for the remaining RM5.2 billion, it will be converted into long-term sustainable debt for an eight-year tenure with a fixed interest rate of 4.5% per annum. The previous floating interest rates fluctuated leading to unsustainable finance costs of RM700 million to RM800 million per year. With the new structure, we de-risk interest rate exposure so the finance costs will be significantly lower — estimated at RM250 million annually. The creditors, including foreign creditors, will take a 7.05% haircut on their principal. This is a direct waiver amounting to approximately RM780 million.

Tan Hock Chye posted the following question:

Q6 Will any government representatives be joining the board of Sapura Energy as a result of the RM1.1b investment?

Response/Answer

A6 Given the size of MDH's investment, it is reasonable to expect that they would seek appropriate oversight of Sapura Energy. In this regard, the subscriber of the RCLS is entitled to one seat on the Board to represent its interest. However, we foresee that this is likely to be at a strategic or board level rather than involving direct participation in the day-to-day operations of the Company.

Tan Hock Chye posted the following question:

Q7 Can you please provide details on the RCLS that will be issued to the White Knight?

Response/Answer

A7 The Redeemable Convertible Loan Stock ("RCLS") is a secured investment backed by our assets. The RCLS coupon rate is between 2.00% to 4.00% per annum, which will be payable at the election of the Company, over the tenure of 8 years and may be converted into RCLS Conversion Shares at any time from the Restructuring Effective Date at the option of the holder (Malaysia Development Holding Sdn. Bhd. ("MDH"). This flexibility allows them to benefit from any appreciation in our share price, as they would be able to convert at a lower price and potentially sell at a higher price.

Tan Hock Chye posted the following question:

Q8 Can you explain how this capital injection came about? How did the government become involved?

Response/Answer

- A8 We initiated this restructuring process about three years ago. At one point, we were looking for an investment of around RM1.8 billion. Throughout that process, we have been talking to certain suitors and parties, both from Malaysia and internationally.

Since then, with improvements in our business, we have basically managed to have sufficient cash flow to at least cover our working capital needs. Initially, of the RM1.8 billion that we talked about, RM1.1 billion was meant for settling debts with our local vendors, while RM700 million was earmarked for working capital.

Our business has been doing quite well after that. We no longer needed that RM700 million because our operations now generate enough working capital from the cash flow.

Our priority has always been to secure the RM1.1 billion needed to settle our outstanding debts to local vendors. Ultimately, MDH was the party that truly aligned with our objectives and vision — and that alignment is what led us to partner with them.

Suhaimi Bin Ismail posted the following question:

- Q9 Given PNB's interest in the proposal and its position as the controlling shareholder of SEB through Amanah Saham Bumiputera, will PNB and its related entities abstain from voting on the proposals?**

Response/Answer

- A9 Amanah Saham Bumiputera, which is a controlling shareholder of the Company, has confirmed via Amanahraya Trustees Berhad as the trustee for and on behalf of Amanah Saham Bumiputera, that it does not have any interest in the Proposed Regularisation Plan.

Teo Cher Ming posted the following question:

- Q10 RCLS to MDH has an estimated coupon rate 2-4% payable at co discretion?**

Does it mean if Sapura Energy is loss making the company can still decide to pay the coupon payment to MDH?

Response/Answer

- A10 While the coupon rate ranges between 2% to 4% per annum, any declaration of coupon is entirely at the discretion of the Company. The key factor in deciding whether to pay the coupon will be the Group's cash position and affordability at the relevant time.

As the coupon is discretionary, we would like to highlight that there is no obligation to pay if the Group's financial position does not permit it.

Ng Foo Ling posted the following question:

- Q11 Based on the debt breakdown, RM5.2 billion will be carried forward. Could you clarify the treatment of the remaining RM4 billion?**

Response/Answer

- A11 Of the RM10.8 billion in outstanding debt, RM5.2 billion will be carried forward or is to be retained as sustainable debt, RM2.25 billion will be repaid using proceeds from the SOMV Disposal— this cash is already with us and will be used to repay lenders immediately after the Restructuring Effective Date. The remaining sum of about RM1.8 billion is converted into RCUIDS — it is an unsecured debt and RM1 billion will be settled through the issuance of new shares.

