For the Financial Periods Under Review, the revenue contribution by our customer segments is as follows:

	FYE 2022		FYE 2023		FYE 2024		FPE 30 June 2025	
Customer segment	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Energy companies and related companies	297,215	94.2	281,761	93.1	298,243	94.2	152,534	99.9
Intermediaries	18,362	5.8	20,818	6.9	18,346	5.8	136	0.1
Total revenue	**315,577**	**100.0**	**302,579**	**100.0**	**316,589**	**100.0**	**152,670**	**100.0**

Top 5 major customers

Our top 5 major customers and their contributions to our revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 are as follows:

FYE 2022

Top 5 Customers	Location	Main services	Revenue (RM'000)	%	Approximate length of relationship[1] (years)
PETRONAS Group	Malaysia	Marine transportation of CPP and LPG	142,552	45.2	16
Shell Group	Malaysia and Singapore	Marine transportation of CPP	110,274	34.9	15
Petron Malaysia	Malaysia	Marine transportation of CPP	18,576	5.9	4
NGL	Japan	Marine transportation of LPG	11,902	3.8	10
BHPetrol	Malaysia	Marine transportation of CPP	7,822	2.5	4
Total			**291,126**	**92.3**	

FYE 2023

Top 5 Customers	Location	Main services	Revenue (RM'000)	%	Approximate length of relationship[1] (years)
PETRONAS Group	Malaysia	Marine transportation of CPP and LPG	146,911	48.6	16
Shell Group	Malaysia and Singapore	Marine transportation of CPP	92,099	30.4	15
Petron Malaysia	Malaysia	Marine transportation of CPP	22,714	7.5	4
NGL	Japan	Marine transportation of LPG	11,380	3.8	10
BHPetrol	Malaysia	Marine transportation of CPP	7,968	2.6	4
Total			**281,072**	**92.9**	

FYE 2024

Top 5 Customers	Location	Main services	Revenue (RM'000)	%	Approximate length of relationship[(1)] (years)
PETRONAS Group	Malaysia	Marine transportation of CPP and LPG	144,129	45.5	16
Shell Group	Malaysia and Singapore	Marine transportation of CPP	112,274	35.5	15
Petron Malaysia	Malaysia	Marine transportation of CPP	23,484	7.4	4
BHPetrol	Malaysia	Marine transportation of CPP	15,298	4.8	4
NGL	Japan	Marine transportation of LPG	9,849	3.1	10
Total			**305,034**	**96.3**	

FPE 30 June 2025

Top 5 Customers	Location	Main services	Revenue (RM'000)	%	Approximate length of relationship[(1)] (years)
PETRONAS Group	Malaysia	Marine transportation of CPP and LPG	72,088	47.2	16
Shell Group	Malaysia and Singapore	Marine transportation of CPP	55,775	36.5	15
Petron Malaysia	Malaysia	Marine transportation of CPP	13,669	9.0	4
BHPetrol	Malaysia	Marine transportation of CPP	9,612	6.3	4
BCP Trading Pte Ltd	Singapore	Marine transportation of CPP	743	0.5	5
Total			**151,887**	**99.5**	

Note:

(1) Length of relationship as at the LPD.

We are dependent on the following major customers by virtue of their revenue contribution for each of the Financial Periods Under Review:

(i) **PETRONAS Group**

The revenue contribution from the PETRONAS Group collectively accounted for 45.2% (RM142.6 million), 48.6% (RM146.9 million), 45.5% (RM144.1 million), and 47.2% (RM72.1 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 respectively.

The PETRONAS Group has been our customer for the provision of marine transportation services since 2009. As at the LPD, we have 9 subsisting Time Charter contracts with the PETRONAS Group, including 7 contracts with PETCO for our CPP tankers and 2 contracts with PDB for our LPG tankers. The services from the subsisting contracts are expected to be completed progressively from 2026 up to 2032. Please refer to Section 7.5.6 of this Prospectus for further details of our ongoing contracts. In addition, we have previously secured spot charter contracts with the PETRONAS Group upon request.

(ii) **Shell Group**

The revenue contribution from the Shell Group collectively accounted for 34.9% (RM110.3 million), 30.4% (RM92.1 million), 35.5% (RM112.3 million), and 36.5% (RM55.8 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 respectively.

The Shell Group has been our customer for the provision of marine transportation of CPP since 2010. As at the LPD, we have 5 subsisting CVC contracts with the Shell Group for our CPP tankers. The contracts are expected to be completed progressively in 2026 and 2027. Furthermore, we had secured 2 additional CVC contracts with the Shell Group in September 2024 for 2 newbuild vessels, *Orkim Jade* and *Orkim Ruby*, which are currently under construction. These contracts are expected to commence operations in 2027 upon delivery of both *Orkim Ruby* and *Orkim Jade* and will remain valid up to 2035 (including extension options). Please refer to Section 7.5.6 of this Prospectus for further details of our ongoing contracts. In addition, we have also secured spot charter contracts with the Shell Group upon request.

Notwithstanding that our Group is dependent on the charter contracts with the PETRONAS Group and the Shell Group as customers, our established strengths and competitive advantages as set out below support the sustainability of our business and our strong market positioning:

(i) We have been dealing with the PETRONAS Group and the Shell Group for approximately 15 years, providing the basis for a continuing business relationship. As at the LPD, we have subsisting long-term chartering contracts with the PETRONAS Group and the Shell Group, and collectively, our contracts with them typically range from 2 to 10 years;

(ii) We hold a leading position in terms of the number of CPP tankers registered in Malaysia, representing approximately 56% of the 27 Malaysian-registered chemical/petroleum tankers in 2024, which enables us to fulfil critical domestic needs for CPP and secure Malaysia's energy supply. Furthermore, the Malaysian cabotage rule promotes the use of Malaysian-registered vessels for domestic shipping such as transportation of goods or carriage of passengers within coastal routes in Malaysia. Nonetheless, in cases where Malaysian-registered vessels are unavailable or insufficient, foreign-registered vessels will then be granted temporary license to carry out such activities;

(iii) Our focus on operational stability is achieved through proactive vessel maintenance, ensuring fleet reliability and employing experienced cargo handling crews to minimise downtime. This stability is underpinned by our 18-year track record in marine transportation operations, dating back to our incorporation in 2007. As at 30 June 2025, we have cumulatively invested RM213.8 million in dry docking expenditures for our vessels. This investment demonstrates our commitment to maintaining our fleet's safe and reliable operational condition while ensuring that we comply with the relevant regulatory requirements;

(iv) Our continued fleet expansion would facilitate the chartering of additional CPP and LPG vessels to established customers, including the PETRONAS Group and the Shell Group. We have cumulatively invested RM1.0 billion in our existing fleet of 17 vessels as at 30 June 2025. Leveraging on our strength as a vessel owner and operator to ensure fleet availability and reliability, we continue to serve the PETRONAS Group with our existing CPP and LPG tanker charter contracts. Furthermore, our ability to secure new contracts from the Shell Group for *Orkim Ruby* and *Orkim Jade*, as well as a new contract from the PETRONAS Group for *Orkim Citrine* demonstrates our track record as well as resilient demand from our key customers for our services; and

(v) We ensure operational efficiency through consistent quality services and adherence to shipping schedules. This is supported by a fleet management system with real-time vessel tracking, providing transparent cargo status and location updates to maintain shipping schedules and service integrity. All our vessels are equipped with real-time tracking systems.

7.10 MAJOR SUPPLIERS

Our top 5 major suppliers and our purchases from them for the FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 are as follows:

FYE 2022

Top 5 Suppliers	Location	Main input materials/ services purchased	Purchases (RM'000)	%	Approximate length of relationship (years)[1]
Island Oil Limited	Cyprus	Bunker	13,615	12.2	4
PSP Marine (M) Sdn Bhd	Malaysia	Bunker	9,905	8.9	7
Ascent Glory Limited	Hong Kong	Bunker	9,269	8.3	4
Monjasa Pte Ltd	Singapore	Bunker	6,756	6.0	10
State Insurance Brokers Sdn Bhd	Malaysia	Insurance	5,622	5.0	16
Total			**45,167**	**40.4**	

FYE 2023

Top 5 Suppliers	Location	Main input materials/ services purchased	Purchases (RM'000)	%	Approximate length of relationship (years)[1]
Island Oil Limited	Cyprus	Bunker	7,752	9.1	4
Bunkers Marine Pte Ltd	Singapore	Bunker	5,118	6.0	15
KPI Oceanconnect Pte Ltd	Singapore	Bunker	4,963	5.9	3
State Insurance Brokers Sdn Bhd	Malaysia	Insurance	4,960	5.8	16
Srikanda Marine Pte Ltd	Singapore	Spare parts	4,036	4.8	4
Total			**26,829**	**31.6**	

FYE 2024

Top 5 Suppliers	Location	Main input materials/ services purchased	Purchases (RM'000)	%	Approximate length of relationship (years)(1)
G Ocean Trading Pte Ltd	Singapore	Bunker	9,579	10.7	2
Monjasa Pte Ltd	Singapore	Bunker	5,805	6.5	10
PSP Marine (M) Sdn Bhd	Malaysia	Bunker	5,368	6.0	7
Bunkers Marine Pte Ltd	Singapore	Bunker	5,356	6.0	15
Sing Fuels Pte Ltd	Singapore	Bunker	4,833	5.4	7
Total			**30,941**	**34.6**	

FPE 30 June 2025

Top 5 Suppliers	Location	Main input materials/ services purchased	Purchases (RM'000)	%	Approximate length of relationship (years)(1)
Yee Fong Marine Sdn Bhd	Malaysia	Spare parts	5,335	13.6	7
G Ocean Trading Pte Ltd	Singapore	Bunker	3,289	8.4	2
The Shipowners' Mutual Protection and Indemnity Association	Singapore	Insurance	2,695	6.9	15
Sing Fuels Pte Ltd	Singapore	Bunker	2,583	6.6	7
State Insurance Brokers Sdn Bhd	Malaysia	Insurance	2,430	6.2	16
Total			**16,332**	**41.7**	

Note:

(1) Length of relationship as at the LPD.

During the Financial Periods Under Review, we are not dependent on any of our top 5 major suppliers as bunkers, our principal supply item, can be readily sourced from alternative suppliers in both Malaysia and foreign countries. Furthermore, bunkers are commodities which are widely traded and readily available in the marine transportation market.

7.11 BUSINESS DEVELOPMENT AND MARKETING ACTIVITIES

Our sales and marketing strategies focus on contract acquisition, customer relationship management, and showcasing the unique value of our marine transportation services. This includes:

(i) **Sales positioning for contract acquisition**

We position ourselves as an established owner-operator of Malaysian-registered marine transportation of CPP and LPG. Our services are integral in supporting the national energy security, providing secure and reliable transportation of petroleum products within Malaysia coastal routes and some Asian countries. We primarily serve petroleum product distribution and trading companies, refinery operators, and marine transportation companies.

We offer a range of chartering options, including Time Charter, CVC, COA, and spot charter, to meet diverse customer needs. As at the LPD, we have 17 subsisting long-term chartering contracts comprising 8 Time Charters, 7 CVCs, and 2 COAs, where the vessels can be used for spot charters when available.

In addition, we have established a dedicated team to service our customers and is responsible for maintaining relationships with our customers by understanding our customers' needs and participating in contract tenders and price negotiations. We are staffed with experienced personnel who have a strong technical understanding of CPP and LPG marine transportation, enabling effective communication with customers and the ability to address technical and operational requirements.

(ii) **Customer relationship management for existing customers**

We directly market our marine transportation services to key customers, including refineries, petroleum product distribution and trading companies. This direct engagement provides valuable insights into our customers' needs, enabling us to deliver high-quality services, strengthen business relationships, and foster customer loyalty to retain existing customers and attract new customers.

We have leading market position in terms of the number of CPP tankers registered in Malaysia, representing approximately 56% of the 27 Malaysian-registered chemical/petroleum tankers in 2024 *(Source: IMR Report).* In 2024, the apparent consumption volume of refined petroleum products in Malaysia was 32.1 million tonnes. Based on our total volume of 3.8 million tonnes of CPP and LPG that we transported and discharged in Malaysia, we have a market share of approximately 12% in 2024 (*Source: IMR Report*). In addition, we have been servicing the PETRONAS Group since 2009, and the Shell Group since 2010, with fleet expansion over the years being driven by demand from these 2 customers. In serving key energy companies such as the PETRONAS Group and the Shell Group, we ensure that our vessels consistently meet and maintain maritime assurance criteria for shipping, focusing on ensuring safety, security, and compliance with relevant regulations and industry standards. This includes adherence to international conventions like MARPOL and SOLAS, as well as industry codes and guidelines like ISGOTT, and ICS. We also undergo continuous internal assessments by the PETRONAS Group and the Shell Group. We operate in compliance with PETRONAS' Technical Standards and the Shell Group's Maritime Assurance System.

(iii) **Participation in maritime energy and shipping industry events**

We leverage on industry events to introduce our services to potential customers. Some notable business conferences and trade events that we participated in are:

(a) International Conference on Maritime Logistics and Ports (ICMLP) 2024 in Putrajaya;

(b) Malaysia Maritime Week 2024 in Kuala Lumpur; and

(c) Day of the Seafarer 2022 and 2023 in Terengganu and Putrajaya, respectively.

In addition, our Group, through our CEO, had participated as a speaker in various engagements, including forums, roadshows, panel discussions, and seminars, for networking, fostering business growth, and understanding industry developments. Some engagements are as follows:

(a) Annual Shipowners & Charterers Forum 2022;

(b) Asia Pacific Maritime Roadshow - Topic: Malaysia Maritime Market 2024; and

(c) Asian Maritime Law and Business Conference 2024.

Orkim is also a member of industry associations such as Malaysia Shipowner's Association ("**MASA**"). As at the LPD, our Group's CEO serves as a member of several national and international maritime committees and councils, including Shell Maritime Partners in Safety – Asia Pacific Middle East Focus Group, ABS Southeast Asia and Middle East Technical Committee, MASA's Executive Committee and Tanker Committee, National Shipping and Port Council Advisory Committee, Malaysia Shipping Development Board and Human Resource Development Corporation's Sectorial Training Committee – Transportation. In July 2025, he is appointed by the Ministry of Transport Malaysia as an ad hoc member of the Malaysia Maritime Law Revision and Reform Committee.

7.12 OUR VOYAGE AND VESSEL OPERATING COSTS

The primary inputs and costs incurred in our marine transportation operations relate to bunker costs, port charges, and spare parts, repairs and maintenance. Collectively, these inputs accounted for 43.1%, 36.4%, 36.9% and 32.8% of our total cost of sales for the FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 respectively. Further details on our direct cost components are set out in Section 12 of this Prospectus.

Bunker is the main fuel used by our tankers during voyage operations and represents a substantial portion of our direct costs. We procure bunker fuel at ports both locally and regionally. Bunker prices are closely tied to global crude oil price movements, which are subject to fluctuations arising from macroeconomic factors such as global supply and demand dynamics, geopolitical developments, regulatory changes, and economic activity. During the Financial Periods Under Review, we did not experience any material difficulties in securing the supply of bunker fuel.

Port charges refer to charges imposed by port authorities and terminal operators for the use of port facilities and related services. These include pilotage, towage, mooring, berthing, and port dues when our vessels call at ports. These charges are typically regulated by the port authorities and terminal operators.

