



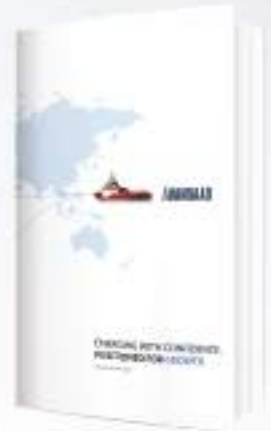
AVANGAAD BERHAD
Suite 27-01, Level 27,
Menara Vista Petaling,
No. 137, Jalan Puchong,
58200 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

 www.avangaad.com

**EMERGING WITH CONFIDENCE,
POSITIONED FOR GROWTH**

ANNUAL REPORT 2025

INSIDE THIS REPORT



The tagline of the cover design encapsulates Avangaad's progression through a period of transition and its re-establishment on firmer ground. It conveys a forward-looking stance while emphasising its readiness to capture growth opportunities and its strategic positioning to participate in emerging demand cycles across marine and offshore sectors.

On the cover, the globe within a location pin symbolises Avangaad's expanding geographical reach, while the interconnected network of lines and nodes represents its integrated operations and strong connectivity across regions. Together, these elements highlight Avangaad's stronger operational footing to pursue sustainable growth and strengthen portfolio strategy.

OVERVIEW

SECTION 1

Corporate Information	2 - 3
Corporate Profile	4 - 5
Corporate Structure	6
Core Values	7
Core Businesses	8 - 9

LEADERSHIP

SECTION 03

Board of Directors	26
Board of Directors' Profile	27 - 33
Management Team	34 - 35
Management Team's Profile	36 - 37

CORPORATE OVERVIEW

SECTION 2

5-Year Financial Highlights	10
Share Performance	11
Our Fleet	12 - 13
Key Achievements and Milestones	14 - 23
Media Highlights	24 - 25

PERFORMANCE REVIEW

SECTION 04

Chairman's Statement	38 - 47
Management Discussion and Analysis	48 - 69
Sustainability Statement	70 - 133
Event Highlights	134 - 137

CORPORATE GOVERNANCE

SECTION 05

Corporate Governance Overview Statement	138 - 150
Directors' Statement on Risk Management and Internal Control	151 - 154
Audit Committee Report	155 - 158
Additional Compliance Information	159 - 160

CORPORATE DISCLOSURE

SECTION 06

Financial Statements	161 - 219
List of Properties	220 - 221
Shareholdings Statistics	222 - 224
Disclosures of Financial Data for Shariah Screening	225 - 226
Notice of Annual General Meeting	227 - 231
Statement Accompanying Notice of 32 nd Annual General Meeting	237



Further information can also be found on our website:

<https://avangaad.com>



SCAN ME

The digital version of **Avangaad Berhad** Annual Report 2025 is available on our website.

CORPORATE INFORMATION

BOARD OF DIRECTORS

- ▶ **DATO' MOHD REDZA SHAH BIN ABDUL WAHID**
Independent Non-Executive Chairman
- ▶ **DATUK WIRA MUBARAK HUSSAIN BIN AKHTAR HUSIN**
Executive Director
- ▶ **DATO' LAI KENG ONN**
Executive Director
- ▶ **DATO' SERI NAZIR HUSSIN BIN AKHTAR HUSSIN**
Executive Director
- ▶ **MICHAEL CHEAH CHOY CHIN**
Independent Non-Executive Director
- ▶ **TONG SIUT MOI**
Independent Non-Executive Director
- ▶ **MOHD FARIS ADLI BIN SHUKERY**
Non-Independent Non-Executive Director

SECRETARIES

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

CHENG CHIA PING
SSM PC No. 202008000730
(MAICSA 1032514)

REGISTERED OFFICE

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia.
Telephone : 603-2084 9000
Fax No. : 603-2094 9940
Email : info@sshbsb.com.my

CORPORATE OFFICE

Suite 27-01, Level 27,
Menara Vista Petaling,
No. 137, Jalan Puchong,
58200 Kuala Lumpur,
Wilayah Persekutuan, Malaysia.
Telephone : 603-2709 2418
Fax No. : 603-2084 9000
Email : connect@avangaad.com

NORTHPORT, PELABUHAN KLANG OFFICE

Bangunan Marine,
Jalan Pelabuhan Utara,
Pelabuhan Utara,
42000 Pelabuhan Klang,
Selangor, Malaysia.
Telephone : 6016-923 7515
Email : rais.hakim@avangaad.com

SG. UDANG PORT, MELAKA OFFICE

16, Jalan Seri Buana 3,
Taman Tangga Batu Perdana,
76400 Tanjung Kling,
Melaka, Malaysia.
Telephone : 6012-730 5224
Email : khairulnizam@avangaad.com

KERTIH PORT, TERENGGANU OFFICE

Bangunan Pentadbiran Kertih Port Sdn. Bhd.
Lot 3633 Kawasan Bukit Tengah,
KM105, Jalan Kuantan,
Kuala Terengganu,
24300 Kertih Kemaman,
Terengganu, Malaysia.
Telephone : 6012-502 9224
Email : nurhayat@avangaad.com

KOTA KINABALU PORT, SABAH OFFICE

Lot 4, First Floor,
Wisma KKM, Mile 5,
Jalan Tuaran,
88450 Kota Kinabalu,
Sabah, Malaysia.
Telephone : 6019-825 8712
Email : zaid@avangaad.com

SUBSIDIARY OFFICE

Johor Shipyard and Engineering Sdn. Bhd.
Lot PT8436-A,
Mukim Hutan Melintang,
36400 Daerah Hilir Perak,
Perak Darul Ridzuan, Malaysia.
Telephone : 605-641 2514
Email : jse@avangaad.com

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia.
Telephone : 603-2084 9000
Fax No. : 603-2094 9940
Email : info@sshbsb.com.my

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
(Main Market)
Listed since: 11 December 2014
Sector : Transportation & Logistics
Stock name: AVANGAAD
Stock code : 5259

PRINCIPAL BANKERS

RHB Bank Berhad
RHB Islamic Bank Berhad
Malayan Banking Berhad
Maybank Islamic Berhad
United Overseas Bank (Malaysia) Berhad
Bank Pembangunan Malaysia Berhad
Malaysian Industrial Development
Finance Berhad

AUDITORS

Grant Thornton Malaysia PLT
Level 11, Sheraton Imperial Court,
Jalan Sultan Ismail,
50250 Kuala Lumpur,
Malaysia.
Telephone : 603-2692 4022
website : info@my.gt.com

AUDIT COMMITTEE

Chairman
MICHAEL CHEAH CHOY CHIN
Independent Non-Executive Director

Members
DATO' MOHD REDZA SHAH BIN ABDUL WAHID
Independent Non-Executive Chairman

TONG SIUT MOI
Independent Non-Executive Director

BOARD NOMINATION & REMUNERATION COMMITTEE

Chairperson
TONG SIUT MOI
Independent Non-Executive Director

CORPORATE INFORMATION

Members

DATO' MOHD REDZA SHAH BIN ABDUL WAHID
Independent Non-Executive Chairman

MICHAEL CHEAH CHOY CHIN
Independent Non-Executive Director

RISK & GOVERNANCE COMMITTEE

Chairman
MICHAEL CHEAH CHOY CHIN
Independent Non-Executive Director

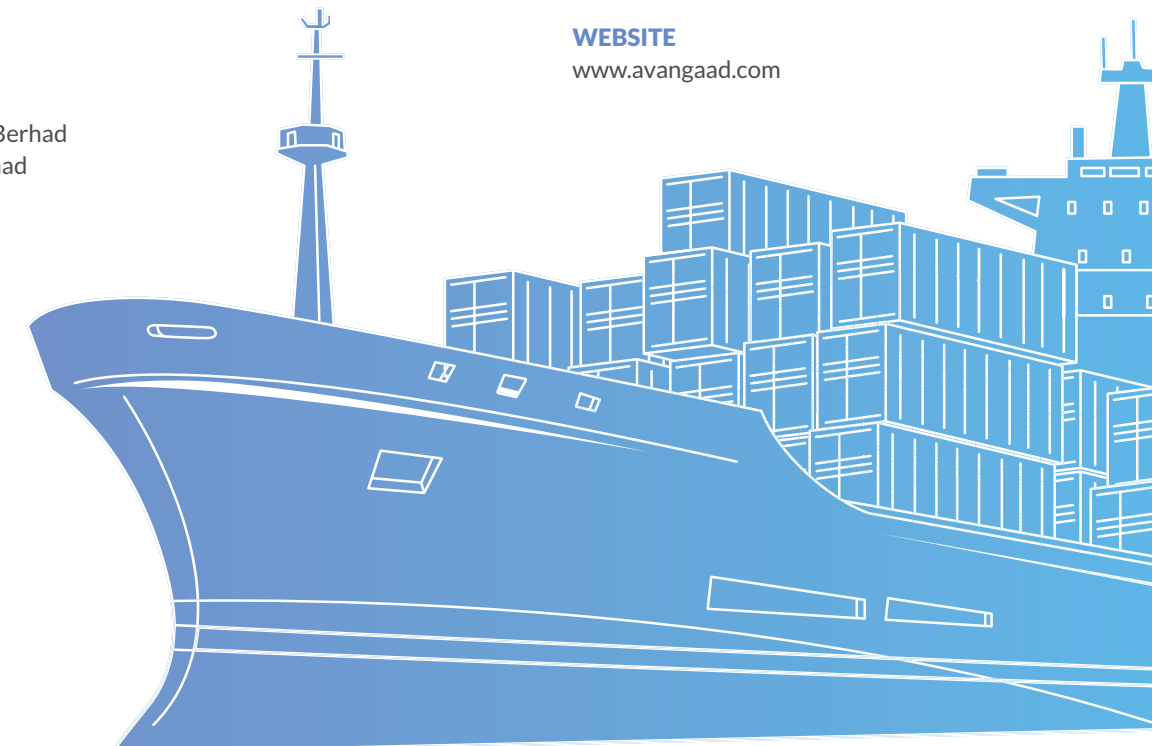
Members

DATO' MOHD REDZA SHAH BIN ABDUL WAHID
Independent Non-Executive Chairman

TONG SIUT MOI
Independent Non-Executive Director

WEBSITE

www.avangaad.com



Avangaad Berhad (“Avangaad” or “The Group”) was incorporated in Malaysia on 18 January 1993 and listed on the main market of Bursa Malaysia on 11 December 2014.

CORPORATE PROFILE

Following its rebranding in February 2025, the Group is now recognised as a more **credible** and **coordinated** maritime company, driven by **disciplined, contract-led execution**.

Avangaad’s core activities span marine transportation, offshore oil and gas storage, and port marine services, supported by a diversified fleet of 26 vessels as at 31 December 2025, as well as marine engineering and tugboat service capabilities through its subsidiaries.



VISION

To position ourselves as a global leader, championing Malaysia’s maritime industry on the world stage guided by our founding principles of accountability and innovation.

MISSION

To forge strategic, long-term alliances that empower our people, partners and customers while maintaining ourselves as the region’s preferred maritime operations partner.

STRENGTH IN ALLIANCE

The backbone of the Group is built on partnerships we’ve carefully fostered. Our alliances with industry leaders and trusted networks create a strong foundation that enables us to meet the industry’s diverse and dynamic needs with a comprehensive approach.

AVANGAAD

MARINE

C	O	P
Coordinator	Operator	Partner

The Recurring A’s Signify the Group’s

- **A**stounding Services
- **Q**uality **A**ssurance
- **A**ccountability

CORPORATE STRUCTURE

AVANGAAD BERHAD *Strategic in Alliance*

Avangaad Berhad (Avangaad) (5259: Bursa Malaysia)

Driving Maritime Excellence and Industry Leadership

Avangaad Berhad is a Malaysia-based marine logistics and offshore support services provider, owning and operating a fleet of marine vessels across Oil & Gas marine transportation, offshore storage and port marine services. Incorporated on 18 January 1993 and listed on Bursa Malaysia's Main Market on 11 December 2014, the Group has built its position through disciplined execution, dependable delivery and long-standing customer relationships.

From Expertise to Execution Excellence

The Group began as a marine consultancy and cargo broking business before expanding into vessel operations in 1995 through the acquisition of its product tanker. During the same period, Avangaad secured registration with PETRONAS and the Ministry of Finance, establishing a platform to support the operational needs of Malaysia's growing Oil & Gas sector.

Rebranding Today for Tomorrow's Progress

In 2025, Avangaad undertook a rebranding initiative that reflects the Group's forward direction and reinforces its strategic intent. This milestone represents a sharpened commitment to purposeful growth, stronger operating discipline, and continued progress in innovation, sustainability and service excellence.

End-to-End Maritime Solutions

Avangaad's capabilities span key segments of the maritime value chain:

- **Chartering Services**
Tankers for O&G transportation, offshore storage, and marine tug vessels for port services
- **Offshore Support Vessels**
Fast crew boats for personnel and light cargo transport to offshore facilities
- **Shipbuilding and Repair**
A robust division offering shipbuilding, ship repair, and fabrication services

Putting Progress in Motion – Combining Innovation & Alliance

JOHOR SHIPYARD & ENGINEERING SDN. BHD.

Johor Shipyard and Engineering Sdn. Bhd. ("JSE"), a wholly-owned subsidiary of Avangaad Berhad, provides ship repair and minor fabrication services that support the Group's core marine operations.

LIBRA PERFEX PRECISION SDN. BHD.

Libra Perfix Precision Sdn. Bhd. ("LPP"), a wholly-owned subsidiary of Avangaad Berhad, was acquired on 22 November 2016 and holds the contract to provide tugboat services for PETRONAS Floating LNG 1 (L) Ltd ("PFLNG 1").

Following its consolidation into the Group for the financial year ended 31 December 2016, LPP has strengthened Avangaad's service depth and operating footprint in specialised offshore and marine support work.

CORE VALUES

STABILITY STRUCTURE

A diversified fleet and integrated marine services platform provide the backbone for operational stability.

From product tankers to offshore support vessels, Avangaad's structured capabilities ensure dependable delivery across complex maritime and offshore projects.

SUSTAINABILITY STEWARDSHIP

Our focus has evolved from establishing sustainability practices to embracing stewardship.

While sustainability laid the foundation for responsible operations, stewardship reflects our commitment to actively manage and safeguard resources, relationships and responsibilities entrusted to us.

STEADFAST SYNERGY

The Group remains steadfast in leveraging synergies across vessel operations, shipbuilding, engineering, and port services.

This integration strengthens partnerships, drives recurring value, and reinforces trust with clients and stakeholders.

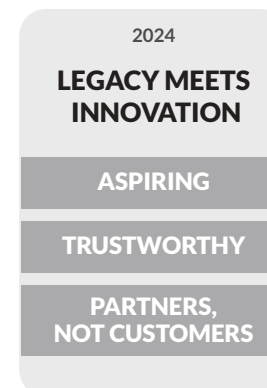
SECURITY SCALE

Strategic fleet deployment, stable contract pipelines, and disciplined execution provide operational and financial security.

By scaling intelligently across markets, Avangaad ensures continuity, resilience, and visibility into long-term growth.

4S Engineered Through Marine COP: Integrating assets, people, and partners to deliver contract-backed, operational performance.

Avangaad's original 4S framework defined the engine of execution— Stability, Steadfastness, Sustainability and Security. **Today**, we elevate this into a market-facing value proposition: **Structure, Synergy, Scale, and Stewardship**— delivering not just performance, but confidence, dependable and future-ready.





CORE BUSINESSES

Our specialty lies in **integrated marine services**, spanning marine transportation, offshore storage solutions, port marine services, and shipbuilding and repair, including hull construction, machinery installation, equipment integration, painting and thorough testing. By leveraging industry expertise and precision engineering, we offer comprehensive inspection, modification, and maintenance solutions to keep vessels performing at their best.



MARINE TRANSPORTATION

Offshore Supply Vessels (OSVs) & Fast Crew Boats (FCBs)

Our OSVs and FCBs transport personnel and light cargo safely between shore bases, offshore platforms, and marine facilities, and are equipped for standby and support duties, emergency response and night operations.

Floating Storage Unit/ Offloading (FSU | FSO)

Our FSU/FSO assets provide offshore storage and offloading solutions at brownfield fields, supporting production platforms by storing oil prior to transfer to export tankers.

Product Tankers - Offshore Storage of Oil & Gas

- LPG Vessels (Gas Carrier)
- Diesel & Petrol
- Dirty Petroleum Products
- Clean Petroleum Products

Our product tankers carry refined petroleum products. Including LPG, clean petroleum products, diesel and petrol, and dirty petroleum products. Between refineries, terminals and end users across regional routes.

MARINE ENGINEERING SERVICES

Shipbuilding:

- Construction of hulls and marine structures
- Installation of machinery, equipment, instruments and embedded systems on board
- Painting, coating, testing and commissioning of newbuild vessels

Ship Repair:

- Inspection and condition assessment
- Component replacement and modification
- Removal and installation of machinery and equipment
- Cleaning and remedial works to restore operational readiness

Our shipyard specialises in fabricating steel structures for marine applications, including skids and piping systems that are integral to vessel structural integrity and operational efficiency.

- High-Quality
- Purpose-built Solutions

All fabricated structures are built to stringent maritime standards to support vessel modifications, repairs and enhancements throughout their lifecycle.

PROVISION OF PORT MARINE SERVICES

Through our tug and support vessel fleet, we provide: **escort assistance** and **towage for LNG carriers** and other vessels, **mooring and dockside services** at ports, **refineries and terminals**, **environmental monitoring support**, and **assistance for ship-to-ship (STS)** transfer operations, including at **PFLNG** and **major Malaysian ports**.

5-YEAR FINANCIAL HIGHLIGHTS

FOR YEAR ENDED 31 DECEMBER 2025

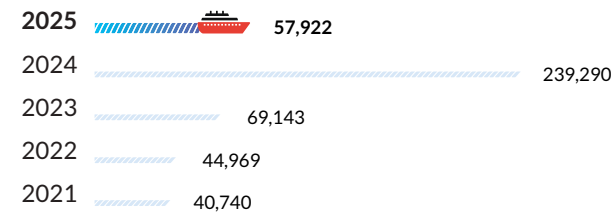
	'25 RM'000	'24 RM'000	'23 RM'000	'22 RM'000 Restated	'21 RM'000
Revenue	127,597	122,663	133,079	153,640	160,556
Gross Profit	49,380	50,057	47,520	24,947	26,464
Gross Profit Margin	38.70%	40.81%	35.71%	16.24%	16.48%
EBITDA	57,922	239,290	69,143	44,969	40,740
EBITDA Margin	45.39%	195.08%	51.96%	29.27%	25.37%
Profit/(Loss) Before Tax	29,018	211,154	29,879	8,977	(149,532)
PBT/(LBT) Margin	22.74%	172.14%	22.45%	5.84%	(93.13%)
Profit/(Loss) After Tax	44,716	154,330	23,692	16,297	(150,644)
Net EPS	3.37	16.45	4.47	3.07	(28.40)
Current ratio	2.57	1.43	0.27	0.29	0.25
Gearing Ratio ⁽¹⁾	0.08	0.24	1.44	3.34	11.88

Notes:
⁽¹⁾ Calculated based on the total borrowings minus the corresponding cash and bank balances and short term deposits divided by the total shareholders' equity.