Ng Foo Ling posted the following question:

Q12 What percentage of Sapura Energy will MDH own if they fully convert their RCLS?

Response/Answer

- A12 Under the maximum scenario, if MDH fully converts their RM1.1 billion RCLS investment, they would become a substantial shareholder of the Company, with an estimated equity interest of approximately 35%. If the RCLS is redeemed instead, their shareholding will reduce correspondingly.

Ng Foo Ling posted the following question:

Q13 Why did the company agree to pledge all the assets to the creditors and MDH? How does this impact the shareholders, especially the minority shareholders like us? This is a very bad deal for the shareholders, with the steep dilution and all the assets gone.

Response/Answer

- A13 The decision to pledge assets to creditors and the new investor (MDH), was not taken lightly. It was a necessary step in securing the financial support required for the Company's comprehensive restructuring and to prevent liquidation.

At the point of restructuring, the Company was facing unsustainable debt levels and limited liquidity, with limited options for recovery. Without the support of the creditors and the new investor, the Company would have risked winding up — in which case, all stakeholders, including shareholders, would likely have suffered a complete loss of value. Pledging assets was a requirement to provide creditors with a level of security for their support in the debt restructuring and recapitalisation efforts. The restructuring involves a new investor who is injecting much-needed capital to stabilize the business. In distressed situations, such investors require security over assets in return for taking on substantial risk.

While it is true that the restructuring results in significant shareholding dilution, especially for existing shareholders, including minority investors, the alternative — liquidation — would have offered no path to recovery. By executing this restructuring, the Company preserves value, stabilises operations, and creates a foundation for future growth.

This approach ensures that the Company can continue as a going concern, protecting jobs, retaining operational capabilities, and providing the potential for future shareholder value creation. It is a difficult but necessary compromise in order to safeguard long-term interests over short-term impacts.

QR Code Q&A

Engku Muhammad Faiz Bin Engku Abdul Rahman posted the following question:

- Q1 What is the likelihood that the Company is unable to come out of PN17 despite the regularisation plan and will it be delisted?**

Response/Answer

- A1 The Board is confident that our Proposed Regularisation Plan, as stipulated in the Circular issued to shareholders and presented to shareholders at the EGM today, is comprehensive enough to address all aspects of SEB's business, which when implemented, will pave the way for the Group to exit PN17.

Elongoven Loganathan posted the following question:

- Q2 Your Debt Restructuring involves issuance of shares and RCUIDs to lenders, as well as some haircut.**

Given the size of the Debt Restructuring, have your advisers assessed the risks this will pose to the Banking Industry?

Response/Answer

- A2 Aside from SOMV Debt and Sustainable Debts, conversion of debt to equity or equity-like instruments represents another path of recovery for the creditors to improve overall recovery which facilitated their support towards SEB's Scheme of Arrangement.

Engku Muhammad Faiz Bin Engku Abdul Rahman posted the following question:

- Q3 Following external MACC investigation on previous top executive remuneration package with SEB, has there been any internal review on entire remuneration offerings to employees of the group. Are the internal salary ranges bloated over time to be way above the market competitive level; are exceptional benefits continue to be extended to employees such as education, housing, transportation etc for foreign hires in Malaysia beyond reasonable time, which cost the companies millions of unnecessary spendings. It is pertinent for the company to pay people right and performance-driven, but not continuously over paid if no action taken to review or get the matter right.**

Response/Answer

- A3 Internally, we have undertaken a comprehensive remuneration benchmarking exercise covering all employee levels to assess competitiveness, alignment to market practices, and performance linkages.

Where necessary, adjustments have been or will be made to ensure pay structures are fair, performance-driven, and within market norms. Specifically, for foreign hires, we are in the process of tightening policies relating to benefits such as housing, education, and transportation to ensure they are granted based on business necessity, local market practices, and clear sunset clauses.

We acknowledge the concern raised, and the company is committed to strengthening controls and governance on all remuneration-related matters, ensuring value for money and alignment with long-term shareholder interests.