Spare parts, repairs and maintenance comprise mainly expenses associated with vessel repairs and maintenance, which are necessary to ensure compliance with safety and regulatory requirements. These costs vary depending on the age and condition of the vessel and the timing of scheduled dry-docking activities. Despite these cyclical variations, our overall spare parts, repairs and maintenance costs remained stable over the Financial Periods Under Review. In addition, we also engage third party vendors to carry out repair and maintenance services for our vessels.

7.13 MATERIAL PROPERTIES AND EQUIPMENT

7.13.1 Material real properties of our Group

Details of the material property leased/tenanted by our Group is set out as follows. We do not own any material properties.

Tenant	Landlord / Lessor	Location / Postal address	Description/ Existing use	Date of CCC or equivalent	Tenure of tenancy	Rental per annum (RM)
OSMSB	U-Ni Magna Sdn Bhd	Level 15, Menara TSR, No. 12, Jalan PJU 7/3, Mutiara Damansara 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia	**Brief description:** Office tower **Existing use:** Head office **Rented area:** 10,666 sq ft	2 April 2014	3 years, commencing from 1 June 2023 and expiring on 31 May 2026, with an option to extend for a further term of 3 years until 31 May 2029	422,373.60

As at the LPD, there is no breach of relevant laws, regulations, rules and requirements relating to the above property which may materially affect our operations and utilisation of the above property.

7.13.2 Material equipment owned by our Group

A summary of the material equipment owned and used by us are as below:

Vessels	Number of units	Average age (years)(1)	Audited NBV as at 30 June 2025 (RM'000)
CPP tankers	15	13	592,689
LPG tankers	2	10	80,845
			673,534

Note:

(1) Average age of the equipment is computed from the year of built and up to the year 2025.

In the FPE 30 June 2025, we have entered into 2 shipbuilding contracts for the construction of CPP tankers. The total estimated construction cost for both CPP tankers is RM202.6 million (USD47.2 million), of which, RM43.7 million has been paid as at the LPD.

See Section 7.5.5 of this Prospectus for further details on the vessels owned by us.

7.14 SEASONALITY

We do not experience any material seasonality in our business as our business operations are mainly based on contractual arrangements.

7.15 EMPLOYEES

As at the LPD, we have a total workforce of 412 employees, comprising approximately 84.5% offshore (vessel-based) and 15.5% onshore (shore-based) personnel. Our offshore workforce consists of crew members assigned to operate our CPP and LPG tankers, while our onshore workforce supports the Group's commercial, operational, finance, and administrative functions.

As at the LPD, our shore-based workforce comprises 64 employees. Of these, approximately 93.8% are permanent employees while the remaining 6.2% are contractual employees. The breakdown of our shore-based employees is as follows:

Categories	Contractual Employee	Permanent Employee	Grand Total
CEO Office	1	1	2
Commercial & Chartering	-	9	9
Fleet operations (Technical, Marine Safety & Quality)	1	21	22
Finance	-	10	10
Human resource (Sea & Shore)	1	10	11
Other support services (including Procurement, IT, Compliance, and Legal)	1	9	10
Grand Total	**4**	**60**	**64**

As at the LPD, our total offshore workforce comprised 348 employees, of which 39.9% are local seafarers, while the remaining 60.1% are foreign seafarers from Indonesia, Myanmar, the Philippines, India, and Yemen. Our offshore workforce is primarily engaged under renewable fixed-term contracts, typically for duration of 6 months.

All of our foreign employees possess valid working permits and/or documentations. Except for our seafarers, including local and foreign employees, who belong to NUSPM, none of our other employees belong to any labour union.

During the Financial Periods Under Review and up to the LPD, there has not been any major industrial dispute pertaining to our employees. During the same period, we did not face any labour shortage that led to any disruption to our business operations.

7.16 ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The following key aspects highlight our strong commitment to environmental, social, and governance practices.

7.16.1 Environmental

Recognising the broader impacts of our operation, both directly and indirectly to the environment, we have adopted measures to minimise these effects through carbon footprint management, energy management, waste management as well as water and effluents management.

(i) **Greenhouse Gas ("GHG") Emissions and Energy Management**

Climate change poses a significant risk to global ecosystems, economies, and communities, making the reduction of emissions a critical priority for all industries. As a key player in the maritime sector, we recognise the importance of managing emissions not only to meet regulatory expectations, but also to support the transition towards a low-carbon economy. Our GHG emissions management approach is guided by key international frameworks such as the GHG Protocol and the IMO's decarbonisation strategy. While we have not yet set a formal net-zero target, we are actively aligning our practices with these standards.

Guided by the GHG Protocol, we have implemented a monitoring tool to track Scope 1 and Scope 2 emissions from our operations. Scope 1 emissions primarily arise from fuel combustion and are calculated based on actual fuel consumption recorded in vessel logbooks. Scope 2 emissions stem from electricity consumption at our corporate office. Ongoing tracking enables us to monitor emissions closely and support informed planning for potential reduction measures. We are also working towards expanding our emissions inventory to include additional Scope 3 categories such as business travel and employee commuting.

We conduct continuous monitoring and periodic assessments to maintain alignment with the IMO's requirements, particularly for vessels performing below efficiency baselines. As needed, targeted improvement plans encompassing technical, operational, and financial measures are deployed to enhance vessel performance. Several vessel-level efficiency initiatives contribute to emissions reduction, including the installation of PBCF on 8 of our vessels and the equipment of engine power limiters on 9 of our vessels. As part of standard operational practice, our vessels undergo periodic hull cleaning between dry dockings to minimise fouling, reduce resistance, and improve fuel efficiency. These initiatives have been implemented since 2018, reflecting our commitment to reduce our operational GHG emissions. In recognition of these efforts, we received Shell's Shipping and Maritime Appreciation Award in 2021 and 2022, for CO_2 emissions tracking and EEXI and CII compliance categories.

In 2024, our total Scope 1 emissions intensity decreased by 2.4% in comparison to 2023 primarily attributed to lower overall fuel consumption. Our relocation to a larger, modern office in Menara TSR in Mutiara Damansara has led to an increase in Scope 2 emissions intensity from 5.73 $kgCO_2e$/sqft to 7.75 $kgCO_2e$/sqft due to higher energy usage. We expect emissions to decline over time with planned energy efficiency measures, including deactivating non-essential air conditioning and automated after-hours shutdowns.

(ii) **Waste Management**

Our waste management practices are guided by the requirements of the MARPOL, ISO 21070 and our internal Environment Management Manual. We focus on achieving sustainable and impactful waste minimisation through efficient onboard management, covering categories such as plastic waste, food waste and domestic and operational waste. Aligned with our commitment towards environmental stewardship, we strictly prohibit the discharge of plastic materials including but not limited to synthetic ropes, and incinerated plastic waste, into the environment in which we operate.

Our Environmental Management Manual outlines the framework for onboard waste management. This encompasses waste minimisation, collection, sorting and processing methods such as compaction and incineration, as well as procedures for storage and disposal at sea and at shore-based facilities. Efforts to minimise waste intake onboard begin at the procurement stage, where the use of supplies containing non-recyclable materials is reduced where feasible. These efforts are supported by systematic procedures for waste collection and segregation, with an emphasis on recycling and reusing materials to extend their lifecycle, in line with Shipboard Garbage Management procedures.

(iii) **Water and Effluents Management**

We understand the significant impact of our business on the marine environment. In response, we have established our Environment Management Manual to provide clear guidelines for managing our water and effluents treatment prior to discharging into the sea. Effluents refers broadly to operational discharge which include bilge water, sludge, sewage and oily water.

Our vessels are equipped with approved sewage treatment plants, holding tanks, and oil-water separators to prevent marine contamination. Effluent discharge is closely monitored to adhere to MARPOL discharge requirements criteria, and logs are maintained as part of our Shipboard Sewage Disposal Record Book and Oil Record Book.

Guided by the BWM Convention, our vessels' Ballast Water Management Plans detail formal procedures and operational limits for compliant and safe ballast water and sediment handling. It also outlines the responsibilities of designated officers, control measures for ballast water discharge, and prescribed methods for the handling and disposal of sediments. As at the LPD, 15 out of 17 of our vessels, representing approximately 90% of the fleet have been upgraded with a Ballast Water Management System, with the remaining vessels set to be upgraded by the end of the year.

(iv) **Ecological Impact**

As part of our commitment to protecting our operating environment, we have established a Shipboard Oil Spill Contingency Procedure Manual ("**CPM**"), alongside our Environment Management Manual, to guide us in the event of an oil spill. These manuals outline key countermeasures for oil spill and dispersion, methods for handling oil absorbing equipment and treatment agents, and the quantity of such equipment and agents. The CPM also set out procedures for reporting incidents to the appropriate authorities and requesting assistance from shore-based support teams.

We remain committed to the prevention of oil spill incidents through a comprehensive and proactive approach, as outlined below:

(a) Structured crew training and certification programmes to ensure all personnel are equipped with the knowledge and skills to respond effectively to pollution control scenarios;

(b) Regular safety drills, including ship-to-shore coordination exercises to simulate oil spill emergencies and improve response readiness;

(c) Strict operational procedures (e.g., pre-cargo checklists, bunkering standard operating procedures, and ship-shore safety alignments) to minimise high-risk activities and prevent incidents;

(d) Regular monitoring of equipment (e.g., stern tube oil seal, deck machinery, air vent systems) for leaks; and

(e) Equipping vessels (currently 5 out of 17) with seawater-lubricated shaft systems instead of oil-lubricated ones, reducing the risk of oil pollution through shaft seals.

In the event of an oil spill onboard, Oil Spill Kit materials (e.g., oil dispersants, sawdust, and absorbent pads) are available for immediate deployment, as outlined in the Shipboard Oil Pollution Emergency Plan. As at the LPD, we have not incurred any fines for breach or non-compliance with applicable environmental laws.

We have received consecutive recognitions from 2023 to 2025 for our exemplary oil loss control performance, reflecting our commitment to minimising ecological impact. Please refer to Section 7.4 of this Prospectus for further details on these recognitions received.

7.16.2 Social

We uphold the responsibilities towards the well-being, rights, and development of our employees and the communities we engage with. Our practices reflect a focus on inclusivity, fair treatment, and safe working conditions. Employee upskilling and management, as well as occupational health and safety are vital in ensuring a sustainable business growth.

(i) **Employee upskilling and development**

Employees today value clear career planning and structured support systems for their professional development. In facilitating this, we have established structured development initiatives and strategic partnerships that benefit both our shore-based professionals and seafarers.

We conduct annual assessments of key positions, including succession planning and manpower requirements, to ensure our talent strategy aligns with business needs.

We employ a Competency Profile and Individual Training Matrix to identify skill gaps and inform targeted training interventions. Our Training Plan is continuously updated to address both business and regulatory demands.

Additionally, our bi-annual performance appraisal process identifies development needs and guides the allocation of resources to support employees in their ongoing professional growth.

Building on these efforts, our Human Resources & Administrations ("**HRA**") Policies and Procedures emphasise women's empowerment and gender equality, promoting equal opportunity, diversity, and non-discrimination across the organisation. We actively support the career growth and leadership development of our female employees, ensuring they receive fair treatment and have access to the same growth opportunities as their peers.

Since 2023, we have actively included female students in our sea-time placement and cadetship program to promote female participation in the maritime sector. As at the LPD, we have successfully trained 2 female junior officers for year 2025. Please see Section 7.16.2(iv)(a) of this Prospectus for further details of our training initiatives.

Furthermore, we have invested in the Certificate of Competency ("**COC**") sponsorship program in 2025 for a female Fourth Engineer. As at the LPD, we have 6 female crew members serving on our vessels. This degree of representation is consistent with the maritime industry standards, underscoring our strong commitment to the development of women in the maritime industry.

(ii) **Employee Management**

We understand the importance of creating a respectful and inclusive work environment, recognising that our employees are among our most valuable assets. We uphold fair employment practices by ensuring compliance with all applicable labour laws, including fair wages, reasonable working hours, non-discriminatory recruitment processes, and equitable compensation.

In ensuring the protection of our employees from inappropriate conduct, any form of harassment (verbal, written, or physical) that demeans, humiliates, threatens, or undermines dignity is strictly prohibited. Employees are encouraged to report such behaviour to Human Resources for appropriate action.

Our HRA Policies and Procedures clearly outline available benefits and support. We regularly review and enhance these resources to remain competitive and supportive of employee well-being. The benefits we offer include:

(a) Sailing allowances, medical and insurance coverage;

(b) Employee welfare program covering major life events like marriage, childbirth, hospitalisation, and family bereavement; and

(c) Extensive personal and professional development opportunities.

In addition to these benefits, we also provide mental health and wellbeing support for our employees, such as the ongoing collaboration with Mental Illness Awareness and Support Association and Medical Enhancement Scheme for Seafarers, which aims to provide medical counselling support for employees.

These initiatives have earned us recognition through Anugerah Majikan Prihatin (Caring Employer Award) in 2022, reflecting our continued dedication to the welfare and well-being of our seafarers.

(iii) **Occupational Health and Safety**

In line with the principles set out in the SOLAS, we have established a Safety Procedure Manual that outlines risk hazard management, shipboard safety committee, personal safety and accident prevention, as well as health and hygiene onboard.

Our Health, Safety and Environmental Protection Policy was established to promote safe practices in vessel operations and to maintain a safe working environment. This policy aims to prevent human injury, protecting life at sea, and ensure that safety standards are upheld across all aspects of our maritime operations.

As part of our commitment to our employee safety, we also mandate that our employees undergo safety training and are certified with the relevant knowledge in managing safety hazards in accordance with the STCW.

We adhere to the STCW through established internal procedures. All prospective crew members are required to complete an application process and undergo thorough certificate verification. Additionally, all seafarers must complete pre-joining training to meet STCW and relevant Flag State requirements, ensuring they are fully qualified and prepared for their roles.

(iv) **Corporate Social Responsibility ("CSR")**

At Orkim, we believe long-term business success is intrinsically linked to our contributions to society and the maritime industry. Our CSR initiatives reflect our core values of responsibility, integrity, and community upliftment. Our commitment is demonstrated through key programs that invest in both the future of maritime professionals and the communities we serve:

(a) **Training and Education**

(1) **Enhancing Maritime Safety and Training**

As part of our ongoing support for safety and excellence in the maritime sector, we have contributed a fast rescue boat to Pelita Akademi, a maritime training centre accredited by the MDM. This initiative strengthens practical training in emergency rescue operations and enhances the capabilities of future maritime professionals. The collaboration underscores our joint commitment to improving maritime safety standards and investing in the next generation of seafarers.

(2) **Supporting Access to Maritime Education**

In line with our dedication to educational development, our participation in the Industrial and Professional Certification Programme by the Ministry of Higher Education allows us to offer industrial placements to cadets. Eligible participants benefit from National Higher Education Fund Corporation (PTPTN) education loans and repayment incentives, easing financial burdens and increasing access to maritime careers for aspiring Malaysian youth.

(3) **Developing Future Seafarers**

Since 2017, we have supported over 100 cadets through structured sea-time placement and cadetship programmes to prepare cadets for certification and long-term careers at sea, in collaboration with premier institutions such as Malaysian Maritime Academy. We also support onboard technical placement programmes for trainees to develop industry-ready talent and address national workforce shortages.