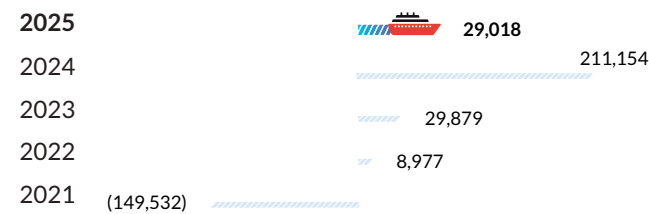
REVENUE RM'000



EBITDA RM'000



PROFIT/(LOSS) BEFORE TAX RM'000

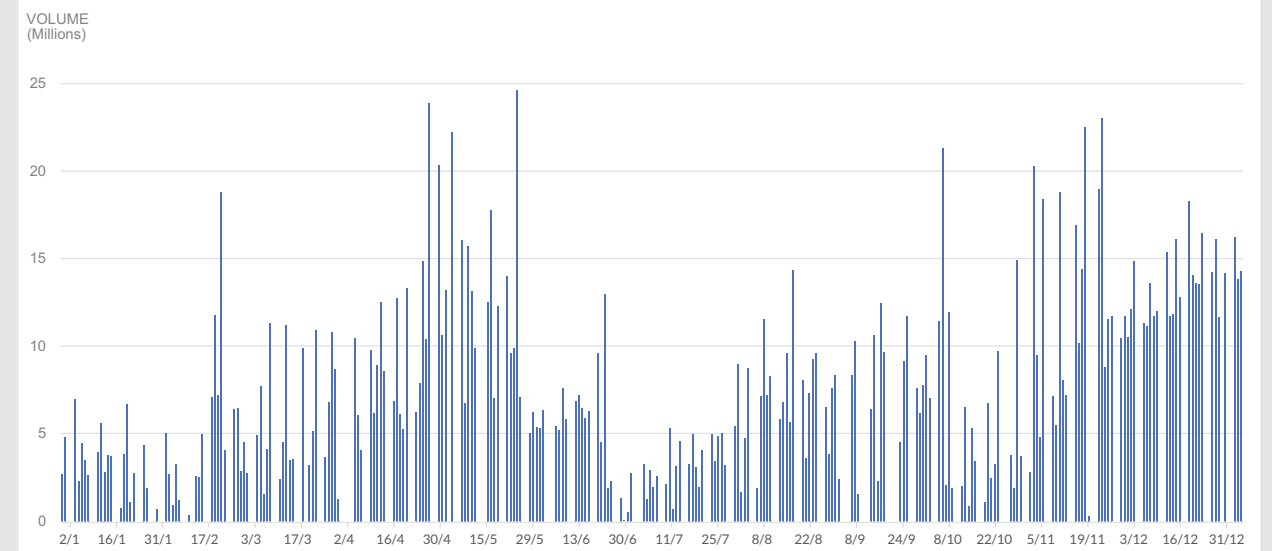
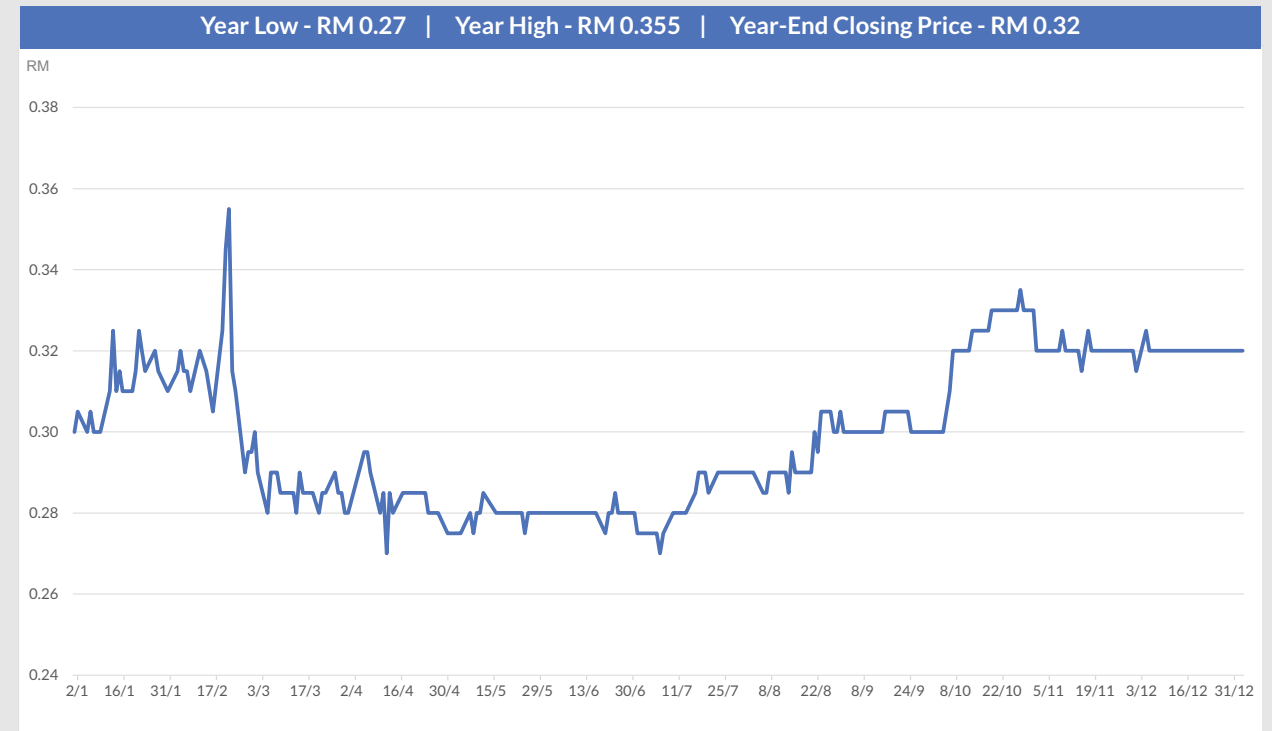


PROFIT/(LOSS) AFTER TAX RM'000



SHARE PERFORMANCE

SHARE PRICE & VOLUME (2 JANUARY - 31 DECEMBER 2025)



OUR FLEET



FAST CREW BOAT

- NAUTICA GAMBIR (NGR)
- NAUTICA LANGSAT (NLT)
- NAUTICA TG. PUTERI XXX (NTP 30)

MOORING BOAT

- NAUTICA TG. PUTERI XVIII (NTP 18)

TANKER

- NAUTICA KLUANG 2 (NKL2)
- NAUTICA PONTIAN 2 (NPT2)

FLOATING STORAGE OFFLOADING (FSO)

- FOIS NAUTICA TEMBIKAI (FNT)

TUG

- NAUTICA TG. PUTERI I (NTP 1)
- NAUTICA TG. PUTERI XVII (NTP 17)
- NAUTICA TG. PUTERI XXII (NTP 22)
- NAUTICA TG. PUTERI XIX (NTP 19)
- NAUTICA TG. PUTERI XX (NTP 20)
- NAUTICA TG. PUTERI XXI (NTP 21)
- NAUTICA TG. PUTERI XXIV (NTP 24)
- NAUTICA TG. PUTERI XXV (NTP 25)
- NAUTICA TG. PUTERI XXVI (NTP 26)
- NAUTICA TG. PUTERI XI (NTP 11)
- NAUTICA TG. PUTERI XII (NTP 12)
- NAUTICA TG. PUTERI XV (NTP 15)
- NAUTICA TG. PUTERI XVI (NTP 16)
- NAUTICA TG. PUTERI XXXVIII (NTP 38)
- NAUTICA TG. PUTERI XXIII (NTP 23)
- NAUTICA TG. PUTERI XXIX (NTP 29)
- NAUTICA TG. PUTERI XXVII (NTP27)
- NAUTICA TG. PUTERI XXVIII (NTP 28)
- NAUTICA TG. PUTERI XXXVII (NTP 37)

Harbour Tug

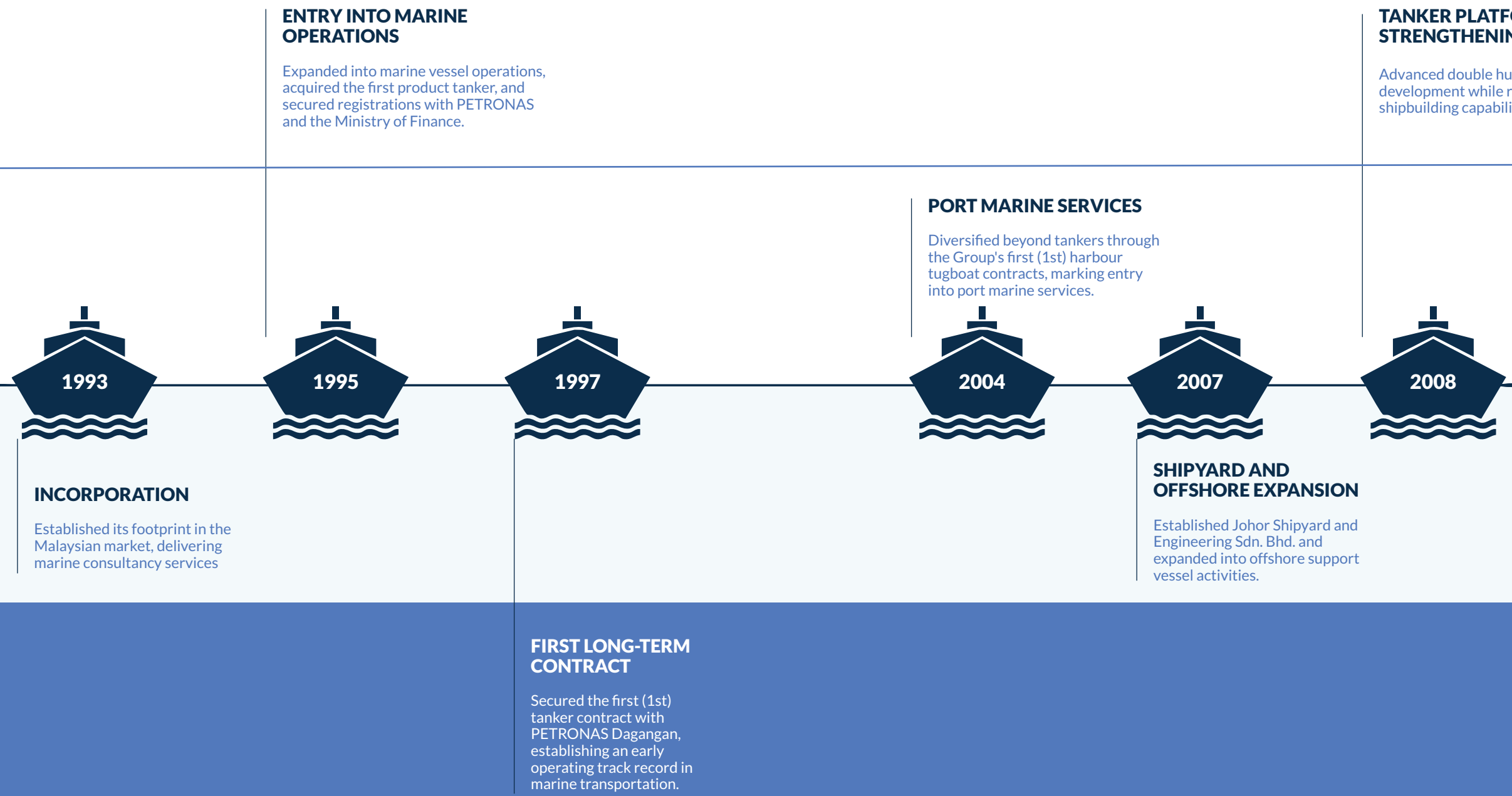
OSV Tug

KEY ACHIEVEMENTS AND MILESTONES

KEY ACHIEVEMENTS AND MILESTONES

A selective timeline showing how the Group evolved from a marine consultancy business into a broader marine services platform.

BUILDING THE FOUNDATION



KEY ACHIEVEMENTS AND MILESTONES

KEY ACHIEVEMENTS AND MILESTONES

Expanding Capabilities, Defining a New Chapter

A continuation of the corporate journey, culminating in the defining transition of 2025 and the strengthening of Avangaad’s post-regularisation platform

EXPANSION AND TRANSITION

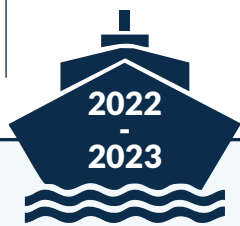
BROADENED CAPABILITIES

Expanded shipyard capacity, entered floating storage-related operations, and strengthened participation in tugboat, LNG support and offshore marine services.



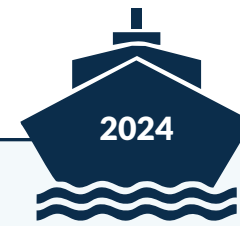
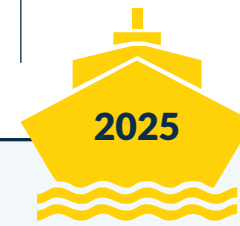
REINFORCED DEPLOYMENT VISIBILITY

Secured new awards and extensions across tugboats, mooring boats, tankers and fast crew boats, supporting stronger fleet utilisation and service continuity.



A DEFINING TRANSITION YEAR

Successfully uplifted from PN17 status, completed the change of name to Avangaad Berhad, and continued building contract momentum across both oil and gas and non-oil and gas sectors.



ADVANCED STRATEGIC REPOSITIONING

Strengthened leadership, progressed the Group’s regularisation journey, and secured further contract extensions and new awards across marine segments.

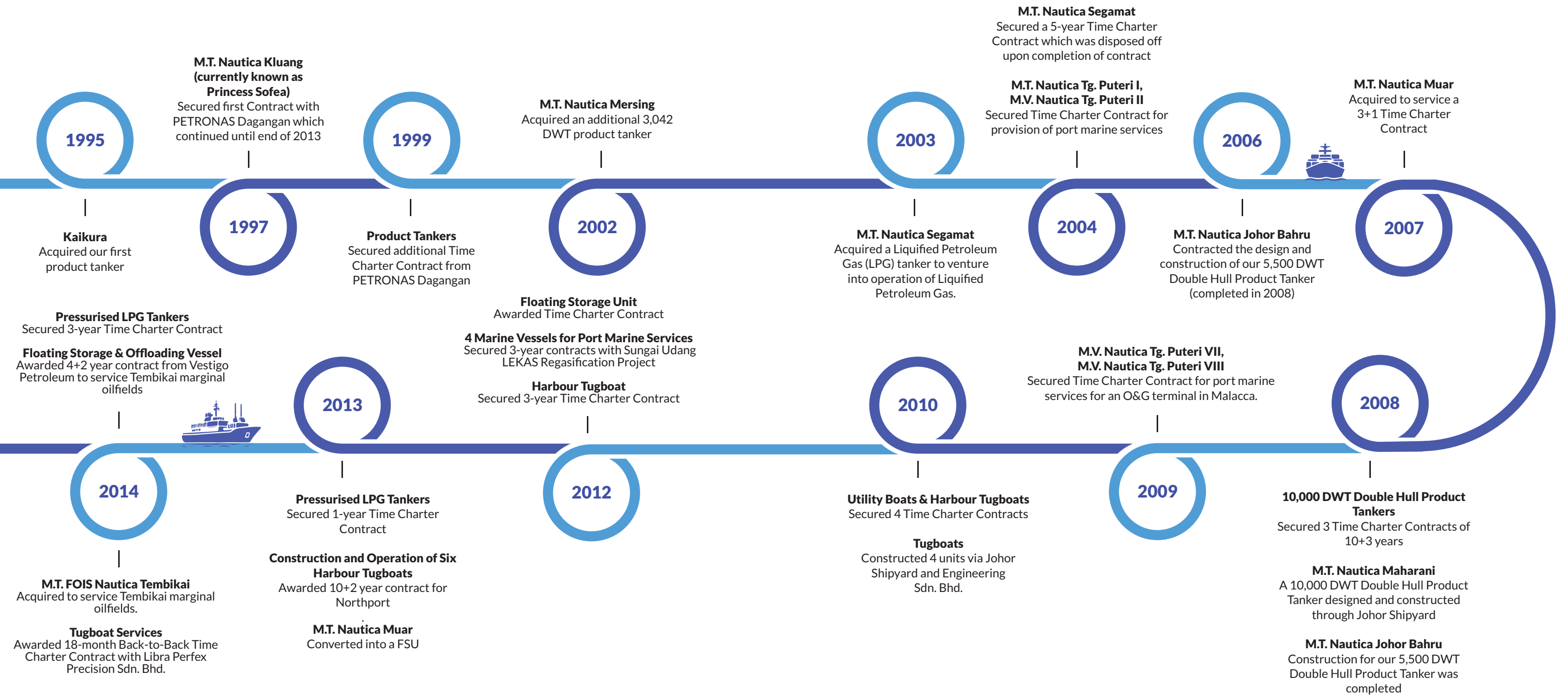
BUILT A WIDER RECURRING BASE

Expanded across floating storage, fast crew boats, port marine services and coastal tanker operations.

KEY ACHIEVEMENTS AND MILESTONES

KEY ACHIEVEMENTS AND MILESTONES

CONTRACTS SECURED ACROSS OUR YEARS OF SERVICE AT SEA



KEY ACHIEVEMENTS AND MILESTONES

KEY ACHIEVEMENTS AND MILESTONES

CONTRACTS SECURED ACROSS OUR YEARS OF SERVICE AT SEA (CONT'D)

Fast Support Vessel
Awarded 5-year Bareboat Charter Contract by Classic Marine Sdn. Bhd.

2 units 40 tonnes Bollard Pull Harbour Tugboats
Kertih Port Sdn. Bhd., Petronas Penapisan (Terengganu) Sdn. Bhd.

2015

Nautica Tg. Puteri XXX
Awarded 7+1+1 months 25-knot FCB contract by EMEPMI.

2016

2017

60 tonnes Bollard Pull Harbour Tugboats, Fast Crew Boat (25 knot)
Awarded 3 contracts by Bintulu Port Sdn. Bhd. and ExxonMobil Exploration & Production Malaysia Inc

60 tonnes Bollard Pull Harbour Tugboat
Berkat Petroleum Sdn. Bhd.

Short-term Fast Crew Boat Contracts
EnQuest Petroleum Production Malaysia Ltd., KMZ Energy Sdn. Bhd.

Fast Crew Boats (25 knots 60 pax)
EnQuest Petroleum Production Malaysia Ltd., ExxonMobil Exploration

2018

40 tonnes Bollard Pull Harbour Tugboats
Kertih Port Sdn. Bhd.

40 tonnes Bollard Pull Harbour Tugboat
PETRONAS Penapisan (Terengganu) Sdn. Bhd.

2019



60 & 40 tonnes Bollard Pull Harbour Tugboats & Multipurpose Mooring Boat
Sungai Udang Port Sdn. Bhd. regasification terminal

Harbour Tugboat
Naka Bayu Sdn. Bhd.

FSU Ship Management
Vestigo Petroleum Sdn. Bhd. - FSU Nautica Muar (Bentara Field Sarawak)

M.T. Fois Nautica Tembikai
Delivery for 4+2 year contract to Tembikai marginal oilfield

60 tonnes Bollard Pull Harbour Tugboats, 40 tonnes Bollard Pull Harbour Tugboat, Multipurpose Mooring Boat
Sungai Udang Port Sdn. Bhd.

Fast Crew Boat (25 knots 70 pax)
EnQuest Petroleum Production Malaysia Ltd., PETRONAS Carigali Sdn. Bhd.

60 tonnes Bollard Pull Harbour Tugboats, 40 tonnes Bollard Pull Harbour Tugboat, Multipurpose Mooring Boat
Sungai Udang Port Sdn. Bhd.

Long-term Time Charter Coastal Vessel Services
PETCO Trading Labuan Company Limited

FOIS Nautica Tembikai Extension
Vestigo Petroleum Sdn. Bhd.

Temporary Storage Tanker, Station Keeping & Flexible Riser Tie-In
Sepat Derisk and Early Production System (DEPS) Project

Revised Charter Period for 3 Vessels
PETRONAS Floating LNG 1 (PFLNG)

3 Harbour Tugs Contracts
EnQuest Petroleum Production Malaysia Ltd., Kerteh Port

60 tonnes Bollard Pull Harbour Tugboat
Sungai Udang Port Sdn. Bhd. (using third-party vessel Kejora 57) Naka Bayu Sdn. Bhd.

Contract of Affreightment (COA)
PT. AKR CORPORINDO - Nautica Renggam

2021



40 tonnes Bollard Pull Harbour Tugboat & Multipurpose Mooring Boat
Secured RM22.26 million 5+3 years contracts for Regasification Terminal Operation.

Clean Product Tanker: Nautica Renggam
Awarded 6+6 months contract by PETCO Trading Labuan Company Limited.

FSU Nautica Tembikai
2+2 years extension of contract by VESTIGO Petroleum Sdn. Bhd.

Nautica Tg Puteri XXX
1-year Bareboat Charter Contract by Surya Nautica Sdn. Bhd.

2020

Mooring Boat & Mooring Crew
Awarded 2 Term Contracts by Kertih Port Sdn. Bhd.