Chia Hang Kian posted the following question:

- Q4 Referring to CEO's article on Starbiz dated 24th July 2025.
Quoting 2nd paragraph on the article "Sapura Energy's final push".
The group has done 'the heavy lifting ' with its lender and even secured a White Knight investor.
My question is does this White Knight still exist and waiting to invest in Sapura?**

Response/Answer

- A4** The White Knight referred to is MDH. As stated in the Circular issued to the shareholders in relation to the Proposed Regularisation Plan (“**Circular**”), MDH, a special purpose vehicle of Minister of Finance (Incorporated) has agreed to subscribe up to RM1.1 billion in nominal value of RCLS, the proceeds of which will be utilised exclusively to repay vendors in the Malaysian oil and gas ecosystem. Pursuant to a Conditional Funding Agreement with MDH signed in March 2025, and subject to all of the resolutions being approved today, we will also enter into a subscription agreement with MDH in due time.

Seah Leong Cheang posted the following question:

- Q5 If the restructuring resolution today is not pass. What will happen to the debt for Preferred Unsecured Creditors?**

Response/Answer

- A5** If the restructuring resolution today is not passed, SEB will not be able to proceed with the Proposed Debt Restructuring under the Schemes, and upon termination of the Schemes, the Preferred Unsecured Creditors will have the right to take legal action against the SEB entities for recovery of their debts.

Rien Hashim posted the following question:

- Q6 PN17 ratio, how much will improve pre and post restructuring**

Response/Answer

- A6** The Company is an affected listed issuer as it has triggered the prescribed criterion under Paragraph 2.1(a) and Paragraph 2.1(e) of PN17 of the Main Market Listing Requirements of Bursa Securities (“**MMLR**”).

Paragraph 2.1(a): The shareholders’ equity of the listed issuer on a consolidated basis is 25.00% or less of the share capital (excluding treasury shares) of the listed issuer and such shareholders’ equity is less than RM40 million;

As stated in Section 6.4, Part A of the Circular , based on the audited consolidated financial statements of the Group as at 31 January 2025, the proforma consolidated net assets of the Group upon the completion of the Proposed Regularisation Plan would be RM3,033.7 million,

representing 276.8% to the share capital of RM1,095.9 million (under Minimum Scenario) and RM3,762.4 million, representing 88.5% to the share capital of RM4,249.2 million (under Maximum Scenario).

Paragraph 2.1(e): The auditors have highlighted a material uncertainty related to going concern or expressed a qualification on the listed issuer's ability to continue as a going concern in the listed issuer's latest audited financial statements and the shareholders' equity of the listed issuer on a consolidated basis is 50.00% or less of share capital (excluding treasury shares) of the listed issuer.

As stated in Section 6.4, Part A of the Circular, the External Auditors had expressed their unqualified opinion with material uncertainty related to going concern in respect of the audited financial statements of the Group and the Company for the financial year ended ("FYE") 2022, FYE 2023, FYE 2024 and FYE 2025.

Upon completion of the Proposed Regularisation Plan, based on the audited consolidated financial statements of the Group as at 31 January 2025, the Group's pro forma equity of RM3,033.7 million will be more than 50.00% of the pro forma share capital of RM1,095.9 million.

Rien Hashim posted the following question:

Q7 Consolidation of shares, what is the benefit unless company sees share price will go down further?

Response/Answer

A7 The average last price of SEB Shares for the FYE 2025 was RM0.04 per SEB Share. Therefore, a small absolute movement in the share price would result in a relatively high movement in percentage terms. For illustration, a RM0.01 increase in the Company's share price would represent a 25.00% increase, based on the share price of RM0.04 per SEB Share. The Proposed Share Consolidation is the Company's capital management initiative to improve the Company's capital structure and facilitate the Proposed Debt Restructuring.

Consolidating the SEB Shares would lead to a reduction in the number of SEB Shares available in the market up to approximately 95.00% and is correspondingly expected to increase the trading price for SEB Shares while potentially reducing the volatility of the trading price of the SEB Shares.