(4) **Marine Engineering Degree Programme**

Our CEO plays a key role in the establishment of a Marine Engineering Degree Course at Politeknik Ungku Omar, aimed at producing skilled maritime engineers for the local and regional shipping industry, as he serves as both Programme Chairman and Maritime Programme Adviser.

(5) **Electro-Technical Officer ("ETO") Development**

We collaborated with the Technology Depository Agency and UniKL, in support of Majlis Amanah Rakyat (MARA), to develop a programme focused on enhancing industry-ready technical skills in electrical engineering through structured industrial training and upskilling initiatives.

(b) **Community Development**

(1) **Seafarers Day Career Talk**

The Seafarers Day Career Talk is one of the ways we give back to the community by sharing our knowledge, experience, and inspiration to aspiring cadets. It celebrates the role of seafarers while encouraging the next generation to explore opportunities in the maritime industry.

(2) **Zakat-Wakalah Program for Back-to-School Aid**

We support the educational needs of employees' children through a Zakat-Wakalah Back-to-School Program, ensuring that they are equipped with essential supplies. This initiative not only promotes education but also fulfils our religious and social responsibility in supporting the well-being of our extended Orkim family.

(3) **Bumiputera Professional Sponsorship**

In FYE 2024, we, in collaboration with Ekuinas, conducted a sponsorship program with a total investment of approximately RM100,000 to support the development of Bumiputera seafarers. The sponsorship fully covered STCW COC courses for both deck and engine officers, reflecting our commitment to cultivating a highly skilled maritime workforce.

7.16.3 Governance

We have put in place relevant frameworks and practices to guide and promote ethical conduct, accountability, and transparency across all levels of our organisation.

(i) **Transparency and accountability**

Our Board is committed to achieving and sustaining a high standard of corporate governance. We have put in place the following practices in accordance with the principles provided in the MCCG which include:

(a) board leadership and effectiveness;

(b) effective audit and risk management; and

(c) integrity in corporate reporting and establishing meaningful relationships with our stakeholders.

We have also met the MCCG's recommendations to have at least 30% female directors and at least 50.0% independent directors. As at the LPD, 3 out of 7 Directors or 43% of our Board are female directors and 4 out of 7 Directors or 57% of our Board are independent directors.

Our Board's Charter is set out in Section 9.2 of this Prospectus. Additionally, our governance structure includes our Board Audit Committee, our Board Nomination and Remuneration Committee and our Board Risk and Compliance Committee, whose membership comprise all or a majority of Independent Non-Executive Directors, acting as board committees to oversee, amongst others, financial reporting, compensation, potential conflicts and related party transactions and identifying and addressing risks. For further details of our board committees, see Sections 9.2.7, 9.2.8 and 9.2.9 of this Prospectus.

(ii) **Ethical Conduct of Business**

We recognise the importance of sound governance, integrity, and ethical business practices for the company. As such, we have established the Anti-Bribery and Anti-Corruption Policy ("**ABC Policy**"), Compliance Policy and Anti Money Laundering/Counter-Financing Terrorism Policy ("**AML/CFT Policy**") to guide our business operations in upholding principles of integrity, ethics, and accountability. The ABC Policy and procedures are in line with the Malaysian Anti-Corruption Commission Act 2009, covering aspects of whistleblowing and anti-fraud procedures. Our Compliance Policy sets forth the mandatory laws and regulations our vessels are mandated to while the AML/CFT Policy covering aspects in identifying, preventing, and reporting any suspicious financial activities, particularly those that may be linked to illicit fund transfers and terrorism financing.

(The rest of this page is intentionally left blank)

7.17 TECHNOLOGIES USED

We utilise several software to support our operations, as follows:

(i) Vessel management software and live location tracking to monitor and manage the daily operations, maintenance, and real-time movements of our vessels.

Real-time vessel monitoring in our control room

(ii) Cellular network and satellite communications system to facilitate shore-to-ship communication to ensure safe and efficient maritime operations.

(iii) Safety and crew management software, used to monitor and manage safety aspects of our vessels, as well as to maintain sea staff records including certifications and scheduled rotations.

(iv) Software onboard vessels including electronic chart system, electronic publication library, and electronic rest hour software for operation purposes.

7.18 RESEARCH AND DEVELOPMENT

We do not carry out any research and development activity as it is not relevant to our business, and as such, we do not have any research and development policy.

7.19 MATERIAL INTERRUPTIONS IN OUR BUSINESS

Our business operations did not experience material interruptions during the 12 months prior to the date of this Prospectus.

7.20 INTELLECTUAL PROPERTY RIGHTS

We are in the midst of applying for trademark registration for our corporate logo. The application for the registration of the trademark with MyIPO was submitted on 6 May 2025 and is expected to take approximately 12 to 18 months for registration. As at the LPD, the trademark is currently under formality validation, the details of which are as follows:

Trademark	Registered owner/ Applicant	Registration/ Application no.	Legal Status	Class
ORKIM	Orkim	TM2025014365	Under Formality Validation	35[(1)]
	Orkim	TM2025014366	Under Formality Validation	37[(2)]
	Orkim	TM2025014368	Under Formality Validation	39[(3)]
	Orkim	TM2025014369	Under Formality Validation	35[(1)]
	Orkim	TM2025014370	Under Formality Validation	37[(2)]
	Orkim	TM2025014371	Under Formality Validation	39[(3)]

Notes:

(1) Administration of sales and promotional incentive schemes; Advertising, promotion and marketing; Digital marketing; Presentation of goods on communications media for retail purposes; Processing telephone inquiries regarding advertised goods and services; Procurement of contracts for others for the purchase and sale of goods; Product marketing; Promotion and marketing of products and services through global computer networks; Social network marketing; Targeted marketing.

(2) Fleet management services in the field of refuelling of vehicles; Husbanding services being fuelling of ships; Husbanding services being repair and maintenance of ships; Maintenance and repair in the field of vehicle fleet management; Maintenance and repair of ships; Marine dry docking services for water vehicle maintenance and repair; Provision of information relating to the repair or maintenance of vessels; Repair or maintenance of vessels; Ship launching services.

(3) Arranging for the shipping of goods; Cargo ship transport; Chartering of ships; Filling of ships with goods; Freighting and ship brokerage services; International ocean freight shipping services; Monitoring and tracking of package shipments; Ocean shipping services; Providing information relating to ship brokerage; Rental of tankers; Ship piloting and provision of information relating thereto; Shipping services; Storage of liquefied natural gas on ships; Storage, distribution, transportation, shipping, and delivery of gas, oil and chemicals; Supply chain logistics and reverse logistics services consisting of the storage, transportation and delivery of goods for others by air, rail, ship or lorry.

Notwithstanding that the registration of our corporate logo is still pending, our Group is not dependent on the registration of such trademarks for our business operation as we have an established operating track record in the industry as well as well-developed business relationships.

7.21 APPROVALS, MAJOR LICENCES AND PERMITS

We have obtained the requisite licences, permits and approvals that are material to our business operations. See Annexure B for details of our major licences, permits and approvals. Save as disclosed in Annexure B of this Prospectus, our Group is not dependent on any major licences, permits, approvals for our business operations. During the Financial Periods Under Review up to the LPD, our Group is in compliance with all the material terms and conditions of our major licences, permits and approvals. The Board does not anticipate any issues in renewing the Group's licences, permits and approvals which are expiring within the next 12 months, as such renewals have historically been obtained within the respective validity periods.

In relation to our PDA licences, KPDN, via its letter dated 3 October 2025, confirmed that it has no objection to the proposed change in our Group's shareholding in connection with our Listing, subject to: (i) the completion of our Listing within two (2) years from the date of the letter and our compliance with the Bumiputera equity conditions; and (ii) KPDN will take into consideration our post-Listing foreign and non-Bumiputera equity exposure when evaluating future renewal or new application of PDA licences, in alignment with relevant equity requirements under the applicable PDA guidelines issued by KPDN. Please see Section 5.1.2 on the risk of non-renewal of our major licenses, permits and approvals, including the PDA licences.

7.22 GOVERNING LAWS AND REGULATIONS

Our business is regulated by specific laws of Malaysia. See Annexure C for an overview of the material regulatory requirements governing our Group which are material to our business operation. During the Financial Periods Under Review and up to the LPD, our Group had complied, in all material respects, with all relevant laws, regulations, rules and requirements in the jurisdictions our Group operates in.

7.23 MATERIAL DEPENDENCY ON CONTRACTS

We are materially dependent on the following agreements entered into by our Group with the PETRONAS Group and the Shell Group to ensure the continuity of the operations of our business:

Agreements entered into with the PETRONAS Group

(i) Time charter agreements entered into between PETCO and OMSB (as a disponent owner of the vessels) as set out in the following:

   (a) Time charter-party dated 8 May 2019 in respect of Orkim Diamond, a coastal vessel, in which OMSB agreed to charter Orkim Diamond to PETCO for the carriage of crude oil, petroleum and/or its products in bulk, and such other lawful merchandise as may be suitable for Orkim Diamond. The time charter party shall be valid for a period of 5 years, commencing from 13 July 2021 to 12 July 2026, with the option to extend the period up to 5 periods of 1 year each.

   (b) Time charter-party dated 8 May 2019 in respect of Orkim Emerald, a coastal vessel, in which OMSB agreed to charter Orkim Emerald to PETCO for the carriage of crude oil, petroleum and/or its products in bulk, and such other lawful merchandise as may be suitable for Orkim Emerald. The time charter party shall be valid for a period of 5 years, commencing from 9 July 2022 to 8 July 2027, with the option to extend the period up to 5 periods of 1 year each.

(c) Time charter-party dated 8 May 2019 in respect of Orkim Pearl, a coastal vessel, in which OMSB agreed to charter Orkim Pearl to PETCO for the carriage of crude oil, petroleum and/or its products in bulk, and such other lawful merchandise as may be suitable for Orkim Pearl. The time charter party shall be valid for a period of 5 years, commencing from 6 March 2021 to 5 March 2026, with the option to extend the period up to 5 periods of 1 year each.

(d) Time charter-party dated 8 May 2019 in respect of Orkim Sapphire, a coastal vessel, in which OMSB agreed to charter Orkim Sapphire to PETCO for the carriage of crude oil, petroleum and/or its products in bulk, and such other lawful merchandise as may be suitable for Orkim Sapphire. The time charter party shall be valid for a period of 5 years, commencing from 30 April 2021 to 29 April 2026, with the option to extend the period up to 5 periods of 1 year each.

(e) Time charter-party dated 8 May 2019 in respect of Orkim Topaz, a coastal vessel, in which OMSB agreed to charter Orkim Topaz to PETCO for the carriage of crude oil, petroleum and/or its products in bulk, and such other lawful merchandise as may be suitable for Orkim Topaz. The time charter party shall be valid for a period of 5 years, commencing from 6 July 2022 to 5 July 2027, with the option to extend the period up to 5 periods of 1 year each.

(ii) Form of agreement dated 26 February 2021 entered between PETCO and OMSB in respect of Orkim Fortitude, a medium range vessel, in which OMSB agreed to entered into the provision of long-term time charter Malaysian-flagged medium range size vessel services for PETCO for the carriage of CPP products. The form of agreement shall be valid for a period of 5 years, commencing from 31 August 2021 to 30 August 2026, with the option to extend the period of up to 2 periods of 1 year each.

(iii) Time charter agreements entered into between PDB and OMSB (as a disponent owner of the vessels) as set out in the following:

(a) Time charter-party dated 3 August 2022 in respect of Orkim Gas Brilliance, an LPG vessel, in which OMSB agreed to charter Orkim Gas Brilliance to PDB for the carriage of LPG products. The time charter party shall be valid for a period of 3 years commencing from 19 January 2022 to 18 January 2025, with the option to extend the period up to 2 periods of 1 year each. The charter period has been extended via Addendum No. 1 dated 20 January 2025 for a further period of 2 years commencing from 4 February 2025 to 3 February 2027.

(b) Time charter-party dated 20 January 2025 in respect of Orkim Gas Success, an LPG vessel, in which OMSB agreed to charter Orkim Gas Success to PDB for the carriage of LPG products. The time charter party shall be valid for a period of 2 years commencing from 1 January 2025 to 31 December 2026.

(iv) COA dated 3 September 2025 entered into between PETCO and OMSB (as a disponent owner of the vessels) in respect of Orkim Citrine, in which OMSB agreed to nominate Orkim Citrine or other suitable vessel to PETCO for the carriage of CPP products. The COA shall be effective from 1 October 2025 to 31 December 2025 with the option to extend for a period of 3 months.

Agreements entered into with SMTSB and STSB

(i) Consecutive voyage contracts entered into with SMTSB and STSB as set out in the following:

(a) Consecutive voyage contract dated 1 January 2025 entered into between SMTSB and ODIS in respect of Orkim Discovery, a coastal vessel, in which ODIS agreed to charter Orkim Discovery to SMTSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 January 2025 to 31 December 2025 with the option to extend up to 2 periods of 1 year and 6 months respectively.

(b) Consecutive voyage contract dated 1 April 2024 entered into between SMTSB and OMSB in respect of Orkim Glory, a coastal vessel, in which OMSB agreed to charter Orkim Glory to SMTSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 April 2024 to 31 January 2026 with the option to extend for a period of 1 year.

(c) Consecutive voyage contract dated 1 March 2024 entered into between SMTSB and OLSB in respect of Orkim Leader, a coastal vessel, in which OLSB agreed to charter Orkim Leader to SMTSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 March 2024 to 28 February 2025 with the option to extend for a period of 1 year. The parties had subsequently on 9 January 2025 agreed to extend for another period of 1 year.

(d) Consecutive voyage contract dated 1 April 2024 entered into between SMTSB and OPOW in respect of Orkim Power, a coastal vessel, in which OPOW agreed to charter Orkim Power to SMTSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 April 2024 to 31 January 2025 with the option to extend for a period of 1 year. The parties had subsequently on 9 January 2025 agreed to extend for another period of 1 year.

(e) Consecutive voyage contract dated 16 August 2024 entered into between SMTSB and ORSB in respect of Orkim Reliance, a coastal vessel, in which ORSB agreed to charter Orkim Reliance to SMTSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 16 August 2024 to 15 August 2025 with the option to extend for a period of 1 year. The parties had subsequently on 4 July 2025 agreed to extend for another period of 1 year.

(f) Consecutive voyage contract dated 27 September 2024 entered into between SMTSB and OJSB in respect of Orkim Jade, a coastal vessel, in which OJSB agreed to charter Orkim Jade to SMTSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 April 2027 to 31 March 2030.

(g) Consecutive voyage contract dated 27 September 2024 entered into between SMTSB and ORUB in respect of Orkim Ruby, a coastal vessel, in which ORUB agreed to charter Orkim Ruby to SMTSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 June 2027 to 31 May 2030.

(h) Consecutive voyage contract dated 1 January 2025 entered into between STSB and ODIS in respect of Orkim Discovery, a coastal vessel, in which ODIS agreed to charter Orkim Discovery to STSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 January 2025 to 31 December 2025 with the option to extend up to 2 periods of 1 year and 6 months respectively.

(i) Consecutive voyage contract dated 1 April 2024 entered into between STSB and OMSB in respect of Orkim Glory, a coastal vessel, in which OMSB agreed to charter Orkim Glory to STSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 April 2024 to 31 January 2026 with the option to extend for a period of 1 year.