Harbour Tug Standby Vessel
Contract for Banang Crude Lifting Operation by Petra Marine Sdn. Bhd.

Nautica Renggam
Served one shipment for Felix Petroleum and the passage route covered from Singapore to Cambodia

Nautica Pagoh
Secured Sport Charter with MIDAS, Clearlake, Petro Ocean & Petron

Nautica Tg. Puteri XI, Nautica Tg. Puteri XII, Nautica Tg. Puteri XV and Nautica Tg. Puteri XVI
3-Year Contracts Extension

Nautica Tg. Puteri II, Nautica Tg. Puteri XVIII, Kejora 57 and Kejora 59
1-Year Contract Extension

KEY ACHIEVEMENTS AND MILESTONES

KEY ACHIEVEMENTS AND MILESTONES

CONTRACTS SECURED ACROSS OUR YEARS OF SERVICE AT SEA (CONT'D)

Nautica Kluang 2 & Nautica Pontian 2
Awarded Spot Charter Contracts

Nautica Tg. Puteri XXX
Awarded 6 months Time Charter Contract

Nautica Langsat & Nautica Gambir
Secured 1+1 Year Bareboat Contract

Nautica Tg. Puteri XXXVIII, Nautica Tg. Puteri XVIII
5-Years Contract for Harbour Tug & Mooring Boat

**Nautica Tg. Puteri XXVII, Nautica Tg. Puteri XXVIII,
Nautica Tg. Puteri XXIX, Nautica Tg. Puteri XXIII &
Nautica Tg. Puteri XXXVII**
Secured 2+2 Years of 3 Units Tugboats Contract and
Term Contract for Emergency Standby Vessel Services
for PETRONAS Floating LNG (L) Ltd.

2022

2025



TUGBOATS
**Nautica Tg. Puteri XIX &
Nautica Tg. Puteri XXII**
Awarded 3+3 year contract for
2 units of Tugboats

Nautica Tg. Puteri XVII
Secured a 1+1 year contract
extension

**Nautica Tg. Puteri I, Nautica Tg.
Puteri XX & Nautica Tg. Puteri
XXI**
Secured 2-year contract
extension for 3 units of Tugboats
from Northport (Malaysia) Bhd.

**Nautica Tg. Puteri XXIV,
Nautica Tg. Puteri XXV &
Nautica Tg. Puteri XXVI**
Awarded 5+5 year contract for
3 units of Tugboats from
Northport (Malaysia) Bhd.

**Nautica Tg. Puteri XI & Nautica
Tg. Puteri XII**
Secured 2-year contract
extension for 2 units of Tugboats

**Nautica Tg. Puteri XV &
Nautica Tg. Puteri XVI**
Secured 1-year contract
extension for 2 units of Tugboats

FAST CREW BOATS
Nautica Gambir
Awarded 1+1 year
contract

Nautica Langsat
Awarded 178+61-day
spot charter contract



2023

TUGBOATS
**Nautica Tg. Puteri I, Nautica Tg. Puteri XXIII, Nautica
Tg. Puteri XVII**
2-year Contract for 3 Units Tugboat Extension

Nautica Tg. Puteri XIX & Nautica Tg. Puteri XX
1-year Contract for 2 Units Tugboat Extension

**40 tonnes Bollard Pull Utility Tug (Nautica Tg. Puteri
XV) & 25 tonnes Bollard Pull Utility Tug (Nautica Tg.
Puteri XVI)**
2+1 Year New Contract awarded by Sungai Udang
Port Sdn. Bhd.

Nautica Tg. Puteri XI & Nautica Tg. Puteri XII
2+1 Year New Contract awarded by PG Timur Sdn.
Bhd.

FAST CREW BOATS
Nautica Gambir

- Secured 2 Spot Contracts
- 42days (+36 days) Provision of Engineering, Preparation, Removal and Disposal (EPRD) service
- 5 months (+1+1+1 month) contract for the provision of EnQuest Drilling Activities

- Nautica Langsat**
Secured 3 Spot Contracts
- 28 days Spot Contract for Larut Infill Drilling Project (Vestigo Petroleum)
 - 37 days Spot Contract for ILCT project to replace Jati 3 (Hibiscus Project)
 - 123 days + 258 days Spot Contract for Bebola TA & Baram MSD Campaigns (Petronas Carigali Sdn. Bhd.)

Nautica Tg. Puteri XXX
Awarded 3-year Bareboat Contract

2024

TUGBOATS
Nautica Tg. Puteri XIX & Nautica Tg. Puteri XX
Secured 1-year contract extension for 2 Units of Tugboat

**Nautica Tg. Puteri XIX, Nautica Tg. Puteri XX, Nautica Tg.
Puteri XXI, Nautica Tg. Puteri XXIV, Nautica Tg. Puteri XXV,
Nautica Tg. Puteri XXV and Nautica Tg. Puteri XXVI**
Awarded 3+3 months contract extension for 6 Units of Tugboat

**Nautica Tg. Puteri XXVII, Nautica Tg. Puteri XXVIII, Nautica
Tg. Puteri XXIX, Nautica Tg. Puteri XXIII, Nautica Tg. Puteri
XXXVII**
Awarded 2-year contract extension from PETRONAS Floating
LNG 1 for 5 Units of Tugboat for Emergency Standby Vessel
(ESV) and Tugboat service.

FAST CREW BOATS
Nautica Gambir
Secured 180 days Spot Contract
- PETRONAS Carigali Sdn. Bhd.

Nautica Langsat
Awarded 3 months Spot Contract Extension
- PETRONAS Carigali Sdn. Bhd.

Nautica Tg. Puteri XXX
Awarded a 3-Years Long-term Contract for POV
- PETRONAS Carigali Sdn. Bhd.

MEDIA HIGHLIGHTS

AS AT MARCH 2026

2025

JANUARY

7

EA Technique to get payoff from Petronas to settle vessel lease dispute

EA Technique 与Vestigo Petroleum友好协商达成共识

FEBRUARY

14

EA Technique's net profit up over sevenfold in 4Q, applies to exit PN17

股东力挺更名 业绩“十连盈” Avangaad展翼腾升迎新篇章

18

E.A. Technique officially unveils a revamped corporate image, rebranded as Avangaad Bhd

AVANGAAD有限公司正式启航焕新企业形象——全新品牌视觉和官网亮相

19

Bursa approves EA Technique's exit from PN17 status

MAY

22

Avangaad Posts Solid 1Q, Eyes Growth With RM49 Million Marine Expansion

Avangaad 2025财年首季经营现金流达3200万令吉稳握1.417亿令吉订单 多长期合约支撑成长动能



Scan the QR code to access more articles

JULY

1

Avangaad secures RM66.8m tugboat charter and extension contracts from Northport

Avangaad 荣获北港6680万港口服务合约

AUGUST

13

Avangaad divests RM44.5m FSO asset to re-allocate capital for next-phase investments

先锋公司4450万售FSO 资金部署高回报资产

19

Avangaad anchors 2Q FY2025 growth on long-term contracts; charter fleet at sustained high utilisation

NOVEMBER

22

Avangaad's orderbook climbs to RM411m as its core marine operations gain momentum

Avangaad catat aliran tunai operasi RM42.7 juta, disikong buku pesanan RM411.2 juta

2026

FEBRUARY

25

Avangaad Completes Corporate Turnaround in FY2025 Profitable, Cash-Generative, and Debt-Light in Its First Full Year Post-PN17

Avangaad reports return to profit in FY2025 after restructuring

Avangaad returns to operational baseline with RM29m PBT, robust cash flow

EA Technique to get payoff from Petronas to settle vessel lease dispute

EA Technique 与Vestigo Petroleum友好协商达成共识

上市于马来西亚证券交易所主板的知名海运和离岸公司 EA Technique (马) 有限公司 (“EA Tech”或“公司”) 宣布, 已与Vestigo Petroleum私人有限公司 (“VPSB”) 就执行前合约安排进行友好协商并达成协议, VPSB和EA Tech共同确定了双方之间的相关义务履行, 这有助于巩固EA Tech的运营稳定性, 还妥善解决了过往的合同纠纷。

此次交易履行后所带来的现金流, 直接加强了该公司的流动性, 在其战略规划计划的执行方面提供了有力的支持, 这也与公司为提升财务稳健性和追求可持续发展增长所做出的努力高度一致。

此次友好协商的积极成果, 体现了EA Tech和VPSB之间稳固的专业合作关系, 同时亦确认了VPSB对EA Tech运营的重要性, 是该公司在马来西亚海事和能源领域的鼎力盟友。

对于双方所达成的协议, EA Tech执行董事兼首席执行官Mubarak Hussain Akhtar Husin强调: “Vestigo EA Tech此次友好协商, 充分展现了双方对合作的共同承诺, 并将继续努力建立长期而持久的合作关系。”

更重要的是, 我们的目标相互支持, 携手在行业发展和释放更大的潜力, 如此这般的相互理解与共识, 不仅彰显双方对长期合作伙伴关系的支持, 也为进一步提升能力和探索未来发展机遇奠定了坚实基础。”

双方所达成的协议, EA Tech能够完全专注于其核心业务领域, 包括: 航运、离岸仓储和港口海事服务。

随着稳定财务基础和清晰战略规划EA Tech, 准备就绪把更多元化业务组合中的新机遇, 同时巩固与合作伙伴及利益相关方的紧密关系。

E.A. Technique (EA Tech) (马交所股票代码: 5259) 是一家总部位于马来西亚的物流供应商、海运和港口运营与运营商, 主要专注于油气海运、离岸存储和港口服务。

该集团专门提供用于油气运输和离岸存储的壳型油轮、用于港口海运服务的船舶, 以及离岸仓储, 包括岸上、平台和离岸设施之间运送人员和轻型货物的快速驳船。

此外, 该集团还经营建造、修船和造船加工业务, 进一步巩固其在运输和海事领域的地位。

2024年6月, EA Tech成功完成其重组计划, 并通过委任新的董事来加强整体领导力, 为公司的未来发展奠定了坚实的基础, 凭借连续四个季度获利的记录, EA Tech已准备好, 料可在2025年首季脱离PN17行列。

Bursa approves EA Technique's exit from PN17 status

KUALA LUMPUR (Feb 19): Marine transportation and offshore storage company EA Technique (M) Bhd (KL:EATECH) is to be rid of its Practice Note 17 (PN17) status, effective from Thursday, Feb 20.

EA Technique, which will trade under its new name of Avangaad Bhd next Monday, said in a filing that Bursa Malaysia Securities had approved its application for the fulfilment of its PN17 status after the company regularised its financial condition.

The company fell into PN17 status in February 2022, after its shareholders' equity of RM5.96 million as at end-December 2021 was noted to be less than 50% of its share capital of RM179.76 million.

EA Technique's application to remove its PN17 status followed the completion of the company's latest quarter. The fourth quarter ended Dec 31, 2024, which saw the company posting a net profit of RM25.17 million on revenue of RM29.3 million, was the final quarter required to proceed with the application.

Meanwhile, the company's regularisation plan was completed in 2024. It involved the issuance of 795.75 million new shares to Voutlier Sdn Bhd for RM79.6 million, resulting in the white knight emerging as EA Technique's largest shareholder with a 51% stake.

Proceeds were earmarked for its financial obligations and working capital.

Also attached to the regularisation plan was exempting Voutlier from its obligation to make a mandatory takeover offer. Voutlier is 70% owned by Datuk Mubarak Hussain Akhtar Husin and 30% by Datuk Lai Leng Onn, the executive deputy chairman cum group managing director of Knergy Advancement Bhd (KL:KAB).

Shares in EA Technique ended one sen or 2.9% higher at 35.5 sen on Wednesday, valuing the company at RM463.46 million.

EA Technique's net profit up over sevenfold in 4Q, applies to exit PN17

According to the group's financial statement for the quarter ended Dec 31, 2024 (4QFY2024), total other income primarily comprises waiver from settlement arrangements with scheme creditors under the Scheme of Arrangements (SOA), as well as claims from customer and insurance.

EA Technique's revenue fell 11.6% to RM29.29 million from RM33.13 million a year ago, due to lower utilisation rate of its fast crew boats.

According to EA Technique, with the release of its 4QFY2024 results, the group has completed the final quarter required to proceed with its official application to Bursa Malaysia for the removal of its Practice Note 17 (PN17) status.

The group fell into PN17 in 2022 after its balance sheet and earnings were affected by hiccups in delivering a floating production offloading vessel to Malaysia Marine and Heavy Engineering Bhd (KL:MHBE).

For the full year of FY2024, EA Technique's net profit jumped more than six times to RM154.33 million from RM23.69 million in FY2023, primarily driven by the one-off income related to its creditor scheme and PN17 regularisation plan.

Avangaad Posts Solid 1Q, Eyes Growth With RM49 Million Marine Expansion

Avangaad 2025财年首季经营现金流达3200万令吉稳握1.417亿令吉订单 多长期合约支撑成长动能

Avangaad divests RM44.5m FSO asset to re-allocate capital for next-phase investments

Avangaad 先锋公司4450万售FSO 资金部署高回报资产

Avangaad 先锋公司4450万售FSO 资金部署高回报资产

Avangaad 先锋公司4450万售FSO 资金部署高回报资产

Avangaad anchors 2Q FY2025 growth on long-term contracts; charter fleet at sustained high utilisation

Avangaad 荣获北港6680万港口服务合约

Avangaad 荣获北港6680万港口服务合约

Avangaad 荣获北港6680万港口服务合约

Avangaad Completes Corporate Turnaround in FY2025 Profitable, Cash-Generative, and Debt-Light in Its First Full Year Post-PN17

Avangaad reports return to profit in FY2025 after restructuring

Avangaad returns to operational baseline with RM29m PBT, robust cash flow

Avangaad divests RM44.5m FSO asset to re-allocate capital for next-phase investments

Avangaad 先锋公司4450万售FSO 资金部署高回报资产

Avangaad 先锋公司4450万售FSO 资金部署高回报资产

Avangaad 先锋公司4450万售FSO 资金部署高回报资产

Avangaad anchors 2Q FY2025 growth on long-term contracts; charter fleet at sustained high utilisation

Avangaad 荣获北港6680万港口服务合约

Avangaad 荣获北港6680万港口服务合约

Avangaad 荣获北港6680万港口服务合约

Avangaad Completes Corporate Turnaround in FY2025 Profitable, Cash-Generative, and Debt-Light in Its First Full Year Post-PN17

Avangaad reports return to profit in FY2025 after restructuring

Avangaad returns to operational baseline with RM29m PBT, robust cash flow

Avangaad Posts Solid 1Q, Eyes Growth With RM49 Million Marine Expansion

Avangaad 2025财年首季经营现金流达3200万令吉稳握1.417亿令吉订单 多长期合约支撑成长动能

BOARD OF DIRECTORS



Seated From left to right:

DATUK WIRA MUBARAK HUSSAIN BIN AKHTAR HUSIN
Executive Director

DATO' MOHD REDZA SHAH BIN ABDUL WAHID
Independent
Non-Executive Chairman

DATO' LAI KENG ONN
Executive Director

Standing From left to right:

MICHAEL CHEAH CHOY CHIN
Independent
Non-Executive Director

DATO' SERI NAZIR HUSSIN BIN AKHTAR HUSSIN
Executive Director

MOHD FARIS ADLI BIN SHUKERY
Non-Independent
Non-Executive Director

TONG SIUT MOI
Independent
Non-Executive Director

BOARD OF DIRECTORS' PROFILE

Independent Non-Executive Chairman

DATO' MOHD REDZA SHAH BIN ABDUL WAHID

Nationality
Malaysian

Gender
Male

Date Appointed To Board
14 February 2020

No. of Meetings Attended In The Financial Year
5/5

Age
63 years old

Qualification:

- Bachelor of Science in Economic (Industry and Trade), London School of Economics, University of London
- Master of Science of Economics (International Banking and Finance), Institute of Chartered Accountant in England and Wales (ICAEW)
- Member, Institute of Chartered Accountant in England and Wales (ICAEW)
- Chartered Bankers, Asian Institute of Chartered Bankers

Working Experience and Occupation:

- Chief Financial Officer, Silterra Malaysia Berhad (2002)
- Group Chief Executive Officer, Tradewinds Corporation Berhad (2005)
- Chief Operating Officer, DRB-Hicom Berhad (2008)
- Chief Executive Officer, Bank Muamalat Malaysia Berhad (2019)
- Chairman of Association of Seniors in Islamic Finance (ARIF) (Present)

Details of Any Board Committee Involved:

- Board Nomination & Remuneration Committee
- Audit Committee
- Risk & Governance Committee

Other Directorship In Public Companies and Listed Issuers. If Yes, List and Details:

Listed Issuer

- Zelan Berhad
- KPJ Healthcare Berhad
- Express Power Solutions (M) Berhad

Non-Listed Public Companies

- Waqaf An-Nur Corporation Berhad

Any Family Relationship with any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, If Any:

No

DIRECTORS' PROFILE



Executive Director

DATUK WIRA MUBARAK HUSSAIN BIN AKHTAR HUSIN

Nationality Malaysian	Gender Male	Date Appointed To Board 10 July 2024	No. of Meetings Attended In The Financial Year 5/5
	Age 50 years old		

Qualification:

- Master in Applied Management of Science, Asia E University.

Working Experience and Occupation:

- Managing Director, Seri Jaya Perkasa Sdn. Bhd.
- Founder, MN Millennium Security Sdn. Bhd.
- Director, Voultryer Sdn. Bhd.

Details of Any Board Committee Involved:

No

Other Directorship In Public Companies and Listed Issuers:

No

Any Family Relationship with any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, If Any:

No

Executive Director

DATO' LAI KENG ONN

Nationality Malaysian	Gender Male	Date Appointed To Board 10 July 2024	No. of Meetings Attended In The Financial Year 5/5
	Age 58 years old		

Qualification:

- Bachelor Of Science in Construction Management

Working Experience and Occupation:

- Executive Deputy Chairman cum Group Managing Director, Kinergy Advancement Berhad
- Project Manager, Wira Teknik Sdn. Bhd. (1996)

Details of Any Board Committee Involved:

No

Other Directorship In Public Companies and Listed Issuers:**Listed Issuer**

- Kinergy Advancement Berhad

DIRECTORS' PROFILE



DIRECTORS' PROFILE

**Executive Director**

DATO' SERI NAZIR HUSSIN BIN AKHTAR HUSSIN

Nationality Malaysian	Gender Male	Date Appointed To Board 23 July 2024	No. of Meetings Attended In The Financial Year 5/5
	Age 47 years old		

Qualification:

- Masters in Business Administration (MBA), University of East London, UK

Working Experience and Occupation:

- Executive Director, Seri Jaya Perkasa Sdn. Bhd.
- Chairman, Yayasan Al-Hussin
- Committee Member, Middle East Chamber
- Chairman, Yayasan Bank Rakyat
- Council Member, Majlis Amanah Rakyat
- Chairman, Property and Investment Committee

Details of Any Board Committee Involved:

No

Other Directorship In Public Companies and Listed Issuers:**Listed Issuer**

- Kinergy Advancement Berhad

Any Family Relationship with any Director and or Major Shareholder of the Listed Issuer:

He is the brother of Datuk Wira Mubarak Hussain Bin Akhtar Husin, a major shareholder and Executive Director of the Company.