Rien Hashim posted the following question:

Q8 If I hold 1k shares, at 4 sens, what is share price, pre and post 1 restructuring 2. redemption of rcuils

Response/Answer

A8 The Proposed Share Consolidation will result in an adjustment to the reference share price of SEB Shares listed and quoted on the Main Market of Bursa Securities. For illustration purposes and assuming none of the outstanding convertible securities are converted/exercised into new SEB Shares, based on the average last price of SEB Shares for the FYE 2025 of RM0.04,

the theoretical adjusted reference share price of SEB Shares upon completion of the Proposed Share Consolidation would be RM0.80.

Any fractional entitlements arising from the Proposed Share Consolidation shall be disregarded and/or dealt with by the Board in such manner at its absolute discretion as it may deem fit and in the best interest of the Company.

The impact of the redemption of RCUIDS on the share price of SEB Shares is inherently uncertain and may vary depending on a range of factors, such prevailing market conditions and investor sentiments.

Rien Hashim posted the following question:

Q9 Roe: pre and post restructuring

Response/Answer

A9 Return on Equity (“**ROE**”) reflects the Company’s ability to generate profits using shareholders’ equity.

Prior to the restructuring, the Company had negative equity, which made ROE as a performance indicator not meaningful during that period. This was largely due to accumulated losses and a capital structure that had become unsustainable.

Based on the proforma in Section 8.3 on Page 64 (Minimum Scenario) and Page 67 (Maximum Scenario) of the Circular, following the completion of the Proposed Regularisation Plan, the Company’s equity position will turn positive, primarily as a result of the Proposed Capital Reconstruction, Proposed Debt Restructuring and Proposed Fund-Raising undertaken. This sets a more stable foundation for future growth and profitability.

Going forward, ROE will become a more meaningful indicator of the Company’s financial performance, and we remain focused on delivering sustainable returns to shareholders over the longer term.

Rien Hashim posted the following question:

Q10 S293 - vote by hands is overrule by listing rules 8.29a, 2.06 prioritise listing rules.

Q11 S316-no mention allows amendments, if advisors are so reliable, why overlook on these amendments?

Response/Answer

A10 The amendments to Ordinary Resolution 2 tabled during the EGM (“**Amendments**”) were intended to provide better clarity. The Amendments did not alter the intent of the resolution &
A11 but were tabled to ensure that the resolutions fully encompass the Proposed Regularisation Plan as set out in the Circular, by making references to the various sections of the Circular.

The Company did not seek for a new resolution to be included or tabled to the shareholders at the EGM but merely sought shareholders’ approval for the proposed amendments to Ordinary Resolution 2 that was in the notice of the EGM dated 8 July 2025. The Amendments were tabled during the EGM, and were duly approved by a majority of the shareholders

present and voting by a show of hands, as announced by the Company via an amended announcement of the EGM on 31 July 2025.

Neither the Company's Constitution nor the MMLR prohibit the Company from tabling the Amendments at the EGM, provided that the Amendments are duly approved by the shareholders. The decision for the vote to be by a show of hands on the Amendments was made pursuant to Article 65 of the Company's Constitution (which is also consistent with Paragraph 7.18 of the MMLR), which allows a resolution put to vote to be decided on a show of hands.

The Amendments were tabled to provide clarity to the wording of the original proposed resolution. The Amendments were put to a vote by a show of hands for expediency as decided by the Chairman of the EGM, who has such powers under Article 65 of the Company's Constitution. No poll was demanded by the members present at the EGM.

This is completely consistent with Paragraph 8.29A of the MMLR, which only requires that resolutions which are set out in a notice of a general meeting or in a notice of resolution, be voted upon by poll. For context, we set out the full text of Paragraph 8.29A below:

"8.29A A listed issuer must ensure that any resolution set out in the notice of any general meeting [emphasis added], or in any notice of resolution [emphasis added] which may properly be moved and is intended to be moved at any general meeting, is voted by poll."

We must also stress that once these Amendments had been properly approved by the general meeting, the amended Resolution 2 was then voted upon by poll, in accordance with Paragraph 8.29A of the MMLR.