(j) Consecutive voyage contract dated 1 March 2024 entered into between STSB and OLSB in respect of Orkim Leader, a coastal vessel, in which OLSB agreed to charter Orkim Leader to STSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 March 2024 to 28 February 2025 with the option to extend for a period of 1 year. The parties had subsequently on 9 January 2025 agreed to extend for another period of 1 year.

(k) Consecutive voyage contract dated 1 April 2024 entered into between STSB and OPOW in respect of Orkim Power, a coastal vessel, in which OPOW agreed to charter Orkim Power to STSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 April 2024 to 31 January 2025 with the option to extend for a period of 1 year. The parties had subsequently on 9 January 2025 agreed to extend for another period of 1 year.

(l) Consecutive voyage contract dated 16 August 2024 entered into between STSB and ORSB in respect of Orkim Reliance, a coastal vessel, in which ORSB agreed to charter Orkim Reliance to STSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 16 August 2024 to 15 August 2025 with the option to extend for a period of 1 year. The parties had subsequently on 4 July 2025 agreed to extend for another period of 1 year.

(m) Consecutive voyage contract dated 27 September 2024 entered into between STSB and OJSB in respect of Orkim Jade, a coastal vessel, in which OJSB agreed to charter Orkim Jade to STSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 April 2027 to 31 March 2030.

(n) Consecutive voyage contract dated 27 September 2024 entered into between STSB and ORUB in respect of Orkim Ruby, a coastal vessel, in which ORUB agreed to charter Orkim Ruby to STSB for bulk transportation of cargo on a consecutive voyage basis. The consecutive voyage contract shall be effective from 1 June 2027 to 31 May 2030.

Please refer to Annexure A for the salient terms of the abovementioned contracts.

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

Vital Factor Consulting Sdn Bhd
Company No.: 199301012059 (266797-T)
V Square @ PJ City Centre (VSQ)
Block 6 Level 6, Jalan Utara
46200 Petaling Jaya
Selangor, Malaysia
Tel: (603) 7931-3188
www.vitalfactor.com

30 October 2025

The Board of Directors
Orkim Berhad
Level 15, Menara TSR
No.12, Jalan PJU 7/3
Mutiara Damansara
47810, Petaling Jaya, Selangor

Dear Sirs and Madams

Independent Assessment of the Clean Petroleum Products and Liquefied Petroleum Gas Marine Transportation Industries in Malaysia

We are an independent business consulting and market research firm based in Malaysia, established in 1993. We offer consulting services, including business plans, opportunity evaluations, commercial due diligence, feasibility studies, financial and industry assessments, and market research. Since 1996, we have been involved in corporate exercises such as initial public offerings, reverse takeovers, chain listings, transfers to the Main Market, and business regularisations for publicly listed companies on Bursa Malaysia Securities Berhad (Bursa Securities). Our corporate exercise services encompass business overviews, independent industry assessments, management discussions and analyses, and business and industry risk assessments for prospectuses, shareholders' circulars and information memorandums.

We have been engaged to provide an independent assessment of the clean petroleum products and liquefied petroleum gas marine transportation industries in Malaysia for inclusion in the prospectus of Orkim Berhad for its initial public offering and listing of its shares on the Main Market of Bursa Securities. This report has been prepared independently and objectively, with all reasonable due care taken to ensure its accuracy and completeness.

We believe the report provides a true and fair assessment of the industry, considering the limitations of timely and available information, and analyses based on secondary and primary market research as of the report date. However, it should be noted that our assessment pertains to the industry as a whole and may not reflect the performance of any specific company. We accept no responsibility for the decisions or actions of readers based on this document. This report should not be construed as a recommendation to buy, not buy, sell or not sell the securities of any company.

Please be aware that our report may include disclosures, assessments, opinions, and forward-looking statements that are subject to hitherto unknown or undisclosed information, uncertainties, and contingencies. These statements are based on secondary information and primary market research, and despite careful analysis, the industry is influenced by various known and unforeseen factors that could cause actual outcomes and future results to differ materially from these statements.

Yours sincerely

Wooi Tan
Managing Director

Wooi Tan holds a Bachelor of Science from the University of New South Wales and a Master of Business Administration from the University of Technology, Sydney. He is a Fellow of the Australian Marketing Institute and the Institute of Managers and Leaders, Australia. With over 30 years of experience in business consulting and market research, he has also assisted companies in their initial public offerings and listings on Bursa Malaysia Securities Berhad.

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

Date of Report: 30 October 2025

INDEPENDENT ASSESSMENT OF THE CLEAN PETROLEUM PRODUCTS AND LIQUEFIED PETROLEUM GAS MARINE TRANSPORTATION INDUSTRIES IN MALAYSIA

1. OVERVIEW OF ORKIM GROUP'S BUSINESS AND REPORT PARAMETERS

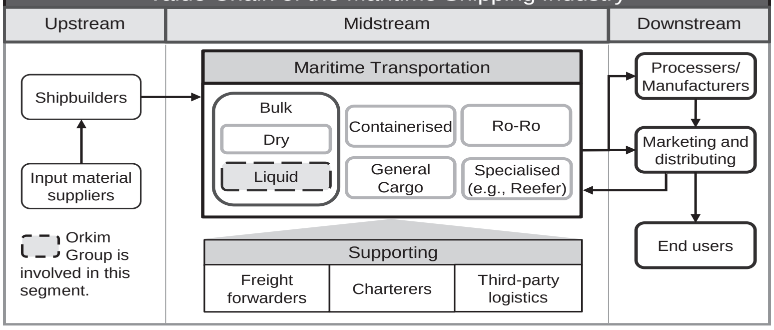
- Orkim Berhad, together with its subsidiaries (Orkim Group), is an owner-operator of clean petroleum products (CPP) and liquefied petroleum gas (LPG) marine tankers, primarily facilitating the transportation of cargo between domestic ports along coastal routes within Malaysia and across some neighbouring Asian countries. As of the date of this report, Orkim Group has 16 CPP tankers and 2 LPG tankers, all of which are Malaysian-registered. The above shall form the focus of this report. Unless stated otherwise, all information in this report pertains to Malaysia and is based on the latest available data.

2. INDUSTRY OVERVIEW

2.1 Industry Structure

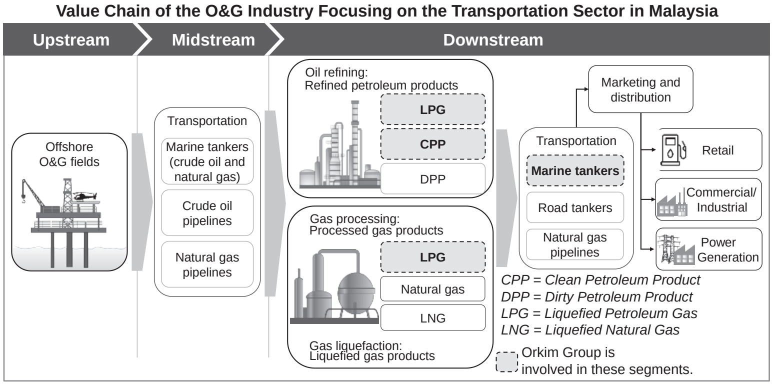
- The value chain of the maritime shipping industry is illustrated in the diagram. Orkim Group is involved in the midstream of marine transportation, focusing on liquid cargo (O&G products).

Value Chain of the Maritime Shipping Industry



- The transportation of oil and gas (O&G) products is critical for the midstream (from offshore O&G fields to processing facilities) and downstream segments (from processing facilities to end users) of the industry. As O&G are fundamental to the energy requirement of communities, businesses, and government sectors, maintaining an uninterrupted supply is essential for the nation's continued social and economic stability and development, including industrialisation.

Value Chain of the O&G Industry Focusing on the Transportation Sector in Malaysia



Midstream Transportation

- Malaysia's O&G production is primarily in offshore fields. As a result, much of the country's O&G transportation involves moving extracted products via tankers and subsea pipelines from offshore production platforms to onshore facilities for processing. In addition, crude oil is also exported directly to foreign countries via tankers from fixed offshore platforms and floating production, storage, and offloading units (FPSOs). Furthermore, floating liquefied natural gas (FLNG) vessels are deployed in offshore gas fields in Malaysia. These FLNG vessels extract natural gas, process and liquefy it onboard, and then transfer the LNG to specialised tankers for delivery to onshore infrastructure or direct export.

Downstream Transportation

- The downstream segment involves refining crude oil, processing and liquefying raw natural gas, and marketing and distributing refined petroleum and processed gas products to end-user markets or for export. End-user markets include retail outlets (such as petrol stations), commercial and industrial consumers, and power generation plants. Malaysia's downstream operations are supported by a robust transportation network that includes marine tankers, road tankers, and natural gas pipelines. This transportation network ensures the security and reliability of the national energy supply.

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

- Marine tankers are among the most common methods used for the regional and international transportation of refined petroleum and processed gas products, primarily due to their ability to carry large volumes per vessel. Road tankers are the primary mode of transport for land-based distribution of these products. In Malaysia, natural gas, commonly called sales gas, is transported domestically via a pipeline network that connects gas processing plants to major industrial hubs and power generation facilities.

- Orkim Group is primarily involved in the marine transportation of CPP and LPG, mainly serving coastal routes in Malaysia and some neighbouring Asian countries.

2.2 Refined Petroleum and Processed Gas Products

- In oil refining, crude oil is first preheated before being fed into distillation columns, where it is separated into individual components based on their different boiling points. As the components vaporise and rise within the column, they cool and condense at different levels. The lighter fractions rise to higher levels, while the heavier fractions condense at lower levels. The result is a range of refined petroleum products, arranged from the heaviest to the lightest, as follows:
  - **Dirty Petroleum Products** (DPP) are the heavier fractions that vaporise and condense at lower levels due to their higher boiling points. Common examples of DPP include bitumen, fuel oil (bunker fuel), and lubricant oil.
  - **Clean Petroleum Products** (CPP) are the lighter fractions that vaporise and rise to higher levels, with relatively lower boiling points. Common examples of CPP include diesel, kerosene (jet fuel), naphtha, and petrol (gasoline).
  - **Petroleum Gas** (when liquified, it is LPG) consists of the lightest fractions, such as propane and butane, which are separated at the highest levels of the distillation column.

  Malaysia operates seven oil refineries with a total refining capacity of approximately 1.1 million barrels of crude oil daily. A list of oil refineries in Malaysia is as below:

Oil Refinery	Operators	Capacity (bpd)
Kemaman, Terengganu	Kemaman Bitumen Company Sdn Bhd	100,000
Kertih, Terengganu	PETRONAS	124,000
Melaka Energy Park	PETRONAS	300,000
Port Dickson, Negeri Sembilan	Hengyuan Refining Company Bhd	156,000
Port Dickson, Negeri Sembilan	Petron Malaysia Refining & Marketing Bhd	88,000
Refinery and Petrochemical Integrated Development (RAPID)	Pengerang Refining Company Sdn Bhd	300,000
Tanjung Bin, Johor	ATB Sdn Bhd	32,000

bpd = barrels per day; PETRONAS = Petroliam Nasional Berhad Group of companies. (Source: Malaysian Investment Development Authority (MIDA) and Vital Factor analysis)

- Refineries and processing plants would need to transport their finished products to customers and end-users. They will require, among others, CPP and LPG marine transportation for the domestic and international markets.

- At gas processing plants, natural gas liquids, such as propane and butane (the main components of LPG), along with methane-rich natural gas (sales gas), are separated and treated from raw natural gas. PETRONAS operates four major LNG facilities within the LNG complex in Sarawak, five gas processing plants in Terengganu, and two regasification terminals in Malacca and Pengerang, Johor *(Source: PETRONAS)*.

- These refined and processed products require specially constructed vessels for safe marine transportation. **CPP tankers** have specially coated tanks for corrosion and contamination prevention, and segregated compartments for safety. **LPG tankers** are typically equipped with spherical or cylindrical tanks that are pressurised and/or refrigerated to maintain LPG in a liquid state. While CPP tankers can transport DPP, the reverse process is more complex. DPP tankers require a thorough cleaning process and special coatings to transport CPP and prevent contamination safely.

- Chemical tankers can also transport CPP. They are typically equipped with coated or stainless-steel tanks or other corrosion-resistant materials designed for safety and contamination prevention. The coatings on chemical tankers are generally of equal or higher specifications than those on CPP tankers.

- Orkim Group specialises in the marine transportation of CPP and LPG, loading them from refineries, gas processing plants and storage terminals and discharging them at various ports, jetties and terminals.

2.3 International Maritime Organisation

- The International Maritime Organisation (IMO) is the primary international body responsible for establishing global standards for marine transportation's safety, security, and environmental performance. The IMO develops regulatory frameworks for the industry, which are widely adopted and implemented worldwide. Some key IMO conventions adopted by the Malaysian Government include, among others, the following:
  - **The International Convention for the Safety of Life at Sea (SOLAS)** specifies minimum standards for the construction, equipment and operation of ships.
  - **The International Convention for the Prevention of Pollution from Ships (MARPOL)** sets rules to prevent marine pollution from ships, whether from operational activities or accidental causes. For instance, Annex I of MARPOL, which addresses oil pollution, mandates that oil tankers be constructed with double hulls.
  - **The International Convention on Tonnage Measurement of Ships** introduces a universal tonnage measurement system to standardise ship size classifications, including gross and net tonnage.
  - **The International Convention on Load Lines** establishes a limitation on the draught (water depth) to which a ship can be loaded, ensuring vessel stability and safety.
  - **The International Convention on Civil Liability for Oil Pollution Damage (CLC)** defines the liability and compensation framework for oil pollution damage caused by ships. It holds ship owners financially responsible for oil spills and requires them to insure tankers carrying more than 2,000 tonnes of oil to cover potential pollution damages.

- As of the date of this report, Orkim Group complies with all of the IMO conventions mentioned above.

3. O&G INDUSTRY IN MALAYSIA

- Industry operators providing marine transportation services for the O&G industry in Malaysia, including Orkim Group, stand to benefit from the ongoing development of the O&G industry, particularly in the downstream segment. Growth in the O&G industry will increase exports, driving demand for marine transportation of O&G, including CPP and LPG.

3.1 Capital Expenditure (CAPEX) by PETRONAS

- In Malaysia, PETRONAS is granted full ownership and exclusive rights to O&G resources found in Malaysia, as well as control over the downstream activities and development relating to petroleum and its products. As a result, CAPEX by PETRONAS, particularly in the downstream segment, can influence the demand for marine transportation services serving this sector.

- Between 2022 and 2024, PETRONAS' CAPEX grew at a compound annual growth rate (CAGR) of 4.0%, with the majority of the increase attributed to activities in Malaysia. Between 2022 and 2024, however, CAPEX for downstream activities declined at an average annual rate of 46.4%. This decline is primarily due to the high base in 2022, when CAPEX surged to RM16.3 billion (up from RM3.9 billion in 2021) following the acquisition of a subsidiary and other operational and growth projects. In 2023 and 2024, CAPEX in the downstream segment was primarily directed towards operational projects and turnaround activities, with most of the spending occurring domestically. In 2024, CAPEX for downstream activities decreased from RM5.8 billion in 2023 to RM4.7 billion. *(Source: PETRONAS)*

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

3.2 Pengerang Integrated Petroleum Complex

- The Pengerang Integrated Petroleum Complex (PIPC) in Johor is a major project to establish Johor as a world-class refinery and petrochemical hub. Scheduled as a 25-year development spanning four phases from 2013 to 2037 over 22,904 acres, its key developments include the PETRONAS-operated Pengerang Integrated Complex (PIC), and a deepwater terminal which is a multi-phased storage facility for petroleum products. PIC includes RAPID, Pengerang Deepwater Terminal 2, and an LNG regasification terminal. The PIC represents PETRONAS' largest downstream investment and was completed in December 2019.