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, If Any:

No

DIRECTORS' PROFILE

**Independent Non-Executive Director**

MICHAEL CHEAH CHOY CHIN

Nationality Malaysian	Gender Male	Date Appointed To Board 23 July 2024	No. of Meetings Attended In The Financial Year 5/5
	Age 58 years old		

Qualifications

- Master in Business Administration (MBA), University of Manchester
- Bachelor of Commerce (Accounting), University of Birmingham
- Fellow, Institute of Chartered Accountants in England and Wales
- Member, Malaysia Institute of Accountants

Working Experience and Occupation:

- Asst Vice President, Lehman Brothers (1998)
- Executive Director, Goldman Sachs (2009)
- Managing Director, Search Investment Group (2018)
- Managing Director, Generations (2019)
- Chief Operating Officer, Children's Medical Foundation (2021)

Details of Any Board Committee Involved:

- Board Nomination & Remuneration Committee
- Audit Committee
- Risk & Governance Committee

Other Directorship In Public Companies and Listed Issuers:

No

Any Family Relationship with any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, If Any:

No

DIRECTORS' PROFILE



Independent Non-Executive Director

TONG SIUT MOI

Nationality Malaysian	Gender Female	Date Appointed To Board 23 July 2024	No. of Meetings Attended In The Financial Year 5/5
	Age 56 years old		

Qualification:

- Fellow of the The Chartered Governance Institute (UK)
- Degree in Secretarial, Institute of Chartered Secretaries and Administrators (UK)
- Member of Institute of Corporate Directors Malaysia (ICDM)
- Associate of the Malaysian Directors Academy (MINDA)

Working Experience and Occupation:

- Director, CKM Advisory Sdn. Bhd. (Present)
- Group Corporate Secretary, Gabungan AQRS Berhad
- Executive Director, Boardroom Avenues Sdn. Bhd.
- Group Corporate Secretary, Chin Foh Berhad
- Group Corporate Secretary, Pilecon Engineering Berhad

Details of Any Board Committee Involved:

- Board Nomination & Remuneration Committee
- Audit Committee
- Risk & Governance Committee

Other Directorship In Public Companies and Listed Issuers:**Listed Issuer**

- Niche Capital Emas Holdings Berhad
- Kinergy Advancement Berhad

Any Family Relationship with any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, If Any:

No

DIRECTORS' PROFILE



Non-Independent and Non-Executive Director

MOHD FARIS ADLI BIN SHUKERY

Nationality Malaysian	Gender Male	Date Appointed To Board 22 August 2024	No. of Meetings Attended In The Financial Year 4/5
	Age 54 years old		

Qualifications

- Bachelor of Laws (Hons), Sheffield Hallam University, United Kingdom
- Master of Laws in International and Commercial Law, University of Sheffield, United Kingdom

Working Experience and Occupation:

- Manager, Kuala Lumpur Stock Exchange
- Manager, AmMerchant Bank Berhad
- Senior Manager, Kumpulan Guthrie Berhad
- Vice President, Sime Darby Property Berhad
- Senior Vice President, Sime Darby Oils
- Regional Chief Executive Officer, Sabah Sime Darby Plantation
- Managing Director, Kulim (M) Berhad
- Managing Director, Johor Plantations Group Berhad

Details of Any Board Committee Involved:

No

Other Directorship In Public Companies and Listed Issuers:**Listed Issuer**

- Johor Plantations Group Berhad

Any Family Relationship with any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed by the Relevant Regulatory Bodies during the Financial Year, If Any:

No

MANAGEMENT TEAM

MANAGEMENT TEAM



NASRUL ASNI BIN MUHAMMAD DAIN
Chief Executive Officer



CHIN SZE HOW, JOHN
Chief Operating Officer



ANG JIA PING
Chief Financial Officer



ABU HUSSEIN BIN MOHAMED
Head of Fleet Operations



AZMAN BIN ABDUL RAZAK
Senior Manager,
Fleet Operations



CHE ZAL AZILAH BINTI CHE OMAR
Senior Manager,
Finance Operations



FARRAH RADZIAH BINTI ABDUL HAK
Manager, Commercial



RINI ZUNNURNI BINTI MOHD JAHAYA
Manager, Human Resources, Administration
and Information Technology



SAIFUL NIZAM BIN ISMAIL
Manager, Fleet Technical



ZAIREEN AZWAN BIN RAZALI
Manager, QHSSE



NAZARUDDIN BIN UMAR
Manager, Procurement



AHMAD FAREZ BIN SUHAIMI
Manager, Port Operations



MOHD ISZWAN BIN ISMAIL
Manager, Manning



TUN AUNG SHEIN
Manager, Marine Operations



MANAGEMENT TEAM'S PROFILE

MANAGEMENT TEAM'S PROFILE



NASRUL ASNI BIN MUHAMMAD DAIN

Chief Executive Officer

Nationality	Age	Gender	Date of Appointment
Malaysian	56 years old	Male	21 March 2022

Qualification:

- BSc. (Hons) in Accounting & Finance, University of Wales, Cardiff, UK
- Certified Credit Professional, Institut Bank-Bank Malaysia

Working Experience and Occupation:

- 1996 to 1998: Corporate Loan Officer, Kewangan Industri Berhad
- 1999 to 2000: Senior Executive, Bank Industri (M) Berhad
- 2001 to 2004: Assistant Manager, Group Special Assets Division, Bank Industri (M) Berhad
- 2005 to 2006: Manager, Rehabilitation Department & Acting Head of Department, Bank Industri (M) Berhad
- 2007 to 2009: Head, Shipping Department, OCBC Bank Malaysia
- 2009 to 2022: Head / Senior Vice President, RHB Bank Berhad
- 2022 to Present: Chief Executive Officer, Avangaad Berhad

Other Directorship In Public Companies and Listed Issuers:

No

Any Family Relationship with Any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed and by the Relevant Regulatory Bodies during the Financial Year, If Any:

No



CHIN SZE HOW, JOHN

Chief Operating Officer

Nationality	Age	Gender	Date of Appointment
Malaysian	36 years old	Male	1 August 2024

Qualification:

- Chartered Accountant, Malaysian Institute of Accountants
- Member of the Association of Chartered Certified Accountants
- Bachelor of Arts in Accounting & Finance, Sheffield Hallam University, UK

Working Experience and Occupation:

- 2013 to 2019: Audit Manager, Audit & Assurance, Grant Thornton Malaysia PLT
- 2019 to 2022: Director, Business Process Services & Global Mobility Services, Grant Thornton Malaysia PLT
- 2022 to Present: Group Chief Financial Officer, Kinergy Advancement Berhad
- 2024 to Present: Chief Operating Officer, Avangaad Berhad

Other Directorship In Public Companies and Listed Issuers:

No

Any Family Relationship with Any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed and by the Relevant Regulatory Bodies during the Financial Year, If Any:

No



ANG JIA PING

Chief Financial Officer

Nationality	Age	Gender	Date of Appointment
Malaysian	33 years old	Female	10 Jun 2025

Qualification:

- Member of Association of Chartered Certified Accountants
- Chartered Accountant, Malaysian Institute of Accountants
- Bachelor of Arts in Accounting and Finance, University of Greenwich, United Kingdom

Working Experience and Occupation:

- 2017 to 2024: Senior Manager, Audit & Assurance, Grant Thornton Malaysia PLT
- 2024 to 2025: Senior Head of Finance, Avangaad Berhad
- 2025 to present: Chief Financial Officer, Avangaad Berhad

Other Directorship In Public Companies and Listed Issuers:

No

Any Family Relationship with Any Director and or Major Shareholder of the Listed Issuer:

No

Any Conflicts of Interest with the Listed Issuer:

No

List of Convictions for Offences Within the Past 5 Years and Particulars of Any Public Sanction or Penalty Imposed and by the Relevant Regulatory Bodies during the Financial Year, If Any:

No

Annual Report FY2025

12 Months Ended 31 December 2025 ("FY2025")

**"FY2025 proved our strength
at resolution and greater
growth at sea."**

**Through shifting tides, our commitment stands
firm and our performance speaks for itself.
With renewed identity and steady execution, we
sail forward with pride.**

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

It is my honour and privilege to present to you the Annual Report and Financial Statements of **Avangaad Berhad** ("Avangaad" or "the Group") for the financial year ended 31 December 2025. This is no ordinary year-end report. FY2025 marks a defining passage for the Group – **one in which the Group moved decisively from restoration to growth, delivering profitable, cash-generative results that reflect the quality our people, our strategy, and our commitment to delivery.**

A strengthened balance sheet, restored investor confidence, and fourteen (14) consecutive profitable quarters confirm that Avangaad has entered a new phase - one anchored in clarity of strategy, accountability of leadership, and long-term value creation for all our shareholders.

**A New Chapter: Steady on a Firmer Keel with Renewed Momentum
Proof Delivered Across Fleet, Operations, and Leadership**

A Year of Proof, Not Promise.

For several years, the narrative around Avangaad was one of restructuring, stabilisation, and potential. In FY2025, we replaced narrative with

Leadership & Governance: New ownership. A rebuilt Board.
The Foundation Beneath the Numbers

Avangaad's repositioning with a successful corporate turnaround journey with the Group's defining transition from past challenges towards a more stable, growth-oriented trajectory and strengthened market positioning. Effective February 2025, the Group successfully exited PN17 status and has its rebranding exercise extends beyond a cosmetic change, introducing the same year a market identity – Marine COP as its differentiated identity, representing more than a renewed strategic identity – its significance in labelling a defined preposition and specialty role within the industry and as the lead position direction for the Group.

The most consequential development in Avangaad's recent history was not a contract win or a financial metric, but a fundamental shift in its ownership structure. The entry of Voultier Sdn. Bhd. as a white knight shareholder in June 2024, with an injection of RM79.6 million in capital, the settlement of creditor schemes, and the acquisition of a 51% controlling stake, provided the decisive intervention that enabled the Group's stabilisation and resolution. Combined with the continued strategic participation of Johor Corporation, the Group's shareholder base now reflects renewed confidence and long-term commitment to its future growth.

“ **Marine COP**
(Coordinator, Operator and Partner)
model:

**Serves as the Group's integrated
operating framework, positioning the
Group as a coordinator of multi-asset
deployment, an operator of diversified
marine services, and a strategic
partner to clients across port and
offshore ecosystems.** ”

DATO' MOHD REDZA SHAH BIN ABDUL WAHID
Independent Non-Executive Chairman

CHAIRMAN'S STATEMENT

This ownership recalibration brought with it a reconstituted Board with fresh mandate and operational intensity. The Board as constituted today reflects a deliberate blend of independent oversight, entrepreneurial drive, and sectoral expertise. Since then, Avangaad has pursued a more defined strategic repositioning, articulating a clear conviction to accelerate the Group's pivot toward port marine services and fleet diversification.

Together, the new leadership team has provided critical executive continuity through the ownership transition, an important and often scarce element in a corporate turnaround. The key senior management team, responsible for the Group's day-to-day operations, has also provided critical support through deep institutional knowledge of the business, established relationships with key clients including PETRONAS, and operational oversight of the restructuring process. This has served as a stabilising foundation for the broader leadership renewal. The Board records its sincere appreciation for their stewardship through one of the Group's most demanding periods.

ROLE	DIRECTOR / EXECUTIVE	MANDATE & SIGNIFICANCE
Independent Non-Executive Chairman	Dato' Mohd Redza Shah Bin Abdul Wahid <i>(Since February 2020)</i>	Independent oversight Governance leadership Shareholder accountability
Executive Director	Datuk Wira Mubarak Hussain Bin Akhtar Husin <i>(Joined July 2024)</i>	Strategic repositioning Commercial growth Investor relations
Executive Director	Dato' Lai Keng Onn <i>(Joined July 2024)</i>	Operational oversight Corporate governance Regulatory compliance
Executive Director	Dato' Seri Nazir Hussin Bin Akhtar Hussin <i>(Joined July 2024)</i>	Executive mandate Business development Sectoral expertise
Chief Executive Officer	Encik Nasrul Asni Bin Muhammad Dain <i>(Since March 2022)</i>	Full executive leadership Continuity through ownership transition
Independent Non-Executive Director	Mr. Michael Cheah Choy Chin <i>(Joined July 2024)</i>	Audit & risk oversight Independent checks on management
Independent Non-Executive Director	Ms. Tong Siut Moi <i>(Joined July 2024)</i>	Independent governance Diversity of perspective
Non-Independent Non-Executive Director	Encik Mohd Faris Adli Bin Shukery <i>(Joined August 2024)</i>	Representing major shareholder interests Strategic alignment

FY2025 is the year Avangaad replaced a restructuring narrative with financial substance.

*Numbers are not a recovery peak - they are a normalised starting point. Our numbers speak plainly: **profitable, cash-generative, and built to last.***

Operating cash flow was the standout: The Group recorded a decisive turnaround from a RM54.4 million outflow in FY2024 to a RM65.1 million inflow in FY2025, representing a RM119.5 million improvement within a single year. This financial reset extends beyond accounting normalisation, reflecting a tangible improvement in balance sheet flexibility and operational rigour. The cash conversion ratio of approximately 2.24 times PBT signals strong earnings-to-cash translation, supported by effective working capital management and serves as a clear indicator of a fundamentally well-run and scalable operation.

CHAIRMAN'S STATEMENT

Free cash flow for the year reached RM43.7 million, enabling the Group to reduce total borrowings by 15.7% to RM75 million and compress net gearing to a conservative 0.08 times – down from 0.24 times a year earlier. We enter FY2026 holding RM46 million in cash with a balance sheet that offers genuine optionality: to invest, to grow, or to return value to shareholders when the time is right.

The most powerful balance sheet statistics of FY2025, **however, is this: in just twenty-four (24) months, retained earnings moved from RM122.3 million in accumulated losses to a positive RM76.7 million – a total recovery of nearly RM199 million.** This transformation was not funded by a rights issue, not inflated by asset revaluations. It was earned – through operational performance, cost management, and the collective effort of the Group. That distinction matters enormously to me as the Group's Chairman, and it should matter every shareholder.

Operational Highlights

High-utilisation Assets and Production-linked Services

Remain Exceptional High Fleet Performance
>94% of average contract performance rate

Segment Focus:

The **primary driver of FY2025 revenue growth** was

Fast Crew Boat Fleet
With Improved Charter Pricing

This pricing improvement is not cyclical outcome. It reflects the commercial judgement of a management team that knows the value of long-term client relationships over short-term volume-driven gains.

- **Port Marine Services:** Evidencing a key pillar of its diversification, providing long-term, non-cyclical recurring income.
- **OSV & Support:** These vessels are mission-critical for maintaining production uptime for Tier-1 clients.

Avangaad Group locks in RM66.8 Million in Port Services Portfolio with Northport (Malaysia) Bhd. The award of Northport contracts totalling RM66.8 million was the single most strategically significant commercial event of the year. It confirmed Avangaad's credibility as a port marine services operator – moving us decisively beyond pure oil and gas dependency. These tugboat and port auxiliary contracts deliver recurring, long-duration revenue that is structurally uncorrelated with hydrocarbon price cycles. For a company that spent years over-exposed to a single industry, this diversification is transformative.

Order Book Strength

As at 31 December 2025, the Group's total order book stands at **RM423.3 million** – comprising RM154.7 million in firm contracts and RM268.6 million in extension options. During FY2025, Avangaad booked approximately RM137.4 million in new and extended contracts, exceeding our full-year revenue run-rate. This book-to-bill ratio above 1.0 times confirms that Avangaad is winning work at a pace faster than it executes, it is a commercially healthy position as we enter FY2026.

Fleet Strategy & Capital Stewardship

In March 2025, the Group signed a term sheet to acquire Bumi Jaya Shipcare Sdn. Bhd., a move that would potentially expand its fleet. Following rigorous due diligence, the Board exercised its fiduciary responsibility and terminated the acquisition in December 2025, as conditions precedent could not be satisfactorily fulfilled.

This outcome underscores the Group's high governance standards and disciplined capital allocation approach, reaffirming that the Board will not proceed with transactions that do not fully meet its strategic, financial, and risk parameters, irrespective of scale or perceived opportunity.

In parallel, the Group monetised a vessel asset for RM44.5 million, and strategically redeployed proceeds into higher-yielding, longer-tenured assets to enhance portfolio efficiency and long-term returns.

CHAIRMAN'S STATEMENT

From Numerical Clarity to Scalable Growth

Avangaad has achieved a remarkable **14 consecutive profitable quarters as of the end of 2025**.

- **The Pre-Exit Streak:** By the end of 2024, Avangaad had already recorded ten (10) consecutive profitable quarters. This consistency was a primary factor in Bursa Malaysia's decision to approve the Group's regularisation plan. Following its exit, Avangaad **maintained its streak** through every quarter of 2025:

FY2025	Net Profit (RM' million)
1Q	4.7
2Q	6.0
3Q	6.1
4Q	27.9

The fourteen (14)-quarter consecutive profitability streak (spanning mid-2022 through late 2025) reflects the effectiveness of the Group's Marine COP orchestration model in stabilising utilisation, improving contract quality, and enhancing fleet deployment efficiency across its OSV and port marine segments. The strong uplift in 4QFY2025 profitability was particularly notable, contributing to a full-year Profit After Tax (PAT) of RM44.7 million, supported by improved operational leverage across core marine service lines.

This normalised earnings profile—excluding one-off items such as debt waivers that affected FY2024 comparability—reinforces that the Group's underlying OSV, harbour tug, and offshore support operations have transitioned into a more stable and cash-generative phase, underpinned by recurring contract structures and production-linked offshore demand.

Quality Earnings & Prospective Outlook Into 2026 and Beyond

Set aside the corporate transition, at the operational level, one of the Board's foremost priorities post-February 2025 was to rebuild revenue visibility and restore commercial momentum. The emphasis on quality earnings is clearly reflected in the Group's RM423.3 million order book, providing strong visibility over revenue streams through 2027.

The Group is deliberately pivoting towards longer-duration, recurring income streams, while actively exploring green charter opportunities and targeted fleet expansion and modernisation. This approach is intended to strengthen earnings durability amid global volatility and an evolving industry landscape.

Looking ahead, the Board continues to support management's strategic focus on fleet modernisation and the greener harbour transition. Through the adoption of innovative technologies and hybrid propulsion solutions, the Group is progressively future proofing its assets in alignment with evolving International Maritime Organization (IMO) standards.

Avangaad is entering its next phase of growth not merely as a participant in the maritime sector, but as a disciplined operator shaping a more sustainable, higher-margin, and performance-driven future.







Strategic Commitment to Building Growth & Value Creation

Following the completion of its leadership stabilisation phase, the Group has shifted its focus towards strengthening execution depth, enhancing decision-making clarity, and reinforcing accountability across all operational levels. The initiatives undertaken in FY2025 delivered tangible impact, positioning Avangaad to enter 2026 with proven, strengthened leadership capability and greater organisational maturity.

Under the new leadership, a culture anchored on performance, safety, and service reliability has been firmly embedded. The Group is confident that its strategic intent will be effectively translated into disciplined, ground-level execution. This progression, from leadership renewal to demonstrable leadership effectiveness, marks a critical inflection point in the Group's forward trajectory.

CHAIRMAN'S STATEMENT

 GOVERNANCE & INTEGRITY	<ul style="list-style-type: none"> • Uncompromising Integrity 		<ul style="list-style-type: none"> • Institutionalised transparency frameworks: Governance enhancements implemented in FY2025, supported by clearer reporting structures and strengthened operational oversight, have reinforced confidence among institutional stakeholders and improved disclosure rigour across operational reporting cycles. • Cost of Capital: Enhances financial predictability, supporting potential optimisation of future borrowing costs and strengthening access to institutional funding channels.
 OPERATIONAL ORCHESTRATION	<ul style="list-style-type: none"> • Marine COP Orchestration <p><i>* A deeper articulation of Marine COP is set out in the MD&A section.</i></p>		<ul style="list-style-type: none"> • Yield Positioning: Fleet optimisation and contract rebalancing initiatives undertaken in FY2025, including a strategic shift towards higher-quality charter arrangements, have strengthened the Group's ability to negotiate improved commercial terms for modernised assets, particularly within long-duration contracts.
 MARKETING & BRAND IDENTITY	<ul style="list-style-type: none"> • A a Tier-1 Partner • End-to-end maritime solutions provider 	Value Driver	<ul style="list-style-type: none"> • Revenue Stability: The FY2025 order book composition of RM423.3 million, coupled with increasing emphasis on longer-duration and recurring contracts, supports greater revenue visibility through 2027 and reduces exposure to short-term market cyclicality.
 FUTURE PROSPECTS	<ul style="list-style-type: none"> • Green Fleet Modernisation 		<ul style="list-style-type: none"> • Long-term Asset Value: Fleet modernisation initiatives and the Group's strategic focus on greener propulsion technologies in FY2025, including early-stage positioning for hybrid and environmentally compliant assets, contribute to sustaining long-term asset competitiveness and alignment with evolving IMO regulatory standards.
	<ul style="list-style-type: none"> • Regional Port Presence 		<ul style="list-style-type: none"> • Footprint Expansion FY2025 operational positioning across key Malaysian port ecosystems continues to strengthen the Group's service footprint, enhancing proximity to core customer activity centres and supporting more efficient deployment of marine assets.
	<ul style="list-style-type: none"> • Mergers & Acquisitions ("M&A") 		<ul style="list-style-type: none"> • Strategic Capital Deployment via Acquisitive Growth: The Group continues to evaluate selective M&A opportunities in FY2025 to complement organic growth, with a focus on transactions that enhance fleet capability, expand service coverage, and strengthen long-term earnings sustainability.