In addition, it is not uncommon for listed issuers to propose amendments to resolutions during general meetings, as can be seen in the Annual General Meeting of AYS Ventures Berhad held on 16 July 2024. Voting by way of a show of hands is also a more inclusive process, allowing all shareholders present at the EGM, regardless of their shareholdings, to be heard and to express their views.

Following the approval to the Amendments by show of hands, the amended Ordinary Resolution 2 was subsequently put to vote by way of poll, which was duly scrutinised by an independent scrutineer, within the parameters of Paragraph 8.29A of the MMLR.

Live Open Mic Q&A

Simon Chee posted the following question:

Q1 Why do we need the amendment to resolution 2

Response/Answer

- A1 We propose amending Ordinary Resolution 2 to make explicit that, upon conversion of the RCUIDS or RCLS, the Company may allot and issue the resulting consolidated shares to whoever holds those instruments at the time of conversion—not only the original unsecured creditors (or MDH). The RCUIDS and RCLS are transferable and have no selling restrictions. Without this clarification, the current wording could be read as authorising an allotment only to the original creditors, which might require us to seek fresh shareholder approval if the instruments change hands before conversion. The amendments remove that uncertainty,

provide clean authority to issue shares to subsequent holders, and allow the Proposed Regularisation Plan to be implemented efficiently and without delay.

Simon Chee posted the following question:

Q2 Do the company need to pay the balance interest after the RCLS mature?

Response/Answer

A2 At the end of the eight-year tenure for RCLS, the option is for all the remaining amounts to be fully converted to SEB Shares. So, there's not going to be any debt to be carried forward beyond that.

Simon Chee posted the following question:

Q3 Do the company have a technical white knight who is good in running oil and gas business?

Response/Answer

A3 In this case, the role of the White Knight is very clear: to inject funding dedicated to settling our overdue payments to vendors in the Malaysian oil and gas ecosystem. MDH is the White Knight and proceeds from their RCLS subscription are earmarked exclusively for settling the outstanding amounts owed to local oil and gas players in Malaysia. This ensures the injection goes directly towards our obligations while we focus on strengthening the business. This support does not replace the need for self-help—we must still execute the entire Proposed Regularisation Plan to reduce our unsustainable debt and navigate the current challenges.

Simon Chee & Elongoven Loganathan posted the following question:

Q4 Does the company have sufficient working capital to fund the operations.

Response/Answer

A4 We still have sufficient cash. Our unrestricted cash balance today is about RM1.6 billion. These are not assigned to pay debts.

The management has been operating this business by prudently managing contracts, and cash flow since the company went into PN17.

The access to working capital facilities has been virtually non-existent and so the management will continue to prudently manage cash flow and working capital as we work through the restructuring plan.

Simon Chee posted the following question:

Q5 How much borrowings do the company carry against the shareholder's fund after the restructuring

Response/Answer

- A5 The total shareholder's fund is about RM3.9 billion after the Proposed Fund-Raising and the borrowing at that point in time is about RM5.6 billion, making the gearing at 1.43.

There was a lengthy and extensive negotiation process with both the lenders and other creditors as well and with various permutations, the maximum haircut that the company was able to negotiate is what has been presented to shareholders for consideration today. This has been the result of very extensive and very difficult negotiations with creditors.

Simon Chee posted the following question:

Q6 Do the creditors give the company any interest rebate?

Response/Answer

- A6 The treatment for the bank debt is divided into 4 components. One component is what is represented by the sustainable debt. Second component is the right of a haircut. The third component is conversion to equity and the 4th component is the outright repayment by partial proceeds of the sale of SOMV and that is to settle the total amount of outstanding debt.

The pure write-off was under RM800 million, but the total reduction in debt is from over RM10 billion to just over RM5 billion.

The gain from the Agreed Debt Waiver is RM780 million and gain for waiver of accrued interest on the existing borrowing is over RM2 billion. The accumulated losses after the Proposed Debt Restructuring will actually reduce from RM4.3 billion to RM1.9 billion. This is after setting off about RM2.8 billion, which includes the waiver of the accrued interest.