- The PIPC Master Plan targets 5 million cubic metres of liquid storage capacity, 1 million bpd of refining capacity, and 11.3 million tonnes per annum of petrochemical production capacity. As of December 2023, PIPC had achieved 82% of its targeted storage capacity, 30% of refining capacity, and 31.9% of petrochemical production capacity *(Latest available data. Source: Malaysia Petroleum Resources Corporation (MPRC))*. The PIPC would provide opportunities for CPP and LPG marine transportation service providers servicing international markets, including Asia.

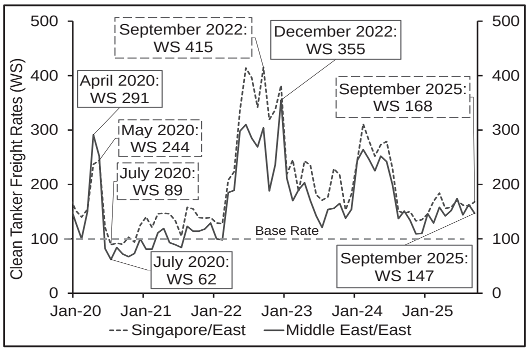
4. PERFORMANCE OF THE MARINE TRANSPORTATION INDUSTRY

4.1 Clean Tanker Freight Rates

- Clean (or CPP) tanker freight rates, as measured by Worldscale (WS), may offer some valuable insights into the performance of the marine transportation of the CPP industry. WS refers to the standard freight scale used for the transportation of oil and oil products in bulk by sea, with WS 100 representing the base rate.

- Orkim Group primarily charters its vessels within the Malaysian coastal region and along several Asian routes. Therefore, this section will focus on analysing the spot clean tanker freight rates along the East of Suez routes, particularly the Middle East-to-East and Singapore-to-East routes, to serve as a performance indicator for the charter rates.

Monthly Spot Clean Tanker Freight Rates*



** Freight rates for tankers with size between 30,000 DWT and 35,000 DWT. Data range from January 2020 to September 2025. (Source: Vital Factor analysis)*

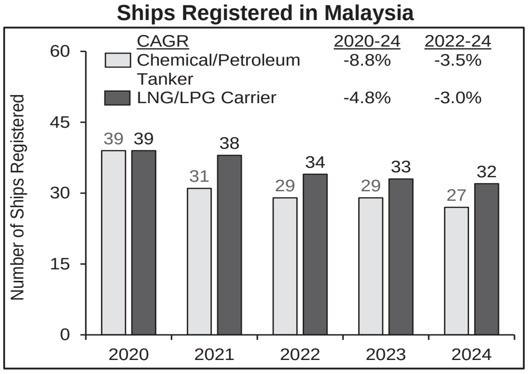
- On the Middle East-to-East route, spot clean tanker freight rates spiked in April 2020, reaching WS 291 amid the COVID-19 pandemic. Similarly, the spot clean tanker freight rates on the Singapore-to-East route reached WS 244 in May 2020. Following these peaks, freight rates for both routes declined until the Russia-Ukraine conflict triggered a subsequent rise in rates. The Singapore-to-East route peaked at WS 415 in September 2022, while the Middle East-to-East route peaked at WS 355 in December 2022. Since then, clean tanker freight rates have generally trended downwards. However, the Red Sea Crisis and ongoing conflicts in the Middle East in early 2024 caused a temporary surge in clean tanker freight rates for both routes. In September 2025, the clean tanker freight rates for the Middle East-to-East route was 2.6% lower compared to September 2024, mainly driven by reduced output due to refinery maintenance in the Middle East. Nevertheless, the Singapore-to-East route trended upwards and was 14.3% higher compared to September 2024. *(Source: Vital Factor analysis)*

5. SUPPLY AND SUPPLY DEPENDENCIES

5.1 Selected Ships Registration in Malaysia

- The number of ships registered in Malaysia can indicate the supply, demand and competition for vessel chartering services. Between 2022 and 2024, both the number of chemical/petroleum tankers and LNG/LPG carriers declined at an average annual rate of 3.5% and 3.0% respectively. In 2024, there were a total of 27 chemical/petroleum tankers and 32 LNG/LPG carriers registered in Malaysia. A declining supply of Malaysian-registered chemical/petroleum tankers, as well as LNG/LPG carriers, may provide growth opportunities for existing operators within the marine transportation of the CPP and LPG industries in Malaysia, especially in light of increasing domestic consumption of refined petroleum products (See section 6.1 of this report). As of this report's date, Orkim Group owns 16 CPP tankers and 2 LPG carriers in Malaysia.

Total Number of Selected Ships Registered in Malaysia



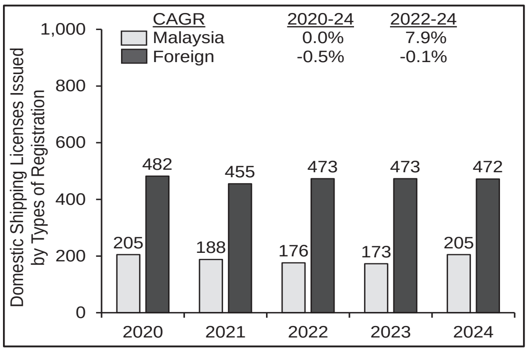
(Source: MoT)

5.2 Domestic Shipping Licence (DSL)

- A DSL issued by the Domestic Shipping Licensing Board is required to transport goods between any ports or locations within Malaysia, including within Malaysia's exclusive economic zone, unless exempted. Between 2022 and 2024, the total number of licences issued to Malaysian registered vessels to carry petroleum, diesel, and chemical grew at a CAGR of 7.9%. In contrast, the total number of licences issued to foreign registered vessels to carry petroleum, diesel, and chemical declined at an average annual rate of 0.1% to 472 during the same period.

- The number of licences issued to foreign registered vessels to carry petroleum, diesel, and chemical was 2.3 times that of Malaysian registered vessels. However, all foreign-registered vessels are only granted temporary licenses with a maximum validity of three months. In contrast, Malaysian-registered vessels may receive licences for up to two years, provided they meet all requirements. Orkim Group holds domestic shipping licenses for all its vessels.

Number of DSL Issued to Carry Petroleum, Diesel, and Chemical



(Source: MoT)

6. DEMAND AND DEMAND DEPENDENCIES

6.1 Downstream O&G Industry

- Orkim Group's tankers cater to the downstream O&G industry. Hence, this section will analyse the performance of the downstream O&G industry in Malaysia, particularly refined petroleum products, as it may affect the performance of the marine transportation of the CPP and LPG industries.

Production Volume of Refined Petroleum and Processed Gas Products in Malaysia

	'000 tonnes					CAGR (%)	CAGR (%)
	2020	2021	2022	2023	2024	2020-24	2022-24
LNG	26,576	29,012	31,283	31,224	31,017	3.9	-0.4
*Diesel/Gas Oil	10,922	12,881	15,332	16,236	16,993	11.7	5.3
*Gasoline	4,981	6,433	6,466	4,758	4,278	-3.7	-18.7
*Kerosene	3,695	4,168	3,158	3,286	3,620	-0.5	7.1
*Naphtha	3,754	3,901	3,259	3,061	3,382	-2.6	1.9
*LPG	2,549	2,693	2,678	2,606	2,386	-1.6	-5.6
Fuel Oil	2,089	2,119	1,990	1,962	2,128	0.5	3.4
Lubricating Oil	92	107	145	182	240	26.9	28.7
Total	**54,658**	**61,314**	**64,311**	**63,316**	**64,043**	**4.0**	**-0.2**

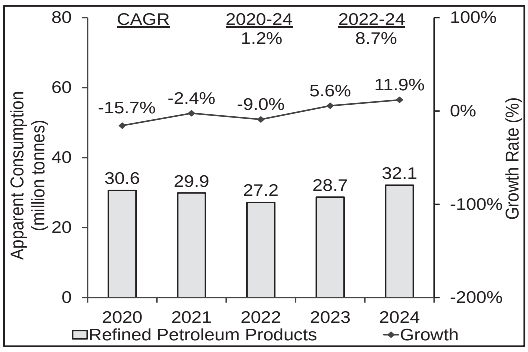
** Orkim Group is involved in the marine transportation of these products. (Source: DoSM)*

- Between 2022 and 2024, the production volume of refined petroleum and processed gas products declined at an average annual rate of 0.2%. The slight decline during this period was due to a decline of 1.5% in 2023, mainly affected by disruptions in upstream supply and maintenance activities in refineries *(Source: Bank Negara Malaysia (BNM))*. Nevertheless, in 2024, the production volume of refined petroleum and processed gas products experienced a growth of 1.1%. *(Source: DoSM)*

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

- Apparent consumption volume offers some indication towards domestic demand. Between 2022 and 2024, the apparent consumption volume of refined petroleum products grew at a CAGR of 8.7%, reaching 32.1 million tonnes. Nevertheless, the apparent consumption of LNG declined at an average annual rate of 1.9%, from 6.9 million tonnes to 6.6 million tonnes. In the first half (H1) of 2025, the apparent consumption of refined petroleum products grew by 9.5% compared to H1 2024. *(Source: Vital Factor analysis)* A growing apparent consumption of refined petroleum products indicates increased demand for transportation services, including marine transportation.

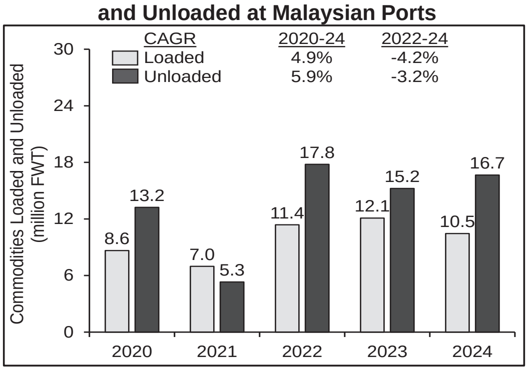
Apparent Consumption Volume of Refined Petroleum Products



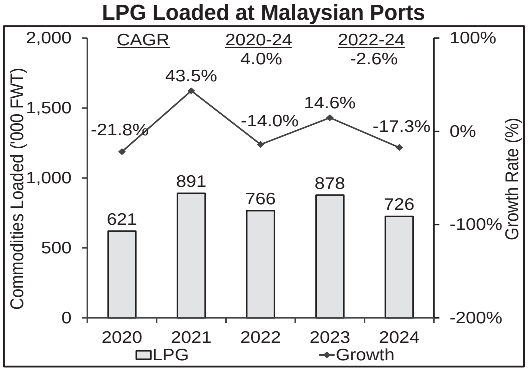
Apparent consumption = Production plus import less export. (Source: Vital Factor analysis)

6.2 Commodities Loaded and Unloaded

Petroleum/Fuel Oil Loaded and Unloaded at Malaysian Ports



LPG Loaded at Malaysian Ports



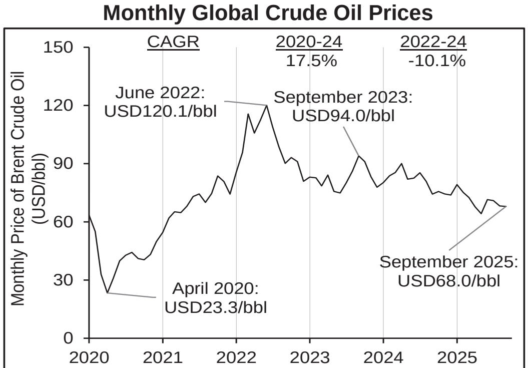
FWT = Freight weight tonnes (Source: MoT)

- The loading and unloading of commodities in Malaysian ports, such as petroleum, fuel oil, and LPG, may indicate the demand for relevant product tankers to transport domestically as well as internationally. Between 2022 and 2024, the amount of loaded and unloaded petroleum and fuel oil declined at an average annual rate of 4.2% and 3.2% respectively. Additionally, the amount of loaded LPG also declined at an average annual rate of 2.6% over the same period. The declines between 2022 and 2024 were primarily attributed to the lower production output in both the upstream and downstream sectors during the same period. *(Source: BNM and DoSM)* In H1 2025, the amount of loaded petroleum/fuel oil declined by 74.1%, while unloaded petroleum/fuel oil grew by 56.8%, compared to H1 2024 respectively. In terms of LPG loaded at Malaysian ports, in the first quarter (Q1) of 2025, the volume declined by 13.2% compared to Q1 2024. *(Source: MoT)*

6.3 Global Crude Oil Prices

- The fluctuation of prices for globally traded crude oil has a major impact on the activities of the O&G industry. Higher prices for crude oil will stimulate upstream O&G activities like exploration, development and production, and thereby increase the downstream activities such as oil refining. However, higher input prices indicate a more expensive downstream refined petroleum product which may ultimately discourage consumption.

Monthly Global Crude Oil Prices



	2020	2021	2022	2023	2024	H1 2024	H1 2025
Brent crude oil (USD/bbl)	42.3	70.4	99.8	82.6	80.7	84.0	71.7
Growth (%)	-33.9%	66.5%	41.7%	-17.2%	-2.3%		-14.6%

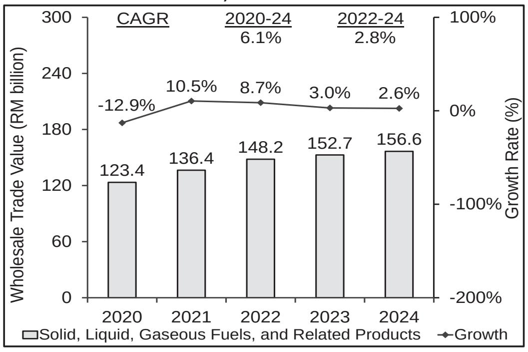
bbl = barrel. Data range from January 2020 to September 2025. (Source: Vital Factor analysis)

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

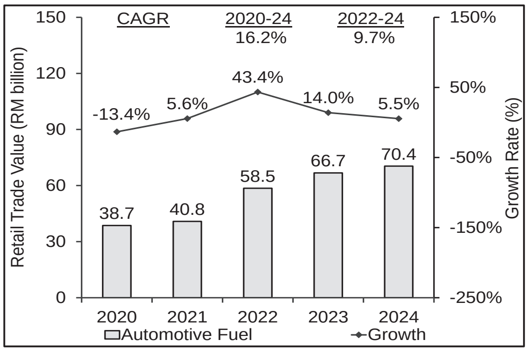
6.4 Wholesale and Retail Sales of Fuels

- Orkim Group's tankers mainly carry refined petroleum products, including petrol, diesel, LPG, naphtha, and automotive fuel. The demand for marine transportation of CPP and LPG is dependent upon the demand for such refined petroleum products. As such, the wholesale and retail trade value of these products may affect the industry's demand performance.