Disclaimer: The Strategic Commitment is provided for insights sharing in this report and is subject to change based on evolving market conditions and operational developments.

CHAIRMAN'S STATEMENT

Navigating External Operating Dynamics through Operational Steadiness and Risk Governance

Despite a turbulent operating environment, the Group maintained stable operational performance throughout FY2025. Measured vessel deployment, consistent fleet utilisation, and proactive asset maintenance ensured continuity of service delivery across fast crew boat and tugboat operations.

Management also remained active in identifying and pursuing potential contract opportunities by closely monitoring fleet utilisation, minimising idle time between contract cycles. At the same time, continuous attention to fleet condition and maintenance ensured that all vessels met stringent safety and operational standards, supporting uninterrupted service delivery and customer satisfaction without compromise.

Despite the Group's announcement in Q1 FY2025 of an interim contract transition between the conclusion of earlier FCB contracts and the commencement of new charters in early 2025, this did not result in any material operational disruption,

underscoring the effectiveness of the Group's planning and coordination capabilities. This track record of reliability continues to strengthen Avangaad's position as a trusted long-term partner to its clients.

Cost management and cash preservation remained central priorities throughout the year. The Group continued to manage its balance sheet with care, preserving flexibility while maintaining capacity to act on opportunities aligned with strategic objectives.

In a sector where capital misallocation can carry lasting consequences, the Board is convinced that restraint and precision – rather than ambition alone – are essential to safeguarding shareholder value. The Board remains firmly committed to financial stewardship and measured capital allocation. FY2025 was characterised by a conservative, selective approach to investment, ensuring that every capital decision was aligned with operational readiness, risk appetite, and long-term return considerations.

Industry, Global Environment & Strategic Outlook Operating in a World of Structural Opportunity Proof of Readiness: Navigating Complexity, Positioning for the Upcycle

The maritime sector is being fundamentally reshaped by structural forces beyond the control of any single company, and it is the Board's duty to ensure that strategic decisions remain fully aligned with these realities and are not insulated from external market conditions.

In fact, the 2026 industrial landscape reflects a phase of uneven and divergent recovery, characterised by selective demand continuity across energy and port activities, ongoing cost pressures, and a more cautious capital deployment environment. While certain segments are regaining momentum, others remain constrained by global trade uncertainties and tightening regulatory expectations, creating a landscape where performance is increasingly defined by execution discipline rather than cyclical uplift.

**“Recalibrating our fleet was a choice of discipline.
Re-anchoring it at the ASEAN corridor is a choice of vision.**

As the Marine COP of choice, we are building quality earnings through technical excellence and uncompromising integrity, ensuring we remain the most trusted partner in a maritime landscape defined by rapid transition.”

Malaysia Oil & Gas Sector: A Structurally Growing Market Demanding Near-Term Realism

The Malaysian maritime industry entering 2026 is characterised by a dual-speed reality. While the global shipping landscape faces a period of near-term realism, Malaysia's role as a critical node in the ASEAN maritime corridor remains structurally robust. The stabilisation of traditional offshore cycles has introduced a year of measured caution for legacy providers. However, Avangaad's strategic foresight to aggressively diversify into Port Marine Services has fundamentally de-risked its revenue profile. Our RM66.8 million port contract serves as a vital anchor, providing recurring, long-duration revenue that is shielded from the volatility of the energy markets. By positioning ourselves within Malaysia's broader port ecosystem, we have successfully decoupled our growth from the cyclicity that continues to challenge our offshore-concentrated peers.

CHAIRMAN'S STATEMENT

ASEAN Maritime																		
Market Valuation	Sector Observation																	
<p><i>is indicative and derived from 2025 market performance trends, with reference to 2026 industry benchmarks</i></p>																		
<p>The Maritime Perspective:</p> <p>The ASEAN maritime sector in 2026 is at the intersection of a massive infrastructure expansion and a structural technical upgrade. While traditional energy services are stabilising, the broader maritime market is accelerating due to trade redirection and a regional shift toward domestic energy sovereignty.</p> <p>In 2025, the maritime trajectory is expected 2026 and beyond will drive a rapid shift toward</p>	<table border="1"> <thead> <tr> <th>Segment</th> <th>Valuation (2025)</th> <th>Observation</th> </tr> </thead> <tbody> <tr> <td>Regional Market</td> <td>The Southeast Asia Maritime Market was valued at approximately USD 38.97 billion in 2025.</td> <td>The region is benefiting from a 34% surge in upstream CAPEX (reaching USD 28.5 billion) as deferred exploration projects in Malaysia and Indonesia move into the execution phase.</td> </tr> <tr> <td>Offshore OSV</td> <td>The global OSV market reached USD 29.85 billion, with the Asia-Pacific region commanding a 37% growth share.</td> <td>Day rates remain significantly above historical averages due to structural fleet ageing. By 2028, a staggering 76% of the global fleet will be over 15 years old.</td> </tr> <tr> <td>Port Marine</td> <td>The Global Marine Port Services market was valued at USD 96.57 billion, with Asia Pacific holding a dominant 33.01% market share.</td> <td>Trade redirection is fueling a 2.87% annual growth in seaborne trade. Malaysia ports are serving as trusted passage for redirected manufacturing.</td> </tr> <tr> <td>Harbour Tug</td> <td>The Asia Pacific Tugboat market was valued at USD 318 million, representing 43% of the global industry.</td> <td>The market is shifting toward terminal towage (55.8% share) as vessel sizes increase.</td> </tr> </tbody> </table>	Segment	Valuation (2025)	Observation	Regional Market	The Southeast Asia Maritime Market was valued at approximately USD 38.97 billion in 2025.	The region is benefiting from a 34% surge in upstream CAPEX (reaching USD 28.5 billion) as deferred exploration projects in Malaysia and Indonesia move into the execution phase.	Offshore OSV	The global OSV market reached USD 29.85 billion, with the Asia-Pacific region commanding a 37% growth share.	Day rates remain significantly above historical averages due to structural fleet ageing. By 2028, a staggering 76% of the global fleet will be over 15 years old.	Port Marine	The Global Marine Port Services market was valued at USD 96.57 billion, with Asia Pacific holding a dominant 33.01% market share.	Trade redirection is fueling a 2.87% annual growth in seaborne trade. Malaysia ports are serving as trusted passage for redirected manufacturing.	Harbour Tug	The Asia Pacific Tugboat market was valued at USD 318 million, representing 43% of the global industry.	The market is shifting toward terminal towage (55.8% share) as vessel sizes increase.		
Segment	Valuation (2025)	Observation																
Regional Market	The Southeast Asia Maritime Market was valued at approximately USD 38.97 billion in 2025.	The region is benefiting from a 34% surge in upstream CAPEX (reaching USD 28.5 billion) as deferred exploration projects in Malaysia and Indonesia move into the execution phase.																
Offshore OSV	The global OSV market reached USD 29.85 billion, with the Asia-Pacific region commanding a 37% growth share.	Day rates remain significantly above historical averages due to structural fleet ageing. By 2028, a staggering 76% of the global fleet will be over 15 years old.																
Port Marine	The Global Marine Port Services market was valued at USD 96.57 billion, with Asia Pacific holding a dominant 33.01% market share.	Trade redirection is fueling a 2.87% annual growth in seaborne trade. Malaysia ports are serving as trusted passage for redirected manufacturing.																
Harbour Tug	The Asia Pacific Tugboat market was valued at USD 318 million, representing 43% of the global industry.	The market is shifting toward terminal towage (55.8% share) as vessel sizes increase.																
<p style="text-align: center;">Fleet Optimisation CAGR 9%</p>																		
<p style="text-align: center;">Corporate Turnaround in FY2025</p> <table border="1"> <tr> <td>High-power Output Tugs 2000 kW+</td> <td>Green Harbour Tug E-Tugs</td> </tr> </table>	High-power Output Tugs 2000 kW+	Green Harbour Tug E-Tugs																
High-power Output Tugs 2000 kW+	Green Harbour Tug E-Tugs																	
<p>The tugs are increasingly becoming a prerequisite for securing long-term contracts at major regional hubs, as ports prioritise modern, efficient, and low-emission vessel capabilities to support higher throughput and evolving operational standards.</p> <p>*High-power Output: 2000 kW+ tugs is a direct response to the increasing size of container vessels and LNG carriers frequenting regional hubs.</p> <p>*E-Tugs: Major ports have moved toward green shipping corridors; hence, e-tugs have shifted from experimental to a mandatory technical requirement for new long-term concessions.</p>	<p><i>* Market valuations and sector observations are derived from a composite analysis of Rystad Energy Upstream Research (2024), Clarksons Research (2026), Mordor Intelligence Southeast Asia Outlook (2025/26), and Fortune Business Insights Marine Logistics Reports (2026)</i></p>																	

CHAIRMAN'S STATEMENT

Strategic Highlights of Global Structural Shifts Driving ASEAN Maritime Realignment

Geopolitical Tailwinds Reshaping ASEAN Maritime Strategy

Middle East Volatility, Cost Headwind & Trade Rerouting:

The effective closure of the Strait of Hormuz (Middle East volatility) on 28 February 2026, has created a structural supply shock and higher fuel prices. The conflict has also severely disrupted traditional shipping lanes, forcing a redirection of global trade toward "Trusted Nodes" in Southeast Asia.

As vessels divert from the Middle East, Malaysian ports are seeing higher container storage revenue and increased demand for harbour service. Hence, regional port activity is being reshaped by intra-Asia trade diversification, with Malaysian ports increasingly serving as critical logistics nodes. This supports sustained demand for marine port services, including contracted operations at key port facilities.

IMO Decarbonisation Regulation: Headwind & Opportunity

Carbon Regulation & GHG Mandates

The International Maritime Organization's 2023 greenhouse gas (GHG) reduction strategy, adopted by member states including Malaysia and strengthened in April 2025, sets a clear long-term pathway towards zero-emission shipping.

While this will require shipowners to invest in fleet upgrades and cleaner technologies, it also benefits operators who move early, as they are better positioned to meet future regulations and capture growing demand for greener maritime services.

2026 Sector Value Matrix

Regional Market	Expanding	Consolidation: High-velocity growth through 2031.
Offshore OSV	Undersupplied	Premium Pricing: Sustained high rates; Asset Scarcity advantage.
Port Marine	Robust	Recurring Revenue: Predictable, recurring, de-risked revenue.
Harbour Tug	Modernising	Expansion: Demand for higher bollard pull & E-Tugs.

*Market data for the 2026–2031 forecast period synthesised from Rystad Energy Upstream Research (2024), Clarksons Research Fleet Age Profile (2025/26), and Mordor Intelligence Southeast Asia Market Analysis (2026).

The 2026 Sector Value Matrix provides the foundation for mapping Avangaad's growth profile, highlighting how sectoral tailwinds—ranging from asset scarcity to fleet modernisation—translate into visible, multi-segment expansion opportunities.

• Growth Profile

Segment	Avangaad's Current Foothold	CAGR	ASEAN/APAC Market Size
Fleet optimisation / Technology	Nascent — opportunity to invest	18.1%	\$7.6B (APAC)
Tugs & OSV (ASEAN)	Core — FCBs, AHTs, Port tugs	7.5–8.4%	\$6.1B (Combined)
Port marine services (APAC)	Anchored — Port contracts	4.6–4.8%	\$38.7B

FOCUSED EXECUTION, CAPTURE VALUES: As we transition into 2026, Avangaad stands at a definitive strategic crossroads where financial discipline meets a generational market upcycle. The sector observations and data-driven insights established in 2025 confirm that we are operating within a global structural shift, the redirection of trade and the prioritization of regional energy sovereignty have transformed the ASEAN corridor into a strategic sanctuary.

Building on the sector value matrix above, Avangaad's growth is propelled by its multi-sector business expansion driver. While exploration activity may moderate, the regional offshore energy sector continues to underpin a robust demand for high-specification OSVs, including FCBs and AHTS vessels. We are strategically pivoting toward **production-phase operations**, which provide a more resilient demand for offshore logistics and support services.

CHAIRMAN'S STATEMENT

In this context, the Group is actively assessing opportunities in higher-value segments, including **offshore logistics and storage solutions such as FSO and FPSO units**, where aligned with our technical capabilities.

Simultaneously, our **Port Marine Services** continue to provide a stable, contract-backed revenue anchor. Our embedded positioning within the port ecosystem, coupled with the potential acquisition of younger, high-specification assets and the exploration of **green harbour technologies**, further strengthens our long-term competitive positioning. Furthermore, our focus on fleet optimisation technology represents a high-value adjacency that will enhance our operating margins and fortify our ESG credentials,

which acts as a critical advantage as the industry's green transition CAPEX accelerates.

Operating under our **'Marine COP'** framework, we are leveraging a modernised fleet and a fortified balance sheet—highlighted by our 0.08x net gearing—to capture the 'scarcity premium' created by a rapidly ageing regional fleet. Looking ahead, our trajectory will be defined by our agility in navigating the dual imperatives of Geopolitical Realignment and the IMO's Decarbonisation mandates. By re-anchoring our assets at the heart of the ASEAN trade corridor, we are ensuring that Avangaad delivers sustainable, long-term value in an increasingly complex and decarbonising global maritime economy.

With Avangaad's strategic intent focused on expansion and continued execution rigour, its embedded positioning within the port ecosystem is expected to deliver meaningful structural advantages over the medium to long term. The potential acquisition and deployment of high-specification assets, alongside the exploration of green harbour technologies such as electric tug solutions, further reinforces its transition toward a more resilient, future-ready operating model, with enhanced earnings visibility, margin durability, and long-term value creation potential.

Collectively, these initiatives, underpinned by the Group's alignment with global maritime structural shifts—including fleet renewal cycles, increasing vessel size complexity, and the accelerating decarbonisation of port operations, reflect a combination of established operational delivery capability and forward-looking strategic positioning.

Global seaborne trade remains structurally supported by supply chain diversification and Asia-led demand growth, while port ecosystems are increasingly prioritising efficiency, emissions reduction, and integrated logistics capabilities. Within this context, the integration of ground-level operational expertise with top-down market intelligence and continuous horizon scanning enables the Group to position itself more effectively across evolving marine value chains, capture emerging demand pools, and reinforce long-term competitive differentiation in a structurally transforming global industry landscape.

To conclude, the Group will continue to monitor developments in offshore support requirements and selectively pursue adjacent opportunities, including offshore support and logistics solutions, where these are aligned with its operational capabilities and long-term portfolio strategy.

APPRECIATION

On behalf of the Board, I wish to express our sincere appreciation to our shareholders for their continued trust, patience, and support throughout the Group's journey. We also acknowledge your confidence in the Group's corporate turnaround in FY2025, which has enabled Avangaad to conclude a challenging chapter and emerge with renewed stability, strengthened fundamentals, and clearer strategic direction.

I extend my heartfelt thanks to our new leadership and management team, together with our loyal employees, whose professionalism, resilience, and commitment ensured that operations continued to be delivered reliably as the Group

navigated a period of transition. Their ability to maintain service standards, uphold safety protocols, and preserve operational continuity under pressure reflects the strength, discipline, and character of the organisation.

My appreciation also extends to our clients, financiers, and business partners for your steadfast collaboration and confidence in Avangaad, particularly during the PN17 period. Your support reinforced the Group's credibility as a trusted partner and enabled us to sustain operations, secure long-term contracts, and build forward earnings visibility during a critical period of transition.

FY2025 marks a firmer ground for Avangaad.

As the Group moves forward with stability and clarity and

a renewed appetite for growth and ambition, we progress with pride - grounded in discipline, resilience, and clarity of purpose.

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS | MARKET PRESENCE

Avangaad Berhad (“Avangaad” or “the Group”) is a Malaysian marine logistics and offshore support services provider offering vessel charter hire solutions across marine transportation, offshore support, and port marine services. The Group’s operational footprint is supported by a diversified fleet serving oil and gas operators, downstream customers and port authorities, with operations managed under a single reportable segment: vessel charter hire.

- **Tanker chartering** for the transportation of petroleum products and marine fuel logistics.
- **Offshore support vessels (OSV)** (including fast crew boats) supporting offshore oil and gas production activities.
- **Port marine services** through harbour tug operations to support terminal and port activities.
- **Floating storage solutions** and **Offloading (FSO) units** with marine support to enhance offshore operations through efficient storage and transfer of oil and gas from offshore production facilities.

Overview:

RENEWED MISSION, UNBOUNDED GROWTH

“ *FY2025 marked a transition for Avangaad – from proving viability to proving sustainability. The year was characterised by firmer operational footing, clearer commercial direction and more disciplined execution across the business.* ”

In an industry where reliability, safety and service continuity remain central to customer decision-making, the Group continued to strengthen its position through operational readiness, contract visibility and dependable delivery across its core marine and offshore activities. This reflects a business that is no longer defined primarily by recovery, but increasingly by the consistency and credibility of its operating platform.

Avangaad’s next phase is therefore not about growth at any cost, but about selective expansion supported by stronger earnings quality, prudent capital discipline and clear operational alignment. This is enabled through the Group’s approach.

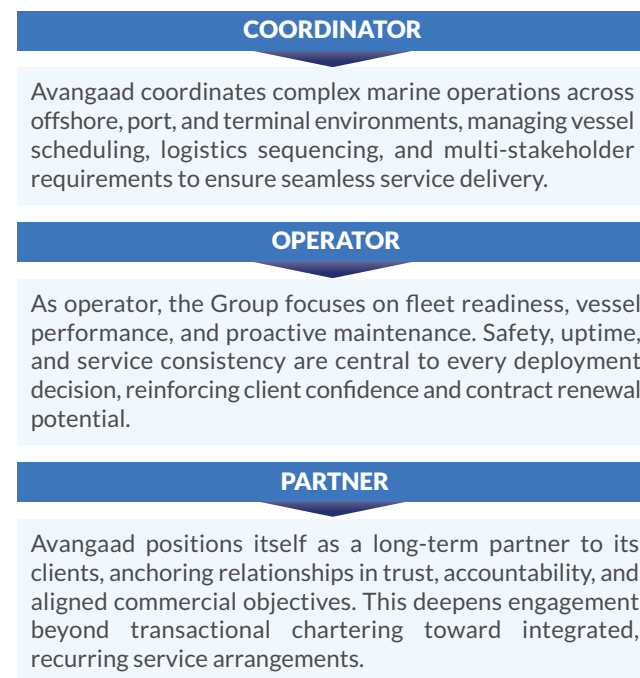
Marine COP



This approach, which integrates assets, people and partners, enables Avangaad to deliver reliable service outcomes and contract-driven performance. Viewed through this lens, FY2025 demonstrated not only viability of the Group’s business model but also its ability to generate recurring, contract-backed earnings anchored in consistent, cash-generative operations - highlighting the operational strength that can support sustainable growth over time.

Marine COP in Practice: A Value Creation Model Rooted in Defensible Operational Support

The Group introduced Marine COP post-PN17 to define its market positioning, closely aligned with its track record since corporate establishment. With a fleet of twenty-six (26) vessels to date, this reflects stable asset ownership and consistent portfolio management. Setting itself apart in a competitive market, Avangaad’s solid foundation is reflected in operational stability, demonstrated across varied market conditions and challenges. Through a single platform, the Group continues to provide comprehensive end-to-end marine logistics solutions, showcasing both its operational strength and business agility in navigating complex challenges while delivering consistent performance.



Avangaad operates an integrated marine services platform supporting marine transportation and offshore storage for the oil and gas industry.

More than a branding initiative, Marine COP embodies the tangible application of Avangaad’s core values in its business operations, showcases achieved earnings success and demonstrates validated operational continuity across its services.

Through a diversified fleet and contract-led operating model, Avangaad delivers essential marine transportation, offshore storage, and port marine services, providing end-to-end maritime solutions under a single platform. This integrated approach enhances coordination across service lines, deepens client engagement, and supports recurring, predictable revenue streams.