Simon Chee posted the following question:

Q7 What happen to the previous Redeemable Convertible Preference Shares (RCPS)

Response/Answer

- A7 They had already been converted into ordinary shares.

Simon Chee posted the following question:

Q8 With the reported RM12 billion in losses, what is the status of the associated tax losses and how much is it?

Response/Answer

- A8 The unutilised tax losses in our books as of 31 January 2025 is approximately RM 4.9 billion, which could be utilised against future taxable business income.

Jeganathan posted the following question:

Q9 Regarding exiting the PN17 status, the requirements is two positive quarters. Is this the mandate? Because the most recent quarter was not positive, but one before that was. So, we have to wait for two consecutive positive quarters?

Response/Answer

- A9 The two consecutive profitable quarters start from the point when we achieve the Restructuring Effective Date.

We are targeting to achieve the Restructuring Effective Date by around September 2025. Bursa Securities will evaluate our performance after this date, during which it is essential for us to demonstrate the two consecutive profitable quarters to exit PN17. Specifically, Bursa Securities will likely consider our results from the fourth quarter of this financial year and the first quarter of the next financial year.

Jeganathan posted the following question:

- Q10 In terms of the share consolidation 20 to one and there are also the warrants that are going to be consolidated. Will the exercise price of it also be multiplied by 20?**

Response/Answer

- A10 Based on the agreement, the warrants' exercise price will also be adjusted, and after the EGM and the Proposed Share Consolidation, there will be a proper notice issued to the warrant holders, informing them of the adjustments. These are all calculated based on the computation and formulas in the relevant documents.

Rosnizam Bin Osman posted the following question:

- Q11 Why did the Board agree to issue the RCLS to MDH at a discount? This will lead to a heavy dilutive effect to existing shareholders. Why can't the Board seek addition investment from PNB as they are the largest shareholder?**

Response/Answer

- A11 The Company cannot speak on behalf of Permodalan Nasional Berhad.

Overall, the terms provided by MDH, including both the return and the conditions related to security and repayment, were the most favorable for the Company and its shareholders. This arrangement ensures the best potential for value recovery and returns.

Rosnizam Bin Osman posted the following question:

- Q12 Were there any other potential investors and what were their terms? Why did the board reject these offers?**

Response/Answer

- A12 The Company engaged in negotiations with several parties, both from Malaysia and internationally. However, MDH had consistently remained a key player, as we had already established some understanding with them at that time.

As you can appreciate, the financial situation of the Company does not place us in a strong position to demand terms that might deter potential investors, or in this case, any potential

saviours. Since this involves the government of Malaysia, there is a need for certainty and security regarding the RM1.1 billion investment.

The reason we chose to proceed with MDH instead of other prospective investors relates to the demands and conditions proposed by those parties. For instance, some sought significant haircuts that would adversely impact our local vendors. The company has been committed to maintaining these relationships, as our intention is to protect the Malaysian oil & gas ecosystem.

These vendors have supported us during these challenging times, standing by us through thick and thin. They have endured considerable hardship, so it is only fair that we honour our obligations and payables to them.

Mr. Ho posted the following question:

Q13 Since the old management has left whereby, they had contributed, and the company have rewarded them based on KPI with a bonus. So why are they not here? Since they have contributed a lot.

Since the company has a new team now. is the new team much better than the old team? and are they going to stay for long?

The company will have new shareholders, and they will have a different idea. So, what's going to happen?

Response/Answer

A13 The management team that we have today is a blend of some of our longstanding members and new talents that the Company has brought on board to complement one another.

Our previous Group Chief Executive Officer left to pursue other aspirations and opportunities. The current team consists of individuals whom we believe in—each bringing their unique strengths and expertise to the organisation.

As the new Group Chief Executive Officer, one reason I was attracted to this organisation is the bench strength that we have, not only at the leadership but also at the working level. This demonstrates the tremendous resilience and dedication of our people. With this strong foundation, the Company stands a good chance of turning around for the benefit of everyone involved.