Wholesale Trade Value of Solid, Liquid, Gaseous Fuels, and Related Products*



Retail Trade Value of Automotive Fuel in Specialised Stores

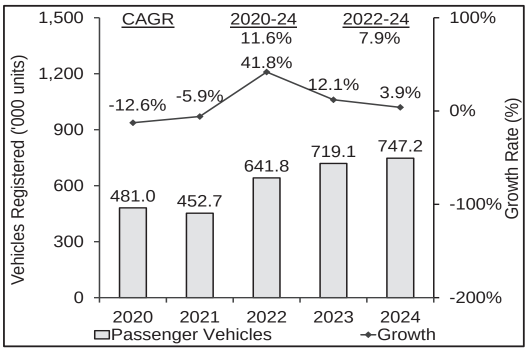


** Include petrol, diesel, lubricants, LPG, naphtha and others. (Source: DoSM)*

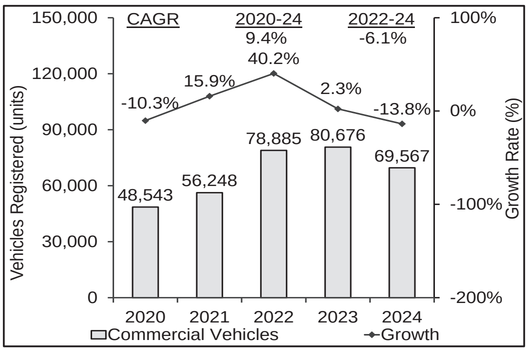
- Between 2022 and 2024, the wholesale trade value of solid, liquid, gaseous fuels, and related products grew at a CAGR of 2.8% from RM148.2 billion to RM156.6 billion. Similarly, the retail trade value of automotive fuel in specialised stores also grew at a CAGR of 9.7% from RM58.5 billion to RM70.4 billion between 2022 and 2024. In H1 2025, the wholesale trade value of solid, liquid, gaseous fuels, and related products, and the retail trade value of automotive fuel in specialised stores grew by 2.7% and 6.5% respectively, compared to H1 2024 *(Source: DoSM)*. Growth in both wholesale and retail trade value of selected refined petroleum products mentioned would create demand for refined petroleum products and benefit service providers associated with the transportation of these products for the domestic market.

6.5 New Passenger and Commercial Vehicle Registration

New Passenger Vehicles Registered in Malaysia



New Commercial Vehicles Registered in Malaysia

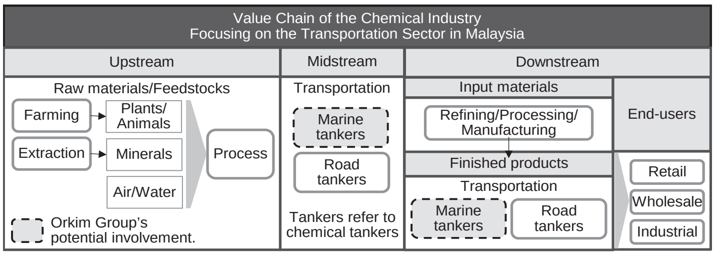


(Source: MAA)

- The number of motor vehicles in Malaysia may indicate the demand for automotive fuel and diesel, both of which are CPP. Between 2022 and 2024, the number of new passenger vehicles registered grew at a CAGR of 7.9%. However, between 2022 and 2024, the number of new commercial vehicles registered declined at an average annual rate of 6.1%, primarily due to the removal of the diesel subsidy in June 2024. In 2024, the number of new passenger and commercial vehicles registered stood at 747,180 and 69,567 respectively. In the first eight months of 2025, a total of 516,862 new vehicles were registered in Malaysia. In 2025, the total number of new passenger and commercial vehicles registered in Malaysia is forecasted to decline to 780,000 units. *(*Source*: Malaysian Automotive Association (MAA))* The number of motor vehicles will create continued demand for CPP, which in turn, will benefit CPP marine transportation service providers such as Orkim Group.

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

7. DEMAND AND DEMAND DEPENDENCIES FOR CHEMICAL TANKERS

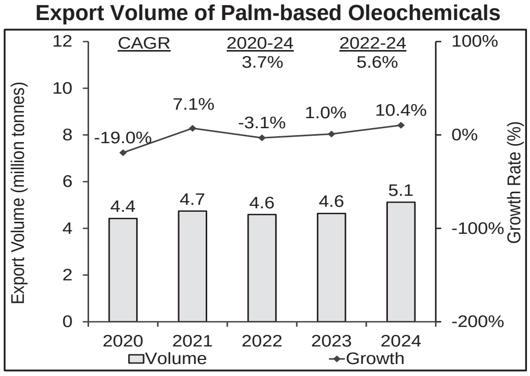


- As part of Orkim Group's expansion strategy to acquire chemical/petroleum tankers for transporting chemical products, including petrochemical and oleochemical derivatives, this section will provide some relevant insights. Orkim Group's chemical/petroleum tankers can facilitate midstream transportation for delivering raw materials or feedstocks to facilities for refining, processing, or manufacturing into finished products, and support downstream transportation by carrying the finished products to end-user markets.

- Between 2022 and 2024, the export value of chemicals and chemical products (including petrochemical products) in Malaysia declined at an average annual rate of 4.4% to RM73.6 billion. In the first nine months (9M) of 2025, the export value further declined by 11.8% compared to 9M 2024. *(Source: Malaysia External Trade Development Corporation (MATRADE))* According to MIDA, as of 12 October 2023, 18 companies or refineries in Malaysia produce 34 types of petrochemical products, including methanol, butadiene, benzene, and ethylene, which form the base addressable market for chemical tankers.

- Oleochemical derivatives are chemical products derived from natural fats and oils, such as palm oil. Between 2022 and 2024, the export volume of palm-based oleochemicals grew at a CAGR of 5.6% to 5.1 million tonnes. Despite this growth in export volume, the export value declined at an average annual rate of 9.8% to RM27.3 billion between 2022 and 2024, mainly attributed to falling crude palm oil prices over the same period. In 9M 2025, the export volume of palm-based oleochemicals declined by 2.1%, while the export value grew by 17.7% respectively, compared to 9M 2024. *(Source: DoSM)*

Export Volume of Palm-based Oleochemicals



(Source: DoSM)

8. COMPETITIVE LANDSCAPE

- The market for marine transportation of chemical/petroleum tankers in Malaysia is concentrated, with the leading operator accounting for 56% of all Malaysian-registered chemical/petroleum tankers as of 2024. There is no published data on the number of companies involved in providing CPP and LPG marine transportation in Malaysia. The companies listed below were selected based on their provision of CPP and/or LPG marine transportation, aligning with Orkim Group's core activities. Additional selection criteria included ownership of Malaysian-registered vessels, operational presence in Malaysia, and the availability of up-to-date financial information. The selection of Malaysian-registered vessel operators is primarily due to their similar operating environment to Orkim Group and Malaysia's cabotage law, which protects domestic vessel owners by prioritising them for the loading and unloading of the same goods in Malaysian waters. Foreign-registered vessel operators are excluded to facilitate a fair comparison, as they operate irregularly between Malaysian waters, subject to the restrictions of the cabotage law, and their main vessel operations are primarily in foreign countries. The list is sorted by descending total revenue and is not exhaustive.

Company	CPP	LPG	FYE (1)	Rev(2) (RM mil)	GP(2) (RM mil)	GP(2) margin	EBITDA (RM mil)	EBITDA margin	NP/NL(2) (RM mil)	NP/NL(2) margin
Marine & General(3)	√		Apr-25	352.1	89.8	25.5%	162.3	46.1%	66.5	18.9%
Orkim Group	√	√	**Dec-24**	**316.6**	**114.8**	**36.3%**	**170.1**	**53.7%**	**92.9**	**29.3%**
Adamas Marine S/B(4)	√		Dec-24	241.4	n.a.	n.a.	84.1	34.8%	(51.2)	(21.2%)
Avangaad Berhad(5)	√		Dec-24	122.7	50.1	40.8%	239.3(5)	195.1%(5)	154.3(5)	125.8%(5)

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

Company	CPP	LPG	FYE [(1)]	Rev[(2)] (RM mil)	GP[(2)] (RM mil)	GP[(2)] margin	EBITDA (RM mil)	EBITDA margin	NP/NL[(2)] (RM mil)	NP/NL[(2)] margin
Uni-Fleet S/B[(6)]		√	Jul-24	29.0	0.1	0.4%	5.0	17.1%	2.1	7.4%
Coral Navigation[(7)]		√	Aug-24	11.9	5.2	43.4%	4.3	36.2%	3.1	25.8%

FYE= Financial Year Ended; Rev= Revenue; GP= Gross Profit; EBITDA = Earnings Before Interest, Taxes, Depreciation, and Amortisation; NP= Net Profit; NL= Net Loss; mil= million; S/B= Sendirian Berhad; n.a.= not available.
(1) Latest audited financial data from the Companies Commission of Malaysia, annual reports and Orkim Group.
(2) May include other business activities, products or services at the group or company level.
(3) Marine & General Berhad. A listed entity on the Main Market of Bursa Securities. The entity and its subsidiaries are principally involved in the provision of offshore marine support services, marine logistics services, tanker management services, and investment holding. The revenue from the marine logistics downstream segment was RM67.6 million.
(4) It is principally involved in the provision of ship owning, ship chartering, and ship management. The NL was mainly due to tax expenses amounting to RM95.4 million.
(5) A listed entity on the Main Market of Bursa Securities, formerly known as E.A. Technique (M) Berhad. It is principally involved in ship owning and the operation of marine vessels for the transportation and offshore storage of oil and gas, providing port marine services, and the provision of engineering, procurement, construction, installation, and commissioning of floating storage and offloading vessels. The high NP was mainly due to the one-off income from the creditor scheme settlements, which amounted to RM171.1 million.
(6) It is principally involved in ship owning, ship operating, and related shipping services.
(7) Coral Navigation Malaysia S/B. It is principally involved in the business of ship owning and shipping.

9. BARRIERS TO ENTRY

- Barriers to entry for the marine transportation of the CPP and LPG industries are high, predicated on the following:
  - Vessel ownership requires a high capital requirement. If vessels are leased to provide service, the leasing expenses are also high. As of 2024, 27 chemical/petroleum tankers and 32 LNG/LPG carriers are registered in Malaysia *(Source: MoT)*.
  - To provide service to O&G companies in Malaysia, it is mandatory to obtain a valid PETRONAS licence issued by PETRONAS.
  - Other barriers to entry include, among others, the need for a DSL issued by the Domestic Shipping Licensing Board to load and unload the same goods in Malaysian waters, compliance with international standards, a proven track record, and the ability to secure long-term contracts with major O&G players in the region.

10. INDUSTRY SIZE AND SHARE

- Some latest available industry statistics and corresponding Orkim Group's data are as follows:

	Industry size	Orkim Group	
2024– Malaysian-registered	Total ships [(a) (1)]	Vessels owned and operated [(b) (2)]	Market share [(3)]
Chemical/Petroleum tankers	27	15	56%
LNG/LPG carriers	32	2	6%

Source: (a) MoT; (b) Orkim Group.
(1) Total number of ships in each category registered in Malaysia as of 2024.
(2) Orkim Group's fleet size for each category as at the financial year ended 31 December 2024.
(3) Vessels owned and operated by Orkim Group divided by industry size x 100% in each category.

- According to Malaysia's cabotage law, only Malaysian-registered vessels are allowed to load and unload the same goods in Malaysian waters, while foreign-registered vessels may be granted temporary three-month licences on condition that no suitable Malaysian-registered vessels are available at that point in time. Exceptions include submarine cable repairs and containerised transshipment of cargo between Peninsular Malaysia and Sabah or Labuan, as well as between ports within Sabah.

	Industry size	Orkim Group	
2024- Malaysia [(1)]	Apparent consumption volume [(a)]	CPP and LPG discharging volume [(b)]	Proportion carried [(2)]
Refined petroleum products [(3)]	32.1 million tonnes [(4)]	3.8 million tonnes	12%

Sources: (a) DoSM and Vital Factor analysis; (b) Orkim Group.
***(1)** Refined petroleum products in Malaysia are transported via marine and road tankers. **(2)** ((b) divided by (a) x 100%). **(3)** It includes dirty and clean petroleum products, and LPG. No further segmentation available. **(4)** Apparent consumption = domestic production plus imports less exports.*

11. INDUSTRY OUTLOOK AND PROSPECTS

Some factors affecting the outlook and prospects of the industry are as follows:

Opportunities and drivers of growth

- In 2025, the **Malaysian economy** is expected to grow between **4.0% and 4.8%**, driven by strong domestic demand and resilient labour market conditions. The growth is forecasted to continue into 2026, with a forecasted increase between 4.0% and 4.5%, supported by the sustained strength in domestic demand and a stable external sector. *(Source: MoF)* Economic growth will drive increased CPP and LPG consumption across households, businesses, and government sectors, leading to higher demand for CPP and LPG marine transportation within the Malaysian market.
- Malaysia's **industrialisation landscape** has been significantly shaped by the development of its manufacturing sector. Government initiatives such as the National Investment Aspirations and the New Industrial Master Plan 2030 are expected to further strengthen the development of this sector. As manufacturing activity expands, energy consumption is anticipated to rise correspondingly across industrial, transportation, and domestic sectors. This growing demand will, in turn, increase the need for the transportation of CPP, such as diesel, gasoline, kerosene, and LPG.
- **PETRONAS' commitment towards Malaysia's energy security** creates opportunities for operators involved in CPP and LPG marine transportation. CPP and LPG are critical for daily operations across transportation, industry, and households. In 2023, PETRONAS planned to allocate RM300 billion in CAPEX over the next five years, with 80% directed towards its core hydrocarbon business to strengthen energy security. In 2024, PETRONAS continued to prioritise energy security while fostering ongoing collaboration with stakeholders. *(Source: PETRONAS)* As such, to foster energy security along the full supply chain, priority is expected to be given to Malaysian-registered CPP and LPG marine transportation to ensure uninterrupted supply, especially to the domestic market.
- The **Malaysian cabotage law**, by favouring Malaysian-registered CPP and LPG tankers, provides a degree of protection and operational support for domestic owners and operators, including Orkim Group, within the CPP and LPG marine transportation industries.
- The ongoing development of the **PIPC** will potentially drive demand for CPP and LPG marine transportation. The PIPC encompasses several major projects, including refineries, steam crackers, and petrochemical plants. The gap between the refining capacity achieved in 2023 (300,000 bpd) and the targeted capacity of one million bpd by 2037 presents significant opportunities for operators, as both CPP and LPG are key outputs of oil refining. As a world-class integrated hub, the PIPC is designed to serve both domestic and international markets. Consequently, this creates opportunities for CPP and LPG marine transportation service providers to facilitate exports to international markets, including Asia.
- Growth in **motor vehicle registrations** (CAGR 2022-24 for passenger vehicles: 7.9%) indicates increased demand for petroleum, while the increasing apparent consumption of refined petroleum products, including CPP and LPG (CAGR 2022-24: 8.7%), further supports this trend. This suggests a growing need for transportation services, including marine transportation, for these refined petroleum products from refineries to domestic user markets. This bodes well for operators such as Orkim Group, which is involved in CPP and LPG marine transportation in Malaysia.