Marine COP
Born in 2025

With 4S JOURNEY
Introduced in 2024,
Values in 2025

<p>Steadfastness</p> <p>↓</p> <p>Synergy Agile Execution</p>	<p>Security</p> <p>↓</p> <p>Scale Proactive Operational Integrity</p>
<p>Moving beyond consistency to active fleet optimisation. The Group has been responsive to market upswings while maintaining the 35% net profit margin baseline.</p>	<p>Safety is not just a discipline application. Avangaad practices high regulatory compliance and risk control to strengthen its credibility to bid for premium, high-stakes international contracts.</p>
<p>Stability</p> <p>↓</p> <p>Structure Compounded Capital Velocity</p>	<p>Sustainability</p> <p>↓</p> <p>Stewardship Resilient Value Integration & Active Transition Management</p>
<p>Transitioning from visibility to cash-backed expansion. Presented with lower gearing (0.08x) and strong free cash flow to fund fleet growth without traditional debt burdens.</p>	<p>Evolution into the Marine COP model through proactive stewardship of workforce capability, ethical governance and operational accountability, while extending responsibilities across the vessel lifecycle to actively manage emissions profiling and fuel-mix optimisation.</p>

As the marine and offshore industry continues to evolve—amid increasing focus on decarbonisation, regulatory developments, and changing charterer expectations—Avangaad Berhad has refined its 4S framework.

What began as an operational foundation—**Stability, Steadfastness, Sustainability and Security** has been further enhanced into a value-oriented proposition: **Structure, Synergy, Scale and Stewardship**.

This progression reflects the Group’s continued focus on strengthening operational quality and proactively advancing execution discipline, performance resilience, compliance readiness, and long-term assurance amid a more complex operating landscape.

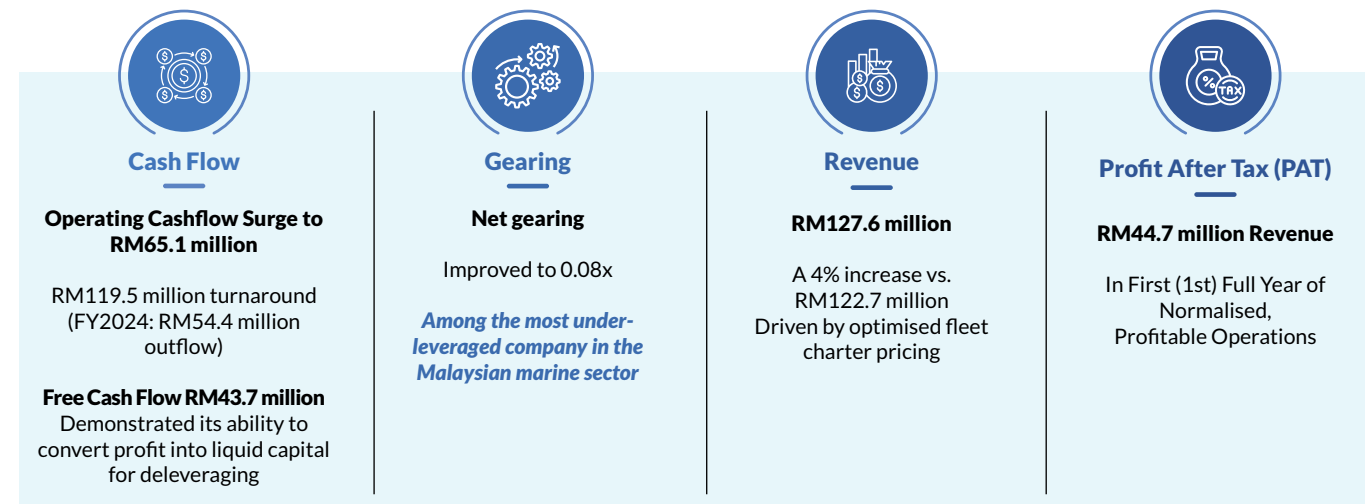
MANAGEMENT DISCUSSION AND ANALYSIS

Avangaad marked FY2025 as a Year of Operational Recalibration

Following its February 2025 rebranding, the Group demonstrated both a transition from historical performance and a robust resolution within the year, setting the stage for scalable growth. Anchored by its four (4) marine service pillars, Avangaad committed to delivering stability and operational readiness, translating its capabilities into maximised asset utilisation.

Against a broader industry backdrop, the Group maintained vigilant oversight of complex regulatory environments and rising competitive pressures. Prudent measures and disciplined cost management enabled the Group to leverage operational velocity effectively, resulting in a debt-light balance sheet capable of self-funding future expansion. Serving tier-one partners in this challenging landscape also requires more than operational

Core Financial Performance:



Financial Performance

A Swift Path to Stability: Unlike many other PN17 entities that typically experience prolonged financial challenges prior to the upliftment of their status, Avangaad demonstrated resilience early in its recovery journey, recording ten (10) consecutive profitable quarters even before the formal removal of the PN17 classification. The subsequent rebranding marked a forward-looking milestone, signalling renewed momentum and stability as the Group charts its next phase of growth. This progress was further reflected in Avangaad's FY2025 financial performance, which reaffirmed its return to operational stability and sustained profitability.

execution - through FY2025, the Group consistently demonstrated integrated ethical governance and workforce excellence, creating synergistic value that deliver execution-driven performance over time.

Corporate Turnaround in FY2025

The Standout Resolution : Positive Retained Earnings of RM76.7 million
Rebounded by nearly RM199 million within twenty-four (24) months

Profitable, Cash-Generative, and Debt-Light: A Strong First Full Year Post-PN17.

“Not About Recovery, It’s About Resolution & Growth”

FY2025 was never about survival for Avangaad Berhad—it was about **resolution, resilience, and strategic execution**. Despite periods of operational restrictions, the Group continued to secure both new contracts and extensions, bringing its order book to a notable RM423.0 million. The challenges faced in FY2024 were primarily linked to an Engineering, Procurement, Construction, Installation, and Commissioning (EPCIC) project in the North Malay Basin, where the project’s financial status was materially pressured by unforeseen proceedings. These were further compounded by broader market pressures and pandemic-induced supply chain disruptions.

MANAGEMENT DISCUSSION AND ANALYSIS

Recognising these challenges, the Group took decisive action to refocus its operations post-February 2025, strengthening charter contracts and reinforcing service reliability for its existing clients. The consistent support from long-standing clients and partners facilitated secured contract awards and multiple extensions during FY2025, sustaining high fleet utilisation and emphasising earnings visibility.

For the twelve (12) months ended 31 December 2025, Avangaad delivered stable and cash-generative operating performance, supported by resilient charter demand, higher charter rates, and improved vessel utilisation. While headline profitability was lower year-on-year, this primarily reflects the absence of significant one-off income recognised in FY2024, rather than any weakening of the Group’s core operations. As such, FY2025 provides a more representative view of recurring earnings.

The Group recorded a Profit Before Tax (“PBT”) of RM29.0 million in FY2025, marking its first normalised and operationally driven PBT in recent years. While FY2024’s reported PBT of RM211.2 million included a one-off, non-cash RM171.1 million debt waiver gain, the underlying operational PBT stood at approximately RM40.1 million. Avangaad’s FY2025 performance therefore underscores the strengthening quality of its earnings, reflecting a more sustainable, cash-backed foundation driven by core business activities rather than non-recurring items.

Most critically, FY2025 was underpinned by a decisive turnaround in liquidity. Operating cash flow for the 12-month period reached RM65.1 million, marking a significant reversal from the sustained outflows experienced during the restructuring phase. This strong cash generation enabled the Group to restore financial independence and return to a positive retained earnings position of RM76.7 million. Over a twenty-four (24)-month period, Avangaad delivered a remarkable RM199.0 million improvement in retained earnings, transitioning from RM122.3 million in accumulated losses to a positive RM76.7 million. Net gearing improved to 0.08x, down from an estimated 0.40x at the peak of distress, positioning Avangaad among the more conservatively capitalised marine operators on Bursa Malaysia, with substantial headroom to support future fleet investments and selective mergers and acquisitions (“M&A”) without balance sheet strain.

As at 31 December 2025, Avangaad holds a total potential order book of **RM423.3 million**, comprising **RM154.7 million in firm contracts** and **RM268.6 million in extension options**. During FY2025 alone, the Group exceeded its full-year revenue run-rate of RM127.6 million in its new and extended contracts. This is a robust book-to-bill ratio of approximately 1.07x, signalling strong commercial momentum going into 2026.

Quarterly Operating Cash Flow (QoQ)			
While the full-year operating cash flow reached RM65.1 million , the quarterly progression shows a significant acceleration in the second half (“2H”) of the year as new contracts and the lifting of operational constraints.			
Q1	Q2	Q3	Q4
Operating Cash Flow (RM'000)			
32.03	30.48	42.68	65.15
Strong start driven by the initial settlement of legacy receivables and stabilisation post-PN17.	A normalisation period following the high Q1 collection, focused on internal operational re-baselining.	Steady performance supported by a 4.0% revenue rise and improved charter rates for Fast Crew Boats (FCB).	Primarily driven by the full contribution from contract execution and cash generation capabilities.

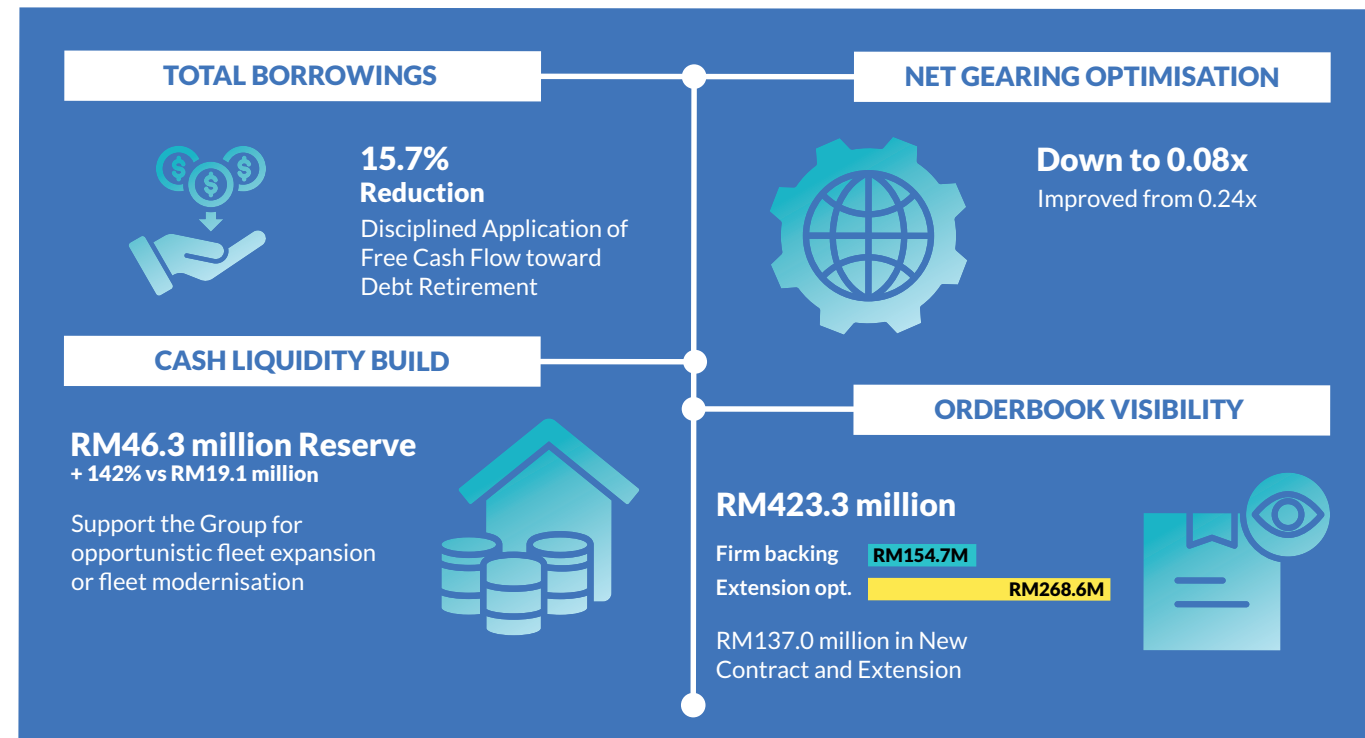
Despite delivering a consistent and notable uplift in operating cash flow in FY2025, the Group recognises that such elevated levels may not fully reflect a sustained run-rate, given the timing of contract flows, operational cycles, and prevailing market conditions. Nonetheless, the Group achieved a total turnaround of RM119.5 million, compared with an outflow of RM54.4 million in FY2024, enabling Avangaad to build a RM46.3 million cash reserve to support future growth initiatives. Following the formal

termination of the Bumijaya Jaya Sdn. Bhd. term sheet on 29 December 2025, the Group has further streamlined its operational focus. The Group continues to assess both organic and inorganic growth opportunities. Its cash position, supported by internal cash generation, provides a degree of flexibility for future investments - to pursue expansion and strategically deploy capital to create long-term value.

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Key Financial Highlight: Debt-Light Resilience
FY2025



The most significant achievement of FY2025 is the radical transformation of the Group's capital structure. Avangaad has effectively decoupled its growth from external financing, funding its turnaround through **pure operational performance**. Within the same year, the Group has also proven its successful completion in replacing one-off restructuring gains with high-quality, recurring cash flows.

The 9M to 12M Acceleration: A Structural Inflection Point

The financial trajectory of Avangaad in FY2025 was defined by a distinct acceleration in the final quarter. While the first (1st) nine (9) months delivered a solid RM42.7 million in operating cash flow, the leap to a full-year total of RM65.1 million represents a 52% surge in the final three (3) months alone.

This 9M-to-12M momentum was not merely cyclical - it was the result of a deliberate strategic focus on high-utilisation niches and optimised charter pricing.

A Benchmark for Avangaad's Strategic Resilience - Primed for Scalable Growth

The financial results of FY2025 confirm that Avangaad Berhad has successfully **moved past its restructuring phase into a period of high-velocity execution**. The delivery of a 35.04% net profit margin amid global port volatility highlights the efficiency of its Marine COP framework. Anchored by strategic partnerships and a four (4) main service pillar model, Avangaad has mitigated historical risks and unlocked a scalable path forward.

The Group leveraged the year to re-baseline operations, strengthened retained earnings by RM199.0 million over 24 months, and maintained a conservative balance sheet with 0.08x gearing. This disciplined approach positions Avangaad to enter FY2026 not merely intact, but fortified—equipped with the financial flexibility to pursue strategic acquisitions and execute the next phases of growth with confidence and foresight.

Management Focus
Strategic Execution under New Leadership

A key catalyst in FY2025 was the appointment of a new leadership team, led by major shareholders and supported by a refreshed Board, repositioning Avangaad **from a defensive stance to a growth-oriented, execution-driven model**.

With renewed management at the helm, Avangaad drove FY2025 execution along two (2) key priorities: **Securing recurring revenue** and **Broadening the client portfolio** to mitigate dependency on conventional oil and gas cycles and sustain continuous earnings momentum.

- Leadership Reset Driving Organisational Re-baselining:**
The leadership change systematically rebuilt the Group's market and operational standing.

Leadership Injection Phase | July 2024

The new management team* took control upon the completion of a RM79.6 million capital exercise, providing the immediate financial capacity to address legacy obligations and marking a clear transition beyond its restructuring phase.

Directors	Date of Appointment	Strategic Values
Datuk Wira Mubarak Hussain Akhtar Husin <i>Executive Director</i>	10 July 2024	A member of the initial leadership reinforcement preceding FY2025, contributing enhanced commercial acumen and strategic direction to the Group.
Dato' Lai Keng Onn <i>Executive Director</i>	10 July 2024	A member of the initial leadership reinforcement, contributing continuous strategic, operational, and financial insights that underpinned the Group's turnaround and performance recovery.
Dato' Seri Nazir Hussain Akhtar Hussin <i>Executive Director</i>	23 July 2024	A member of the new leadership, driving the Group's strategic repositioning, bringing extensive development experience to support growth initiatives and strengthen institutional direction.

**For the purposes of this MD&A, 'New Management' refers specifically to the Group's Executive Directors*

Operational De-Risking | Early 2025

Management executed the disposal of non-performing assets for RM44.5 million. This pivot improved cash velocity and focused resources on high-margin harbour tugs and fast crew boats.

The 'Marine COP' Pivot | Early 2025

Leadership introduced the Marine COP (Coordinator, Operator, Partner) and 4Ps (Port, People, Product, Platform) strategies. This moved the company away from being a simple vessel owner to a strategic maritime orchestrator.

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Management Focus

Strategic Execution under New Leadership

The renewed leadership has brought a clear infusion of strategic oversight and prudence, strengthening both financial and operational performance. In FY2025, this translated into a **successful dual turnaround**—evidenced by balance sheet optimisation, robust financial results, and the advancement of strategic initiatives. Simultaneously, the Group repositioned itself within the maritime ecosystem, signalling a proactive approach to growth, resilience, and value creation.

Dual Turnaround

First (1st) Half (“1H”)

focused on removing the survival risk that had plagued the Group. The new leadership team shifted the focus to strengthening cash flow by first disposing of aging, high-maintenance assets – revitalise its capital fluidity and redeploy it into high-yield operations.

2H

was the market positioning shift from a **vessel owner** to a **maritime orchestrator**.

Under the Marine COP and 4Ps frameworks, the management centred on stabilising operations, strengthening cash flows, enhancing contract pipelines, and optimising its asset portfolio, all while maintaining a prudent stance on strategic opportunities.

The leadership injection phase established a foundation of strategic clarity, operational discipline, and financial prudence, setting the stage for the Group’s FY2025 transformation. By combing targeted operational interventions in 1H with market repositioning and strategic orchestration in 2H, the new management team successfully strengthened the Group’s resilience, stabilised cash flows, and enhanced the predictability of earnings.

This phase also reinforced institutional knowledge and human capital, with the leadership team embedding a culture of execution excellence, disciplined decision-making, and value creation. The measured yet decisive actions taken during this period enabled the Group to convert operational capability into sustainable earnings visibility, optimise its fleet deployment, and position itself for long-term growth within the maritime ecosystem.

Overall, the leadership injection phase marked the turning point from survival to strategic execution, demonstrating that capable, focused leadership can drive both financial recovery and operational transformation, while providing a strong platform for continued expansion and shareholder value creation.



Operational Highlights

Active Execution, Focused Operations, Steady Conversion

Avangaad delivered a year of active execution and disciplined commercial follow-through, continuing to perform strongly across marine transportation, offshore support and port marine services. The Group further enhanced the visibility of its contracted work through new awards, renewals and extensions. Rather than being defined by broad expansion, the year was characterised by measured deployment, customer retention and the steady conversion of operating capability into more durable earnings visibility.

Operationally, the Group continued to serve customers across Malaysia’s energy, offshore and port ecosystems through a diversified fleet comprising tankers, fast crew boats, harbour tugboats, utility boats and mooring boats.

This mix remained important in FY2025

this fleet composition is not incidental

and

, as it enabled Avangaad to support multiple operating environments and sustain activity across different service lines – it reflects deliberate positioning across three (3) structurally distinct service markets: Port, Offshore Support Vessels (OSV), and Offshore. Each segment operates under different demand cycles, contractual frameworks and counterparty profiles, allowing the Group to sustain activity and revenue continuity even when conditions in any single segment soften. This capability justifies the pricing premium embedded in charter rates and reiterates the value of Avangaad’s operational reliability at scale.

Operating Platform Credibility with Disciplined, Contract-Led Earnings

In FY2025, Avangaad demonstrated a rapid turnaround from its distressed position, maintaining operational momentum despite external constraints. Anchored by its strengthened leadership team and a skilled workforce, the Group not only protected a robust net profit margin of 35.04% but also secured RM137 million in new contracts, reflecting strong contract-led visibility. Strategically, Avangaad diversified into the growing port marine services sector, reducing reliance on upstream oil and gas and demonstrating tangible action in exploring growth opportunities beyond cost management, a key post-PN17 priority.

On the execution front, the Group is equipped to sustain and scale its activities. Supported by experienced operations heads, a dedicated manning team, and a crew of skilled personnel, Avangaad also benefits from an in-house shipyard, giving full control over vessel repair, building, and maintenance. This capability, coupled with the newly injected strategic leadership mindset, positions the Group to expand capacity in the near term. Improved cash generation and contract continuity underscore its effectiveness in mitigating uncertainties and reducing financial and operational impairments, while ensuring that strategic priorities are prudently managed to drive sustained demand across both the Group and the market.

Looking across the full year, Avangaad's operational performance in FY2025 validates the strategic logic of fleet diversification across multiple marine service categories. No single vessel type or customer segment was sufficient on its own to deliver the combination of revenue growth, cash generation and order book accumulation that the Group achieved. Together, they produced a result that is more resilient and more financially sustainable than any one segment could have generated in isolation.

Avangaad is more than a transactional vessel provider:

More than vessels - We Coordinate. We Operate. We Partner.

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Business Continuity & Earnings Stability

Contracts

Loyalty & Renewal Visibility



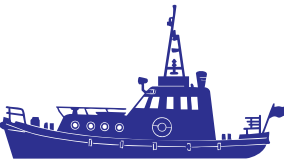


Maximising Fleet Productivity

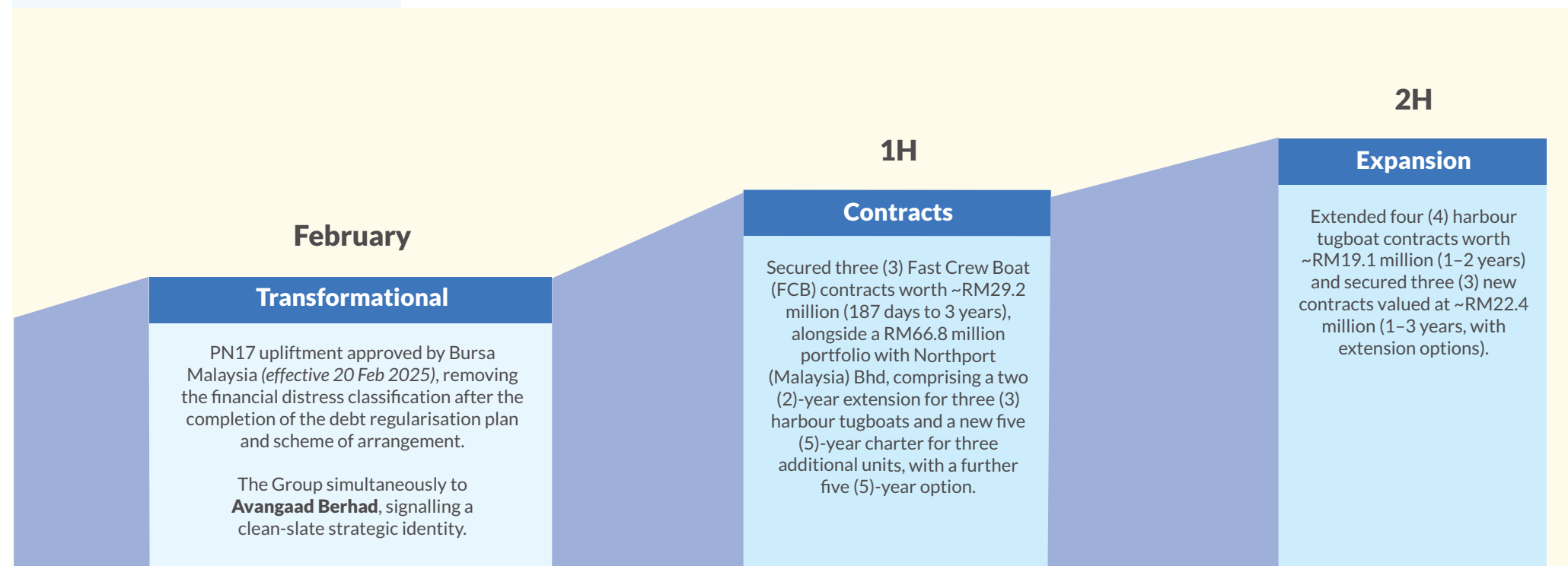


Managing Operational Efficiency

During FY2025, Avangaad secured multiple contract awards and extensions that strengthened utilisation and forward earnings visibility:

Contracts	Customer	Key Details	Value (RM mil)
 Harbour Tugboat	Northport (Malaysia) Bhd	Extension of three (3) 40-tonne Z-Peller harbour tugboats for two (2) years	18.9
		New contract for three (3) 50-tonne BP Z-Peller harbour tugboats for five (5) years	47.9
Subtotal – Northport			66.8
 Fast Crew Boat (“FCB”)	Offshore support customers	Secured three (3) FCB contracts year-to-date	29.2
 Harbour Tugboat - New & Extensions	Port marine services customers	Extensions of four (4) harbour tugboat contracts for one (1) to two (2) years	19.0
		New contracts for three (3) harbour tugboats for one (1) to three (3) years	22.4
Total Contract Wins & Extensions			137.4

*FCB, harbour tugboat, and Northport contracts secured in 1H and 2H 2025 provide multi-year revenue visibility



2025 Core Operational Engines: FCBs and Harbour Tugs

FCBs and tugboat segments emerged as the year’s primary earnings drivers. This was largely due to the profound shortage of OSVs (Offshore Support Vessels) in the Malaysian waters, a fact corroborated by industry analysts who noted that OSV utilisation rates in the region peaked at nearly 90% in late 2025.

By prioritising these segments, Avangaad successfully captured:



- **Optimised Charter Pricing:** Taking advantage of the market’s undersupply status to negotiate higher daily charter rates during contract renewals.
- **Maximised Utilisation:** Achieving consistent uptime for the FCB fleet, which serves the mission-critical personnel transport needs of major oil and gas players.

The Group’s ability to align its fleet composition with high-demand, high-utilisation vessel classes demonstrates a disciplined operating model. By focusing on segments with shorter turnaround cycles, essential service demand, and strong charter visibility, Avangaad enhanced earnings resilience, cash flow stability, and operational efficiency in FY2025.

Operational Levers Behind Fleet Success

People

As the Anchor of Operational Resilience & Principles

-  Driving Operational Effectiveness
-  Strengthening Human Capital into Operational Stability

Operating within a crew-centric offshore marine environment, Avangaad enhanced its bench strength in FY2025 under renewed leadership, reaffirming its human capital as a core driver of vessel readiness and execution reliability. The Group's seafarers, marine crew, and offshore logistics personnel—through accumulated sea time, technical proficiency, and adherence to standard operating procedures—ensure high fleet availability, safe navigation, and consistent service delivery across its charter portfolio.

This operational depth supports deployment flexibility and turnaround efficiency, enabling the Group to respond to dynamic charter schedules, shifting offshore work scopes, and evolving regulatory requirements, while maintaining optimal vessel uptime and utilisation rates.

In parallel, the Group advanced its ESG-aligned crewing strategy, with continued emphasis on safety compliance, competency certification, and structured upskilling programmes, ensuring that crew capability remains aligned with industry standards and operational demands.

Under the renewed leadership team, greater focus has been placed on crew optimisation, cross-vessel capability, and performance monitoring, resulting in improved voyage execution, reduced off-hire days, and stronger operational discipline across the fleet.

Collectively, these initiatives have enabled Avangaad to convert its operational capacity into sustained charter performance and earnings visibility, particularly through efficient deployment of its crew boat fleet and reliable offshore support services.

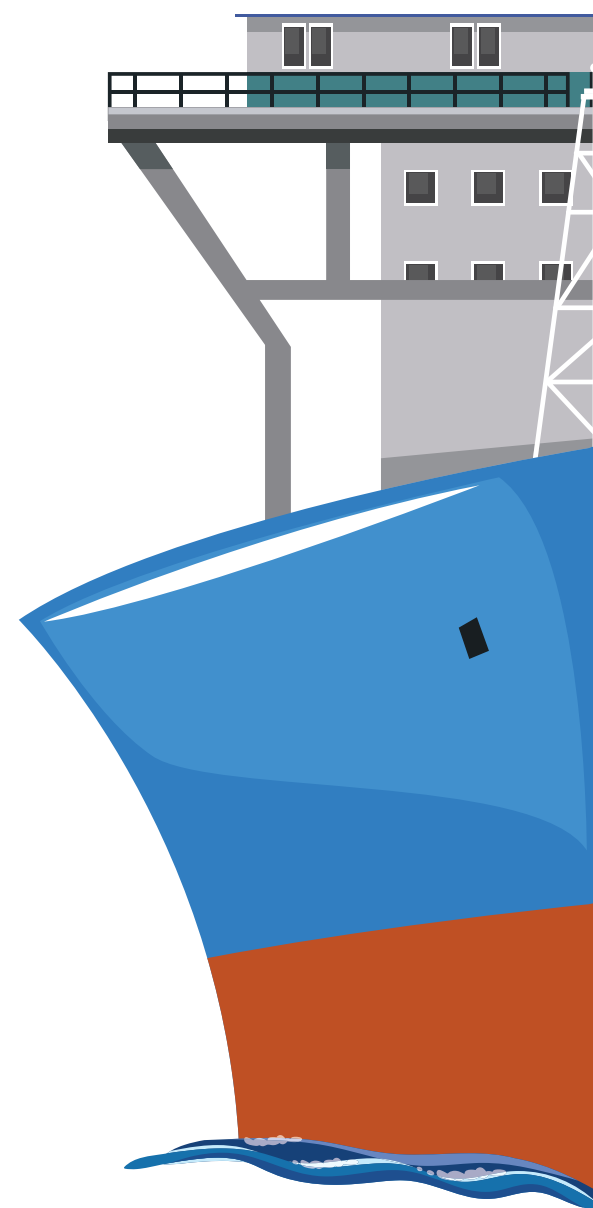
Expand Market Reach with a Growth-Focused Strategy

The Group recognises that its service offerings are a key driver of operational growth. Over time, Avangaad has enhanced reliability and performance, with economic outcomes serving as a tangible metric for strategic decision-making. In FY2025, the Group carefully rebalances its portfolio, aligning immediate operational priorities with mid- to long-term growth targets.

The initiative to accelerate fleet expansion by exploring acquisition opportunity in FY2025 was not concluded, nevertheless, Avangaad continues to build on its track record of disciplined operational execution while remains proactively evaluating potential marine entities that demonstrate strong commercial viability, providing optionality for accelerated expansion without compromising operational discipline. The Group's strategic operational framework combines immediate performance priorities with a forward-looking growth mindset, ensuring that day-to-day activities are consistently aligned with its medium- and long-term objectives.

Bridge to Tomorrow's Opportunities

Benchmarking against the targets set in FY2025, these have provided a solid foundation for the Group's continued progress. Nonetheless, Avangaad remains committed to its **Three-Phase Growth Pathway** as a strategic framework to drive disciplined market penetration and expansion.



Phase 1

- Focus on consolidation and contract execution.
- **Protect the base by strengthening renewal outcomes**
- **Convert operational performance into stable cash flows**

Phase 2

- Deepen market penetration and enhance service capabilities by selectively expanding into adjacent and higher-value service segments, enabling broader contract coverage and improved revenue opportunities.
- **Actively exploring joint venture opportunities**
- **Expand presence within port operations**

Phase 3

- Pursue growth and optimise the portfolio via partnerships and modernisation, anchored by strong governance and capital discipline.
- **Scale fleet capacity**
- **Advance green fleet initiatives and modernisation efforts**
- **Build long-term competitiveness and alignment with evolving industry standards in Malaysia**

By systematically embedding its core operational principles—Fleet Diversity, Contract Quality, and Human Capital Excellence—into daily operations, the Management is confident that the consistency commences in FY2025 will not only align but also support the delivery of long-term growth objectives. This pathway is anticipated to further reinforce service credibility and operational reliability, while enhancing the Group's capacity to replenish its order book, expand its tender pipeline, and secure new wins.

MANAGEMENT DISCUSSION AND ANALYSIS

Maximising Revenue Potential Through Fleet Diversity

In line with this strategic growth orientation, Avangaad remains active in evaluating mergers and acquisitions as a means of accelerating fleet expansion and growing serviceable capacity beyond what organic contract extensions alone can deliver. The Group continued throughout FY2025 to assess commercially viable opportunities that complement its core operating model without compromising the operational discipline. While the proposed acquisition of assets in FY2025 did not ultimately proceed, the exercise nonetheless reflects a management orientation that is deliberately outward-looking and intent on scaling the platform as market conditions and balance sheet strength permit.

Taken together, in FY2025, Avangaad delivered a successful turnaround alongside a meaningful strengthening of its fundamentals. Its progress in rebuilding confidence in its value delivery and creation highlights the Group's agility and resilience to sustain performance and remain competitive amid an evolving landscape.

The Group also seeks to highlight that the implementation of its operational improvement framework has provided a more structured foundation for stabilising its post-resolution footing.


These developments, as reflected through the "Approach" and "Journey" framework, articulate the Group's pathway toward a strengthened trajectory anchored in **Restoration, Discipline, and Operational Clarity.**



Approach
Through this integrated strategy,

Avangaad draws on fleet diversification, high-quality contract retention and skilled human capital to drive operational execution and market expansion in parallel. The breadth of the Group's vessel types — spanning tankers, fast crew boats, harbour tugboats, utility vessels and mooring boats — enables it to pursue opportunities across different operating environments, service requirements and counterparty profiles simultaneously, rather than being confined to a single market segment's contracting cycle.

This positions the Group to penetrate adjacencies, consolidate existing relationships into longer-term arrangements, and capture value-accretive growth as new contract opportunities arise from port expansion, continued offshore production activity and potential new client mandates, all while preserving the operational resilience and financial stability that the Group has worked to rebuild and that underpins the confidence of its anchor customers.



Journey
Throughout this pathway,

Avangaad remains guided by a consistent operating philosophy: **Prioritising quality earnings over volume**, reinforced by proven delivery, compliance readiness and dependable service standards maintained across operating conditions.

The Group's PETRONAS Gas Berhad ("PETRONAS") registration, its MOF licensure, its Shariah-compliant status on Bursa Malaysia, and the multi-year trust embedded in relationships collectively represent accumulated institutional credentials that are not easily replicated and that form the basis upon which longer-term partnerships are built.

As Avangaad continues to align its service delivery closely with customers' operational goals — adapting vessel deployment, contract structures and crewing continuity to the specific requirements of each engagement — it reinforces the conditions for sustainable, recurring revenue that is defensible through market cycles rather than dependent on spot rate environments or short-tenure contract wins.




MANAGEMENT DISCUSSION AND ANALYSIS

The Exposure Profile

The Group operates in a capital-intensive, highly regulated, and cyclical marine logistics environment supporting offshore oil and gas and port marine activities. During FY2025, the Board and Management continued to identify, assess, and manage key risks through structured oversight, established internal controls, and proactive monitoring.

While the operating environment remains exposed to external volatility, the Group's risk profile has evolved from restructuring-related exposures to a focus on contract sustainability, service delivery, and financial prudence, reflecting the completion of the PN17 regularisation plan. The risks remain consistent, and management measures continue to be prudent and disciplined, irrespective of PN17 considerations.

RISK MANAGEMENT: KEY RISKS AND MITIGATION MEASURES

Strategic Risks	Risk Context	Mitigation Strategies
 <p>Operational Continuity</p>	Delays in crew transfers or vessel availability can disrupt offshore rig operations or port schedules, triggering costly standby charges and cascading operational delay	<ul style="list-style-type: none"> Fleet Redundancy: Maintain overlapping availability of critical vessels (fast crew boats, tugboats, utility vessels) to ensure operational continuity Predictive Maintenance & Asset Monitoring: Use analytics-driven maintenance to minimize unplanned downtime Crew Training & SOPs: Implement rigorous training and emergency procedures to ensure safety and reliability Cross-Segment Flexibility: Diversified fleet allows redeployment across segments to meet urgent operational needs
 <p>Contract and Revenue</p>	Dependence on a few major long-term charters exposes the Group to contract non-renewal or demand fluctuations.	<ul style="list-style-type: none"> Contract Diversification: Spread clients across Port, OSV, and Offshore markets to reduce exposure to any single cycle Staggered Expiry & Extension Strategies: Maintain a calendar of renewals and proactively secure multi-year contracts Contractual Value Preservation Embedded contractual safeguards to ensure the preservation of economic value across contracts
 <p>Market Cyclicity</p>	Offshore demand and port activity are cyclical, influenced by global oil prices, shipping volumes, and macroeconomic conditions.	<ul style="list-style-type: none"> Segment Diversification: Positioning across structurally distinct markets smooths revenue volatility Asset-Light Approach: Mix of owned and leased vessels enables flexibility in adjusting capacity to market conditions Dynamic Pricing & Contract Structuring: Reflect market conditions in short-term contracts while maintaining long-term relationships Liquidity Buffering: Maintain healthy cash reserves and operating cash flow to navigate market downturns

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Strategic Risks	Risk Context	Mitigation Strategies
 <p>Regulatory & Safety Compliance</p>	<p>Non-compliance with marine safety, environmental, and port regulations can result in fines, operational delays, or reputational damage.</p>	<ul style="list-style-type: none"> Certifications, Standards and Regulatory Frameworks: <ul style="list-style-type: none"> ISO 37001: Anti-Bribery Management System (ABMS) IMO Carbon Intensity Rating (CII) of C for both tankers Other international regulatory obligations (e.g. ISM Code, ISPS Code, SOLAS, MARPOL, and STCW) Regular Audits & Training: <ul style="list-style-type: none"> Conduct internal and third (3rd) party compliance checks and ongoing ship crew training 100% compliance with mandatory ship drill requirement Incident Reporting & Continuous Improvement: <ul style="list-style-type: none"> Rapidly address operational issues and integrate lessons learned into safety manuals
 <p>Financial & Capital</p>	<p>Debt obligations, capital expenditures, or poor asset allocation can strain liquidity and growth potential.</p>	<ul style="list-style-type: none"> Prudent Capital Allocation: <ul style="list-style-type: none"> Align fleet acquisitions and upgrades with contracted work and market demand Strong Cash Flow Management: <ul style="list-style-type: none"> Ensure positive operating cash flows and disciplined debt management Stress Testing & Contingency Planning: <ul style="list-style-type: none"> Model downside scenarios to ensure sufficient liquidity under adverse conditions

Avangaad's risk management framework combines operational redundancy (*where backup assets, capacity, and systems are maintained to ensure uninterrupted service delivery*), contract diversification, and financial prudence to safeguard revenue continuity and operational reliability. Coupled with its fleet and segment diversification, this strategy ensures resilience against market cyclicality, regulatory pressures, and operational disruption, while reinforcing the Group's long-term competitive advantage in the marine services sector.

Strategic Macro Review: Steering Through Geopolitical Volatility

The recent escalation in the Middle East—particularly heightened tensions involving Iran—has reintroduced significant imported inflation risk to the global maritime sector. With fuel costs typically accounting for 30% to 50% of total operating expenditures, Avangaad has shifted from a reactive to a proactive, defensive posture.

While the Group operates primarily in Malaysian waters (Port and Offshore), it remains exposed to global geopolitical instability. However, Avangaad's market position as a critical link in Malaysia's energy supply chain has rendered its services indispensable, sustaining demand even during international turmoil. Leveraging asset agility and robust contractual protection, the Group actively manages these unpredictable risks. Although short-term cost volatility is inevitable, Avangaad maintains stability through financial and contractual safeguards, ensuring resilience against major international disruptions.

Disclaimer: The measures, risk management approaches, and strategic positions described herein reflect Avangaad Berhad's stance and operational status as of early April 2026. Circumstances, including market conditions, geopolitical developments, and operational factors, may evolve, and the Group undertakes no obligation to update the information contained in this report.

Risk Oversight

- Risk as a Strategic Enabler:** At Avangaad Berhad, Risk Oversight is the mechanism that ensures the delivery of a Strategy-led Operation. The Board recognises that achieving our ambitious FY2025/2026 growth targets requires a dynamic risk framework that balances aggressive expansion with disciplined capital preservation. While the Board retains overall accountability for the Group's risk management architecture, the management is empowered with the day-to-day execution and real-time monitoring of our risk profile.

With the entry of the new leadership team, Avangaad has cultivated a risk-based decision-making culture, conducting periodic reviews to ensure mitigation measures remain aligned with shifts in the global macro environment. The Group has implemented a structured risk management system designed to keep key risks within manageable parameters, with early detection mechanisms to identify potential challenges that could impact operational resilience or capital controls.