Threats and challenges

- The adoption of **electric vehicles**, including hybrids (xEVs), is expected to make up 15% of total new vehicle registrations by 2030 and 80% by 2050 *(Source: Malaysian Investment Development Authority)*. In 2024, xEVs accounted for 5.6% of new registrations, reflecting a 19% increase from 2023 *(Source: MAA)*. This shift is expected to impact petroleum demand, which may negatively affect CPP marine transportation operators.
- The establishment of **Petroleum Sarawak Berhad (PETROS)** may create uncertainties within Malaysia's O&G industry. Moving forward, this may affect PETRONAS' performance, potentially influencing the overall industry landscape.

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

9.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

9.1.1 Profiles of our Promoters and Substantial Shareholders

(i) **ECSB**
Promoter and Substantial Shareholder

ECSB was incorporated in Malaysia under the Companies Act, 1965 on 23 October 2009 as a private limited company and is deemed registered under the Act. ECSB is principally involved in the business of an investment holding company, investing in private equity investments and acquisition of shares of or investment in any company.

As at the LPD, the issued share capital of ECSB is RM3,690,020,002 comprising 90,000,002 ordinary shares and 36,000,000 preference shares.

The shareholder of ECSB and its shareholdings in ECSB as at the LPD are as follows:

		Direct		Indirect	
Shareholder	**Country of incorporation**	**No. of shares**	**%**	**No. of shares**	**%**
PNB	Malaysia	90,000,002[(1)]	100.0	-	-
YPB	Malaysia	-	-	90,000,002[(2)]	100.0

Notes:

(1) PNB also holds 36,000,000 preference shares in ECSB
(2) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest of 100% less one (1) share held in PNB.

(ii) **TKSB**
Promoter and Substantial Shareholder

TKSB was incorporated in Malaysia under the Companies Act, 1965 on 8 May 2014 as a private limited company and is deemed registered under the Act. TKSB is principally involved in the business of an investment holding company, investing in private equity investments and acquisition of shares of or investment in any company.

As at the LPD, the issued share capital of TKSB is RM387,723,175.12 comprising 367,595,136 ordinary shares.

The shareholders of TKSB and their respective shareholdings in TKSB as at the LPD are as follows:

		Direct		Indirect	
Shareholders	**Country of incorporation**	**No. of shares**	**%**	**No. of shares**	**%**
E-Cap 2	Malaysia	351,053,355	95.5	-	-
E-Cap 4	Malaysia	16,541,781	4.5		
ECSB	Malaysia	-	-	367,595,136[(1)]	100.0
PNB	Malaysia	-	-	367,595,136[(2)]	100.0
YPB	Malaysia	-	-	367,595,136[(3)]	100.0

Notes:

(1) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest held in E-Cap 2.
(2) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest held in ECSB.
(3) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest of 100% less one (1) share held in PNB.

(iii) **E-Cap 2**
Substantial Shareholder

E-Cap 2 was incorporated in Malaysia under the Companies Act, 1965 on 9 July 2012 as a private limited company and is deemed registered under the Act. E-Cap 2 is principally involved in the business of an investment holding company, investing in private equity investments and acquisition of shares in any company.

As at the LPD, the issued share capital of E-Cap 2 is RM258,335,776 comprising 85,542,475 ordinary shares and 1,727,364 preference shares.

The shareholders of E-Cap 2 and their respective shareholdings in E-Cap 2 as at the LPD are as follows:

Shareholders	Country of incorporation	Direct		Indirect	
		No. of shares	%	No. of shares	%
ECSB	Malaysia	85,542,475[(1)]	100.0	-	-
PNB	Malaysia	-	-	85,542,475[(2)]	100.0
YPB	Malaysia	-	-	85,542,475[(3)]	100.0

Notes:

(1) ECSB also holds 1,727,364 preference shares in E-Cap 2.
(2) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest held in ECSB.
(3) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest of 100% less one (1) share held in PNB.

(iv) **YPB**
Indirect Substantial Shareholder

YPB was incorporated in Malaysia under the Companies Act, 1965 on 9 January 1978 as a public company limited by guarantee under its present name and deemed registered under the Act. The principal activity of YPB is receiving and administering funds for the purpose of:

(a) promoting and enhancing effective and sustainable participation by Bumiputera (as defined in the Federal Constitution of Malaysia) in the economy, principally through investing in, nurturing and facilitating Bumiputera controlled entities; and

(b) promoting the ownership of assets, including the ownership of share capital in the corporate sector and ownership of property in the property sector,

by the citizens of Malaysia who are Malays and other indigenous peoples through the object clauses as set out in the Constitution of YPB.

As YPB is a company limited by guarantee, it has no share capital and no shareholders.

(v) **PNB**
Substantial Shareholder

PNB was incorporated on 17 March 1978 in Malaysia under the Companies Act, 1965, and is deemed registered under the Act, as an investment holding company with a diversified portfolio of interests that includes asset management, unit trusts, institutional property trusts and property management. It owns, among others, the country's largest unit trust management companies, Amanah Saham Nasional Berhad. Together with its proprietary fund, PNB manages approximately RM348.3 billion worth of assets as at 31 December 2024.

As at the LPD, the issued share capital of PNB is RM4,350,843,371 comprising 4,350,843,371 ordinary shares.

The shareholders of PNB and their respective shareholdings in PNB as at the LPD are as follows:

		Direct		Indirect	
Shareholders	**Country of incorporation**	**No. of shares**	**%**	**No. of shares**	**%**
Minister of Finance (Incorporated)	Malaysia	1	*	-	-
YPB	Malaysia	4,350,843,371	99.99	-	-

Note:

* *Negligible*

(vi) **ASB**
Substantial Shareholder

Following the completion of the Transfer of Orkim Shares, ASB will be our Substantial Shareholder.

ASB is a unit trust fund constituted in Malaysia pursuant to a trust deed dated 21 October 1989, as amended by the supplemental deeds relating thereto. The management company of ASB is Amanah Saham Nasional Berhad, which is a wholly owned subsidiary of PNB. PNB was appointed as the investment manager of ASB under an investment management agreement dated 14 May 2001 (as supplemented). ART was appointed the trustee of ASB under the said trust deed.

ART was incorporated in Malaysia under the Companies Act, 1965 on 23 March 2007 and is deemed registered under the Act. It was registered as a trust company under the Trust Companies Act, 1949 on 7 August 2007. It was registered by the SC as an eligible trust corporation to act as trustee to unit trust schemes, corporate bonds and private retirement schemes.

(vii) **ASM**
Substantial Shareholder

Following the completion of the Transfer of Orkim Shares, ASM will be our Substantial Shareholder.

ASM is a unit trust fund constituted in Malaysia pursuant to trust deed dated 13 April 2000, as amended by the supplemental deeds relating thereto. The management company of ASM is Amanah Saham Nasional Berhad, which is a wholly owned subsidiary of PNB. PNB was appointed as the investment manager of ASM under an investment management agreement dated 2 May 2000 (as supplemented). ART was appointed the trustee of ASM under the said trust deed.

ART was incorporated in Malaysia under the Companies Act, 1965 on 23 March 2007 and is deemed registered under the Act. It was registered as a trust company under the Trust Companies Act, 1949 on 7 August 2007. It was registered by the SC as an eligible trust corporation to act as trustee to unit trust schemes, corporate bonds and private retirement schemes.

(The rest of this page is intentionally left blank)

9.1.2 Shareholdings of our Promoters and Substantial Shareholders

The direct and indirect shareholding of our Promoters and Substantial Shareholders before and after our IPO are as follows:

	As at the LPD				After the Subdivision				After the Transfer of Orkim Shares			
Name	**Direct**		**Indirect**		**Direct**		**Indirect**		**Direct**		**Indirect**	
	No. of Shares	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
TKSB	38,835,314	100.0	-	-	900,000,000	100.0			300,000,000	33.3	-	-
E-Cap 2	-	-	38,835,314(1)	100.0	-	-	900,000,000(1)	100.0	-	-	300,000,000(1)	33.3
ECSB	-	-	38,835,314(2)	100.0	-	-	900,000,000(2)	100.0	-	-	300,000,000(2)	33.3
YPB	-	-	38,835,314(4)	100.0	-	-	900,000,000(4)	100.0	-	-	600,000,000(4)	66.7
PNB	-	-	38,835,314(3)	100.0	-	-	900,000,000(3)	100.0	300,000,000	33.3	300,000,000(3)	33.3
ART-ASB	-	-	-	-	-	-	-	-	115,385,000	12.82	-	-
ART-ASM	-	-	-	-	-	-	-	-	57,692,000	6.41	-	-

	After our IPO				After the Over-allotment Option			
	Direct		**Indirect**		**Direct**		**Indirect**	
	No. of Shares	**%(5)**	**No. of Shares**	**%(5)**	**No. of Shares**	**%(5)**	**No. of Shares**	**%(5)**
TKSB	-	-	-	-	-	-	-	-
E-Cap 2	-	-	-	-	-	-	-	-
ECSB	-	-	-	-	-	-	-	-
YPB	-	-	300,000,000(4)	30.0	-	-	240,000,000(4)	24.0
PNB	300,000,000	30.0	-	-	240,000,000	24.0	-	-
ART-ASB	115,385,000	11.54	-	-	115,385,000	11.54	-	-
ART-ASM	57,692,000	5.77	-	-	57,692,000	5.77	-	-

Notes:

(1) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest held in TKSB.
(2) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest held in E-Cap 2.
(3) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest held in ECSB.
(4) Deemed interested pursuant to section 8(4) of the Act by virtue of its interest of 100% less one (1) share held in PNB.
(5) Based on our enlarged issued Shares of 1,000,000,000 after our IPO.

9.1.3 Changes in our Promoters' and Substantial Shareholders' shareholdings in our Company

Save as disclosed below, there are no changes to the shareholdings of our Promoters and Substantial Shareholders in our Company for the past 3 years up to the date of this Prospectus:

(i) On 7 March 2025, TKSB acquired 1,747,589 Shares, representing 4.5% of the issued share capital of our Company, before the Subdivision;

(ii) the Subdivision as detailed in Section 6.1.3(i) of this Prospectus; and

(iii) the Transfer of Orkim Shares as detailed in Section 6.1.3(ii) of this Prospectus.

9.2 BOARD OF DIRECTORS

9.2.1 Board practices

Our Board acknowledges and takes cognisance of the MCCG which contains recommendations to improve upon or to enhance corporate governance as an integral part of the business activities and culture of such companies.

Our Board comprises at least 30% female Directors and at least half of our Board comprises independent directors. With that, our Board believes that our current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interests of all shareholders and to govern our Group effectively. Our Board is also committed to achieving and sustaining high standards of corporate governance.

Within the limits set by our Constitution, our Board is responsible for oversight of the governance and management of our Group. To ensure the effective discharge of its functions, our Board has set out the following key responsibilities in our board charter:

(i) together with the Key Senior Management, promote good corporate governance culture within our Group which enforces ethical, prudent and professional behaviour;

(ii) reviewing, challenging and deciding on management's proposal on matters as set out in the Limit of Authority, which includes the overall corporate strategy, business plan, budget and regulatory plan, and monitor the implementation by management;

(iii) reviewing and adopting a strategic plan for our Group, including setting performance objectives and approving operating budgets for our Group, as well as ensuring that they support long-term value creation and account for economic, environment and social consideration to promote sustainability;

(iv) monitoring the implementation of strategic plans by management;

(v) timely review and approve all quarterly and annual financial statements for declaration to Bursa Securities and stakeholders;

(vi) overseeing the conduct of our Group's business to evaluate whether the business is being properly managed, monitoring our Group's performance and build sustainable value for all stakeholders of our Group;

(vii) reviewing our Board and the Key Senior Management's remuneration policy and procedure;

(viii) identifying and evaluating business risks and ensure implementation of a managed and sound risk management framework;

(ix) approving the nomination, selection, succession policies, and remuneration packages for our Board members, Board Committee members, nominee directors on the functional Boards of our subsidiaries, and the annual manpower budget for our Group, including managing succession planning, appointing, training, fixing the compensation of, and where appropriate replacing key senior management personnel;

(x) reviewing the adequacy and integrity of the internal control system and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;

(xi) reviewing and overseeing the appointment, resignation or termination of our Directors, company secretaries, auditors and Key Senior Management;

(xii) ensuring that control measures for corruption prevention are put in place and ensure systematic review, monitoring and enforcement of our Company's anti-bribery and corruption policy;

(xiii) ensuring establishment of succession plans for our Board members and the Key Senior Management including appointing, training, fixing the compensation of and where appropriate, replacing the Key Senior Management;

(xiv) ensuring our Board is supported by at least a suitably qualified and competent company secretary to whom shall advice on compliance with applicable laws and any amendment to the laws and regulations related to the MCCG, the Act and the Listing Requirements;

(xv) formalise ethical standards of conduct through a code of conduct & ethics for our Directors and management and ensure compliance;

(xvi) developing and implementing an investors' relations programme and a shareholders or stakeholders communication policy;

(xvii) ensuring there is regular monitoring and communication between our Company and subsidiaries on financial and non-financial performance to ensure overall compliance to the strategic direction and vision of our Group;

(xviii) reviewing the adequacy and integrity of our Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines (including the securities laws, the Act and the Listing Requirements);

(xix) reviewing and approving the financial statements encompassing annual audited accounts and quarterly reports, dividend policy, credit facilities from financial institutions and guarantees;

(xx) reviewing and approving the Board Audit Committee, Board Risk and Compliance Committee, and Board Nomination and Remuneration Committee report, and internal control statement for the annual report;

(xxi) reviewing and approving the corporate governance overview statement and corporate governance report on compliance with the MCCG for the annual report of our Company;

(xxii) reviewing and approving investment policies and guidelines for our Company's surplus funds, asset allocation policy and policy on exposure limits on investment with banking institutions;

(xxiii) reviewing and approving the capital expenditure, purchase of fixed assets, operating expenditure, variation order and any other matters in accordance with the limits of authority;

(xxiv) approving the appointment of external auditors and their related audit fees; and

(xxv) ensuring our subsidiaries provide our Company with all necessary information for its supervision of the subsidiaries' performance, including assessment of financial and non-financial related performance.

In addition, the roles and responsibilities of our Chairman are segregated to head the orderly conduct and function of the Board. Our Chairman is primarily responsible for the following:

(i) providing leadership to our Board, and overseeing our Board in the effective discharge of its fiduciary duties;

(ii) leading our Board so that our Board can perform its responsibilities effectively in achieving corporate objectives and long-term success of our Company;

(iii) review contributions made by Board members, whilst the Board Nomination and Remuneration Committee is given the task to review effectiveness in terms of performance and develop the criteria on independence assessment;

(iv) facilitating effective and productive working relationships between our Managing/Executive Directors and Non-Executive Directors and manage the interface between our Board and management;

(v) ensuring an effective communication with shareholders and stakeholders, and ensuring that their views are communicated to the Board as a whole, in particular, at the AGM, which represents the principal forum for dialogue and interaction with shareholders;

(vi) encouraging active participation and allowing dissenting views to be freely expressed;

(vii) leading our Board in establishing and monitoring good corporate governance practices in our Company;

(viii) the Chairman, in consultation with our company secretary, sets the agenda for our Board meetings and ensures our Board members receive complete and accurate information in a timely manner;

(ix) the Chairman is responsible for managing the business of our Board including setting our Board agenda to ensure that:

(a) all Directors are properly briefed on issues arising at Board meetings; and

(b) sufficient time is allowed for the discussion of complex or contentious issues and where appropriate, arranging for informal meeting to enable thorough discussion by our Board;

(x) leading Board meeting and discussions. At our Board meetings, the Chairman plays a mediator's role to maintain the order of the proceedings in a constructive, productive and effective manner; and

(xi) the Chairman has a casting vote in the case of an equality of votes, except where only 2 Directors form a quorum or if there are only 2 Directors competent to vote on the question at issue.