The Group's Approach to Risk: A Message from the Board

The Board of Directors, having reviewed the Group's risk posture and internal control mechanisms, is of the view that for FY2025, these practices were **adequate, effective, and resilient**. The transition from the legacy framework to the current Avangaad model has successfully de-risked the balance sheet and anchored the Group in high-margin, non-cyclical revenue streams. Its internal controls are specifically designed to support the Group's high-velocity execution phase, ensuring that as Avangaad continues to grow, it does so on a foundation of operational excellence and financial stability.

ESG & Sustainability

Integrated ESG in action:
Efficiency. Confidence. Visibility *Optimising Every Layer of Its Operations*

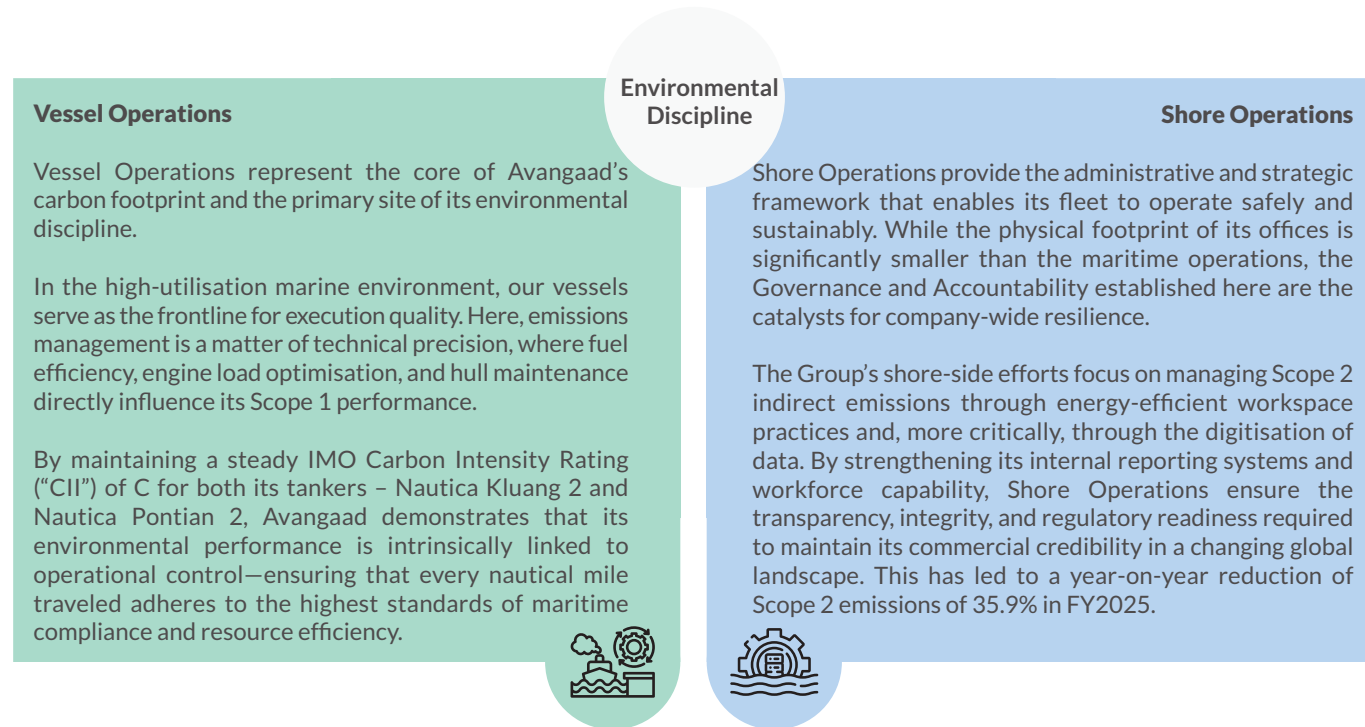


Resilient Operations, Sustainable Seas: For Avangaad, ESG is not a peripheral “check-the-box” exercise; it is a strategic lever embedded across fleet operations and asset management. Environmental controls, HSE-driven execution standards, and governance oversight are embedded across vessel performance, voyage optimisation, and regulatory compliance. Under this framework, the Group's FY2025 performance demonstrates a focused approach to integrating systematic sustainability metrics into core marine operations, enhancing fuel efficiency, emissions management, and service reliability across the fleet – supporting long-term cost optimisation, bolstering stakeholder confidence and improving earnings visibility.

Environmental Discipline

At Avangaad, it defines Environmental Discipline as the intersection of technical precision and regulatory foresight. In a marine landscape where emissions are increasingly scrutinised, Avangaad does not view carbon management as a compliance burden, but as a core operational competency. By synchronising its high-performance vessel engineering with data-driven shore-side oversight, the Group is establishing a transition-ready fleet. Its focus in FY2025 has been on stabilising its baseline—ensuring that every metric recorded is a step toward long-term commercial and environmental resilience.

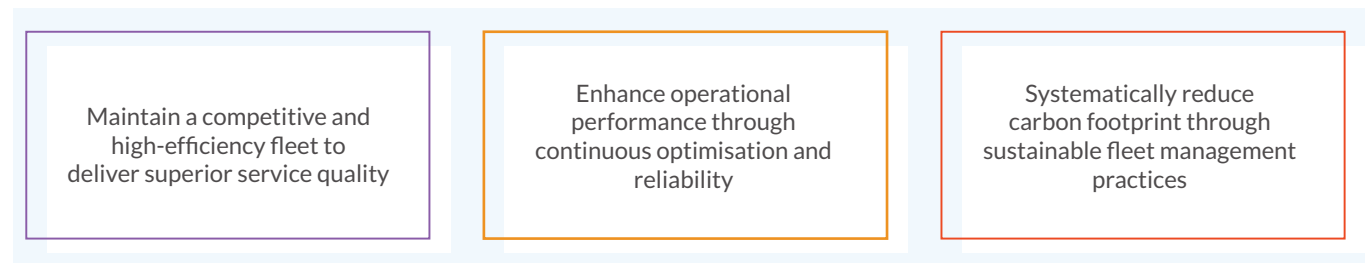
MANAGEMENT DISCUSSION AND ANALYSIS



By mastering emissions in both the engine room and the boardroom, Avangaad ensures that "Environmental Discipline" is a company-wide culture, not just a maritime requirement.

Looking forward, Avangaad's environmental strategy is anchored in continuous. As global maritime standards tighten, Avangaad is moving beyond static disclosure toward predictive emissions management. By strengthening its data integrity and investing in workforce readiness, the Group is future-proofing its assets against evolving carbon pricing and customer expectations.

Our Goal is Clear:



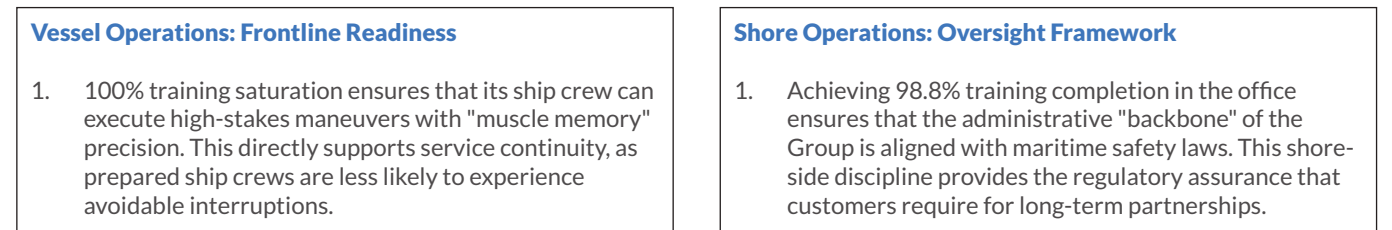
At Avangaad, it operationalises environmental rigor into every operation, adapting to evolving industry dynamics, and paving a sustainable path toward a resilience future.

Safety and Reliable Execution

Operational reliability is built on the foundation of human capital readiness. Avangaad recognises that in a high-utilisation marine environment, service continuity is not merely a byproduct of well-maintained assets, but a result of a prevention-led safety culture. For FY2025, its focus has been on hardening the frontline defenses — ensuring that every ship crew member and office professional is equipped with the competence to navigate risks before they manifest disruptions. By prioritising safety as a core execution discipline, Avangaad protects its people, assets, and the long-term trust of its customers – allowing the Group to achieve a commendable zero (0) fatalities and lost-time injuries in FY2025.

MANAGEMENT DISCUSSION AND ANALYSIS

The Safety Synergy



Looking ahead, Avangaad is evolving from a reactive safety model to a predictive readiness framework. The Group's goal for the coming year is to further integrate safety data into our commercial decision-making process, ensuring that safe execution remains a non-negotiable component of its service delivery. By continuing to invest in workforce competency and frontline empowerment, Avangaad is not just avoiding incidents—it is engineering a culture of reliability that serves as a distinct competitive advantage in the global maritime market.

Governance and Accountability

Governance is the 'invisible engine' that ensures technical and safety achievements and licence to operate are sustained through integrity. By proactively anchoring its governance within the National Sustainability Reporting Framework ("NSRF") and maintaining a rigorous Anti-Bribery Management System ("ABMS"), Avangaad transcends mere compliance.

In FY2025, its ABMS delivered a benchmark performance of zero (0) confirmed incidents, reinforcing its reputation as a high-integrity partner in the maritime sector. Simultaneously, Avangaad has accelerated its alignment with the NSRF, adopting IFRS Sustainability Disclosure Standards, explicitly acknowledging climate and sustainability risks as material to its long-term financial health. By embedding these risk-governance protocols into the core decision-making, the Group is doing more than 'checking boxes'—it de-risks its business and ensures that the commercial trajectory remains resilient against both ethical and environmental shifts.



The future of the maritime industry belongs to those who can prove their integrity. Integrating strategies with measurable impact enhances its oversight, sharpens oversight mechanisms, and accelerate climate risk integration, ensuring that its governance remains the enduring bedrock of commercial credibility and stakeholder trust.

The Strategic Thesis

In FY2025, Avangaad has successfully integrated technical environmental precision, a prevention-led safety culture, and a rigorous governance framework into a unified commercial strategy. Moving forward, the Group remains committed to this dual-track excellence—synchronising the high-stakes execution of its vessel operations with the strategic oversight and data integrity of shore-side leadership. Avangaad has established proactive measures to navigate evolving maritime landscape and is advancing a future-ready fleet designed to deliver consistent value, safety, and transparency to its stakeholders and partners.

"Precision at Sea, Integrity Onshore: Navigating the Future of Maritime Resilience."

MANAGEMENT DISCUSSION AND ANALYSIS

Strategic Outlook 2026

Building on FY2025 accomplishments, Avangaad enters 2026 with strong contract visibility, a diversified fleet of four vessel types, and strategic positioning across three (3) structurally distinct markets. This alignment with broader market dynamics reaffirms the Group's ability to deliver sustainable growth, operational resilience, and earnings continuity, while supporting scalable and strategically driven opportunities across key marine markets.

Sector Observation and Contract Strength

demonstrates Avangaad's ability to translate sector dynamics into predictable, high-quality earnings while maintaining a competitive operational footprint.



OFFSHORE OSV MARKET

The offshore oil and gas sector continues to underpin demand for offshore support vessels (OSVs), including fast crew boats and anchor handling tug supply (AHTS) vessels. While exploration activity may moderate, production-phase operations are expected to continue supporting demand for offshore logistics, crew transfer, and support services.

assess potential opportunities across related segments, including offshore logistics and storage solutions such as Floating Storage and Offloading (FSO) and Floating Production Storage and Offloading (FPSO) units, where aligned with its operational capabilities.

This dynamic reinforces the importance of multi-year contract coverage to sustain utilisation and provide earnings visibility.

In this context, the Group continues to monitor developments in offshore support requirements and



PORT MARINE SERVICES

The Group's harbour tug operations provide a relatively defensive income stream, driven by essential port activities such as berthing, unberthing, and escort services.

In parallel, the Group is assessing opportunities to participate in additional ports and new port developments, subject to tender processes and operational alignment.

Building on its established contract base, the Group continues to maintain stable utilisation and earnings visibility in this segment. It is also selectively evaluating opportunities to expand harbour tug capabilities, including higher bollard pull assets, to support evolving vessel size requirements and port handling complexity.

Ongoing port infrastructure expansion and rising vessel traffic are expected to support steady long-term demand for port marine services. The Group is also monitoring developments in low-emission and electric harbour tug technologies as part of its longer-term decarbonisation alignment.



STRATEGIC EXPANSION AND MARKET POSITIONING

The marine and offshore services industry continues to present a broad and evolving opportunity set across both offshore and port-based segments. While the Group currently operates within selected verticals, Management remains focused on expanding its participation in adjacent service areas where operational capability and competitive advantage can be leveraged.

Growth is expected to be driven through a combination of organic expansion via contract wins and service deployment, as well as selective inorganic initiatives, including joint ventures and targeted acquisitions of complementary assets or businesses. This approach enables scalable expansion across the marine value chain while maintaining execution discipline and prudent capital allocation.

The Group adopts a disciplined growth strategy, selectively participating in opportunities aligned with technical readiness, capital discipline, and targeted return thresholds.

MANAGEMENT DISCUSSION AND ANALYSIS

Strategic Imperatives for 2026: Immediate and Near-term

Growth is expected to be primarily organic in nature, arising from renewals, extensions, and incremental new awards within the Group's existing footprint. Optional contract extensions embedded within current agreements provide meaningful upsides without requiring significant additional capital deployment.

- Contract-Centric Growth** - Prioritise multi-year agreements to safeguard revenue visibility across cycles.
- Fleet Optimisation** - Align fleet composition with high-demand, high-utilisation segments (FCBs, harbour tugs) to maximise returns.
- Diversified Market Exposure** - Maintain and expand presence across Port, OSV, and Offshore segments to mitigate cyclicity and enhance operational resilience.
- Structural Market Opportunities** - Leverage Port Klang expansion and OSV fleet tightening to capture long-term growth and sustain premium pricing.
- Operational Excellence** - Continue disciplined execution, fleet, and service reliability to reinforce Avangaad's defensible advantage.

Longer-Term Ambitions

Deepening the "Marine COP" Orchestration



Mergers & Acquisitions (M&A)

Building a broader M&A strategy that focuses on integrated maritime consultants. This would encourage control of the entire service chain—from vessel design and engineering to offshore logistics—supporting its Marine COP (Coordinator, Operator, Partner) model.

Whilst, maintaining a long-term strength on securing value-accretive deals that support cross-segment service delivery, improve contract visibility, and generate synergies across operational hubs.

In a strategic outlook for 2026, Avangaad's M&A philosophy intends to evolve **from a Volume-based Approach to one focused on Yield-Accretive Technical Acquisition.**

The Group now has RM46.0 million cash reserve to utilise with a 0.08x net gearing to scout for niche maritime engineering firms. These targets are specifically selected to internalise technical capabilities in vessel design and offshore logistics, supporting the Marine COP model.

With the potential to shift away from simple hull acquisition and build toward acquiring technical intellectual property, Avangaad is able to reduce its reliance on third (3rd)-party shipyards and builds a self-sustaining ecosystem for growth.

MANAGEMENT DISCUSSION AND ANALYSIS



Fleet Modernisation

The Group's fleet modernisation forms a cornerstone of its multi-year strategic plan, conceived as a structured "Asset Refresh" to safeguard and sustain its 35.04% net profit margin over the long term.

Looking beyond 2026, the roadmap emphasises a systematic retirement of legacy, fuel-inefficient vessels, as exemplified by the successful divestment of the FSO Nautica Tembikai. This approach proves that the Group has monetised assets in a timely manner enhance portfolio agility and maintain a well-capitalised position.

This long-term phase is also set to drive continuous improvements in Specific Fuel Oil Consumption (SFOC) and embed real-time digital monitoring, enhancing efficiency, operational reliability, and environmental performance across the fleet.

By lowering the average fleet age and increasing technical uptime, Avangaad ensures its "Product" remains the most reliable choice for Tier-1 counterparties, effectively insulating the Group from the maintenance volatility associated with older maritime assets.



Potential Green Harbour Transition

The "Green Harbour Transition" reflects Avangaad's long-term strategy to insulate its operations from global fuel volatility and carbon-intensity risks. Over the coming years, as ports enforce stricter ESG mandates, Avangaad aims to positioning itself as a regional pioneer in innovative maritime technology.

This transition is expected to advance through strategic technical collaborations to develop shore-to-ship charging infrastructure, laying the groundwork for sustainable harbor operations. By integrating electric propulsion into its service offerings, Avangaad intends to provide "Green Charters" that serve as a structural hedge against energy shocks while cementing its role as a key enabler of Malaysia's long-term sustainable maritime ecosystem.

Avangaad's growth opportunities are closely aligned with its Marine COP positioning. This model emphasises integrated service delivery, consistent performance, and enduring partnerships, enabling the Group to embed itself within customers' operational ecosystems. As clients increasingly prioritise reliability, safety, and cost predictability, the Group's approach supports continued relevance and renewal potential across market cycles.

Financial prudence remains a central pillar of the growth framework. Improved operating cash flow, selective asset recycling, and tight working capital management provide flexibility while preserving balance sheet strength. Growth initiatives are assessed against clear readiness criteria, return thresholds, and risk parameters, ensuring alignment with long-term value creation rather than short-term expansion.

Concluding Perspective: Growth in a Less Linear Operating Environment

The operating environment is expected to remain shaped by macroeconomic uncertainty, geopolitical developments, and selective customer spending across the marine logistics and offshore services sector. While underlying demand for marine support services continues to be sustained by offshore production, maintenance, and port-related activities, customers are expected to remain measured in project timing, contract tenure, and cost commitments.

Although inflation moderated in several major economies during FY2025 and selected rate cuts were introduced, the pace of monetary easing has been gradual and uneven. Interest rates remain structurally elevated compared with the previous decade, reinforcing the importance of balance sheet resilience, liquidity management, and careful capital allocation. Currency markets have also remained volatile, with the U.S. dollar experiencing periods of weakness amid shifting rate expectations and global capital flows. In parallel, geopolitical tensions and renewed policy and tariff uncertainty continue to influence market sentiment and customer behaviour.

Against this backdrop, Avangaad's approach to growth remains deliberate. The Group does not pursue growth through rapid capacity expansion or speculative asset additions. Instead, growth is anchored in earnings quality, service reliability, and long-term contractual visibility.

MANAGEMENT DISCUSSION AND ANALYSIS

Armed with a strategically diversified fleet, resilient operations, and multi-year contract coverage, Avangaad is poised to assert its position as a premier marine services operator, leveraging both immediate market dynamics and structural growth opportunities to deliver sustained, scalable earnings across Malaysia's port and offshore ecosystems.

The performance of **Avangaad Berhad** in FY2025 stands as a definitive

Triple Turnaround:



FINANCIAL



OPERATIONAL



REPUTATIONAL

Board Perspective: FY2026 will be another year we contribute to the greater future of the Malaysian maritime landscape. The Group's focus remains steadfast and is set to evolve into a sustainable maritime logistics leader, leveraging its financial agility to capture higher-margin, low-carbon opportunities in the ASEAN region.

APPRECIATION AND ACKNOWLEDGEMENT

The Board and Management wish to express their sincere appreciation to all stakeholders who have supported Avangaad throughout FY2025 and across the Group's broader transformation journey.

We extend our deepest gratitude to our shareholders for their continued trust, patience, and confidence — particularly during the period when the Group operated under PN17 classification. Your support during that challenging and uncertain chapter was instrumental in enabling Avangaad to complete its regularisation process, restore financial stability, and move forward with renewed clarity and purpose.

We thank our Management team and employees for their professionalism, fortitude, and unwavering commitment. Their ability to maintain service continuity, uphold safety standards, and deliver with consistency throughout the PN17 process and subsequent transition period reflects the strength of the organisation and the culture we continue to build.

Our appreciation extends to our clients for their continued confidence in Avangaad as a reliable marine logistics partner. Their trust — demonstrated through contract renewals, extensions, and longer-term engagements — reinforces the Group's Marine COP positioning and underpins forward earnings visibility.

We are also grateful to our financiers, regulators, advisers, and business partners for their constructive engagement and support throughout the regularisation process and beyond. Their collaboration was critical in enabling the Group to navigate complex regulatory and operational requirements successfully.

With the foundations now firmly in place, Avangaad enters the next phase of its journey — focused on consistent delivery, measured growth, and sustainable value creation for all stakeholders.