The details of the members of our Board and the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office as at the LPD are as follows:

Name	Age	Nationality	Designation	Date of appointment	Date of expiry of current term of office	No. of years in office
Dato' Abdul Hamid Bin Sh Mohamed	60	Malaysian	Non-Independent Non-Executive Chairman	2 May 2025	At the AGM of our Company to be held in year 2027	Less than 1 year
Aliff Omar Bin Mohamad Omar	40	Malaysian	Non-Independent Non-Executive Director	20 July 2017	At the AGM of our Company to be held in year 2027	8 years
Cheah Sin Bi	45	Malaysian	Non-Independent Executive Director and CEO	3 March 2025	At the AGM of our Company to be held in year 2027	Less than 1 year
Datuk Azman Bin Ismail	62	Malaysian	Senior Independent Non-Executive Director	30 June 2025	At the AGM of our Company to be held in year 2026	Less than 1 year
Zuhaida Binti Zulkifli	50	Malaysian	Independent Non-Executive Director	30 June 2025	At the AGM of our Company to be held in year 2026	Less than 1 year
Lynette Yeow Su-Yin	56	Malaysian	Independent Non-Executive Director	30 June 2025	At the AGM of our Company to be held in year 2026	Less than 1 year
Nasmiza Binti Ismail	60	Malaysian	Independent Non-Executive Director	30 June 2025	At the AGM of our Company to be held in year 2026	Less than 1 year

Save for Dato' Abdul Hamid Bin Sh Mohamed and Aliff Omar Bin Mohamad Omar who are the nominee directors of PNB, none of our Directors represents any corporate shareholder on our Board as at the LPD.

See Section 9.5 of this Prospectus for further details of the associations or family relationship between our Promoters, Substantial Shareholders, Directors and Key Senior Management.

9.2.2 Profiles of our Directors

(i) Dato' Abdul Hamid Bin Sh Mohamed

Dato' Abdul Hamid Bin Sh Mohamed, a Malaysian aged 60, is our Non-Independent Non-Executive Chairman. He was appointed to our Board on 2 May 2025. He completed the professional examinations of the Association of Accounting Technicians in December 1984 and the ACCA in December 1988. He has been a fellow of the ACCA since July 2003.

Dato' Abdul Hamid began his career in May 1989 as a Corporate Services Assistant in the Insolvency Department at Lim Ali & Co, where he supported the insolvency team in the management of insolvency cases. He left the firm in August 1989.

In the same month, Dato' Abdul Hamid joined Bumiputra Merchant Bankers Berhad (now known as Alliance Investment Bank Berhad) as a Corporate Banking Officer, responsible for identifying, originating, executing and closing sales opportunities for corporate banking products and services. He was promoted to Assistant Manager, Corporate Banking in January 1993 and to Manager, Corporate Banking in January 1994, before leaving the bank in September 1994.

In October 1994, Dato' Abdul Hamid joined Komplek Kewangan Malaysia Berhad (subsequently known as Amanah Capita Malaysia Berhad) ("**KKMB**") as a Senior Manager, Corporate Planning, overseeing corporate planning across the KKMB group of companies. He was later promoted to Head of Corporate Services in January 1998, where he led both the corporate planning and corporate finance departments until his departure in April 1998.

In May 1998, Dato' Abdul Hamid joined Kuala Lumpur Stock Exchange ("**KLSE**") (now known as Bursa Malaysia Berhad) as Senior Vice President, Strategic Planning and International Affairs. He was promoted to Deputy President, Strategy and Development in January 2002 and was subsequently redesignated as Chief Financial Officer in January 2003. During his tenure, he spearheaded key strategic initiatives, including the acquisitions of Kuala Lumpur Options and Financial Futures Exchange (KLOFFE) and Commodity and Monetary Exchange of Malaysia (COMMEX), as well as the merger of both exchanges to form Malaysian Derivatives Exchange (MDEX). He was also instrumental in the acquisition of the Malaysian Exchange of Securities Dealing and Automated Quotation (MESDAQ) and led KLSE's demutualisation exercise. He left KLSE in November 2003.

In December 2003, Dato' Abdul Hamid was appointed as an Executive Director of Symphony House Berhad (now known as Symphony House Sdn Bhd following its delisting in December 2015) ("**Symphony House**"), an investment holding company focused on delivering information technology and managed services, including human resource and corporate services, corporate secretarial services such as share issuance and registration services. In this role, he is responsible for managing and overseeing business operations and corporate development within the Symphony House group of companies.

As at the LPD, Dato' Abdul Hamid is an Independent Non-Executive Director of OM Holdings Limited, a public company listed on Australian Securities Exchange and secondary listed on the Main Market of Bursa Securities, and sits on the board of directors of other public limited and private limited companies as disclosed in Section 9.2.4 of this Prospectus.

(ii) **Aliff Omar Bin Mohamad Omar**

Aliff Omar Bin Mohamad Omar, a Malaysian aged 40, is our Non-Independent Non-Executive Director. He was appointed to our Board on 20 July 2017. As at the LPD, he is also a representative of ECSB, a substantial shareholder and promoter of our Company.

Aliff graduated with a Bachelor of Industrial Engineering and Management Sciences (Cum Laude) with a second major in Economics from the Northwestern University in June 2008. He obtained a Master of Philosophy in Finance from the University of Cambridge in July 2009.

Aliff carries with him over 16 years' experience in corporate advisory and deal-making. He began his career as an Analyst in the Investment Banking Division at Maybank Investment Bank Berhad in August 2009. In September 2010, Aliff joined CIMB Investment Bank Berhad as an Executive in the Regional Mergers & Acquisitions ("**M&A**") department, focusing on M&A transactions across Southeast Asia. He left the bank in June 2012.

In July 2012, Aliff joined UBS Securities Malaysia ("**UBS**") as an Associate in the Country Coverage & Southeast Asia Corporate Finance Group and rose up the ranks to Associate Director in February 2013 and subsequently Director in February 2016 until his departure in July 2017. Throughout his career in UBS, Aliff led multiple M&A and capital markets transactions across Malaysia and Southeast Asia, advising corporates, institutional investors and family offices within the energy, financial institutions, infrastructure, utilities and real estate sectors.

In July 2017, Aliff joined Ekuinas as Director, Investment, and was promoted to Senior Director, Investment in April 2022 where he oversaw and managed Ekuinas' investments in the energy, consumer and technology sectors. He is a member of Ekuinas' Investment Committee and Management Committee. On 23 May 2025, Aliff was appointed as the CEO of Ekuinas.

As at the LPD, Aliff sits on the board of directors of the subsidiaries of our Group and other private limited companies as disclosed in Section 9.2.4 of this Prospectus.

(iii) **Cheah Sin Bi**

Cheah Sin Bi, a Malaysian aged 45, is our Non-Independent Executive Director and CEO. He was appointed to our Board on 3 March 2025. He obtained a Bachelor of Management Technology (Maritime Transportation) degree from Universiti Teknologi Malaysia in July 2002 and a Class 1 Certificate of Competency as Master (Unlimited Voyage) from the Marine Department Malaysia in October 2011. Captain Cheah has been a life member of Ikhtisas Kelautan Malaysia since April 2018, an elected member of ABS since April 2023 and an associate fellow of The Nautical Institute since March 2025.

Captain Cheah presently serves as a member of several national and international maritime committees and councils, including the ad hoc member of the Malaysia Maritime Law Revision and Reform Committee, Shell Maritime Partners in Safety – Asia Pacific Middle East Focus Group, ABS Southeast Asia and Middle East Technical Committee, MASA's Executive Committee and Tanker Committee, National Shipping and Port Council Advisory Committee, Malaysia Shipping Development Board and Human Resource Development Corporation's Sectorial Training Committee – Transportation.

Captain Cheah began his career in May 2000 with IMC Shipping Company Pte Ltd ("**IMC**") in Singapore, under the cadet sponsorship programme of Global Maritime Ventures Berhad. From May 2000 to September 2004, he progressed through various roles as Cadet Officer, Third Officer and Second Officer on board medium range chemical tankers. He was involved in chemical tanker operations, vessel navigation, wall wash testing for chemical cargoes, supervising tank cleaning procedures and advising port captains on optimal tank cleaning methods.

In January 2005, Captain Cheah joined V-Ships Pte Ltd (now known as V. Ships Asia Group Pte Ltd), where he served as Third Officer and Second Officer on board the chemical tankers owned by various ship owners. In December 2006, he was promoted to Chief Officer where he was responsible for ensuring safe operations and compliance across all shipboard activities, including shipboard maintenance, deck operations, shipboard training, voyage planning, cargo planning and safe cargo operations. He handled cargo operations involving aggressive and sensitive chemicals, clean petroleum products and edible oils. Additionally, he also served as Chief Officer Trainer, in which he was responsible for mentoring junior officers in the fleet which involved specific training to ensure competency in handling the chemical cargoes and operational aspects of such type of tanker, until his departure in November 2009.

Between December 2009 to April 2010, Captain Cheah joined OSMSB, our wholly-owned subsidiary, as part of the delivery team to assist with the delivery of Orkim Power to Malaysia.

In July 2010, Captain Cheah rejoined IMC as a Senior Chief Officer on board a chemical tanker where the role that he assumed was similar to the role he had performed in V-Ships Pte Ltd until his departure in December 2010.

In April 2011, Captain Cheah re-joined OSMSB, as part of the delivery team to assist with the delivery of Orkim Express to Malaysia. He was subsequently transitioned to a shore-based role as Marine Superintendent in July 2011, where he was responsible for ensuring our vessels' compliance with the regulatory requirements and upgraded the operational procedure on board for all the vessels owned by our Group. He also served as Master on board for our various vessels, where he led the vessel operations, including navigation, crew management, cargo handling and ensuring compliance with international maritime regulations.

In January 2012, he was appointed as the Head of Marine Operations, leading the Marine Operations Department. As the Head of Marine Operations, he was primarily responsible for overseeing the day-to-day fleet management activities, including navigational compliance, cargo handling, incident reporting and safety training. Captain Cheah was promoted to the position of General Manager, Marine, Safety and Quality Department in October 2013, where he was primarily responsible for overseeing the day-to-day operational aspects of the vessels, particularly in relation to navigational and cargo-handling matters.

His responsibilities included maintaining safe ship operations, regulatory compliance updates, vessel monitoring and charterer reporting, coordination of shore-based personnel training, assisting Masters during audits and inspections and managing departmental procedures, publications and inventory control. He also implemented, promoted, and maintained our Group's Safety Management System ("**SMS**") and Quality Assurance practices ashore and on board, ensuring compliance with statutory regulations, industry standards and the International Safety Management ("**ISM**") Code.

In June 2015, following our Group's internal restructuring exercise, Captain Cheah was promoted to the position of General Manager in the Fleet Management Division and appointed as the Designated Person Ashore ("**DPA**") of our Group, where he oversaw the Technical, Services and Marine Safety and Quality departments. He was primarily responsible for technical operations, procurement, budgeting, vessel performance monitoring and interactions with classification societies and regulatory authorities. As our Group's DPA, he led emergency response preparations, administered the SMS according to ISM Code requirements, facilitated internal and external ISM audits and continuously reviewed SMS effectiveness, recommending improvements. Captain Cheah was also involved in maintaining the fleet safety, conducting regular safety training for shore and ship personnel, maintaining SMS documentation, ensuring validity of regulatory certifications and performing annual management reviews to confirm fleet seaworthiness and compliance.

In March 2018, Captain Cheah was promoted to the position of our Chief Operating Officer, where he managed the daily operations of our vessel fleet. As our Chief Operating Officer, he led multiple departments of our Group, including Commercial, Fleet Personnel, Technical, Procurement, IT, Project, Marine, Safety and Quality. His role included overseeing the implementation of the SMS, managing chartering operations, promoting and maintaining our Group's health, safety and environmental protection policy, handling vessel inspections and audits and acting as the emergency response team leader.

In August 2021, Captain Cheah was promoted to his current position of our CEO where he is responsible for the overall strategic direction, leadership, and operations of our Group. His primary responsibilities include corporate decision-making, oversight of our Group's fiscal activity, policy development, regulatory compliance, stakeholder engagement and long-term goal planning.

With 25 years of extensive experience in the maritime industry, including 14 years dedicated to our Group, Captain Cheah plays a pivotal role in shaping our marine operational strategy, enhancing reliability and reinforcing our competitive position in the industry.

(iv) **Datuk Azman Bin Ismail**

Datuk Azman Bin Ismail, a Malaysian aged 62, is our Senior Independent Non-Executive Director. He was appointed to our Board on 30 June 2025. He graduated from the University of Nebraska-Lincoln, USA with a Bachelor of Science in Chemical Engineering in 1985.

Datuk Azman is a member of various institutions, namely, the Institution of Engineering Malaysia since 1994, the Malaysia Institute of Management since 2014 and the Institute of Corporate Directors Malaysia since 2023.

Datuk Azman has accumulated over 30 years of working experience with Shell group of companies. He commenced his career in June 1986 as a Conceptual Design Engineer at Sarawak Shell Berhad, where he was involved in the production and extraction of oil and gas from offshore fields. In June 1987, he held the position of a Refinery Technologist, where he was involved in the operation of the entire process of the company's refinery plant located in Lutong, Miri, Sarawak. In July 1992, he held the position of a Design Manager & Project Engineer, where he managed the design contract of a gas stabilisation plant of the company in Bintulu, Sarawak. He provided construction support and resolved technical queries and conducted factory acceptance tests at suppliers' warehouse in relation to the gas stabilisation plant. He also managed offshore construction projects relating to the retrofitting of equipment on offshore platforms.

Subsequently, in October 1996, Datuk Azman returned to Kuala Lumpur and assumed the role of Property Manager at Shell Malaysia Limited. In October 1997, he joined Shell Malaysia Trading Sdn. Bhd. ("**SMTSB**") as a Retail Property Management Manager. During such period, he was instrumental in the development and implementation of a property database for the retail property department and established a structured evaluation process to ensure optimum utilisation of property assets. He was also responsible for managing the company's property portfolio.

Datuk Azman continued his tenure with SMTSB, serving as Network Planning and Development Manager for Malaysia from January 1999 to December 2000, Network Manager for Malaysia from January 2001 to December 2001 and Cluster Network Manager for Malaysia, Singapore and Brunei from January 2002 to October 2003. In these roles, he was responsible for leading network planning and development activities which included the evaluation, acquisition and development of sites. In January 2004, he held the position of Retail National Sales and Operations Manager of SMTSB, where he led the retail sales and operations team in Malaysia until December 2006.

In January 2007, Datuk Azman held the position of Global Lead at Network Real Estate Centre of Excellence of Shell Downstream Inc., where he developed the process and procedures for the acquisition of real estate for business purposes and led a regional delivery team.

Datuk Azman returned to SMTSB in February 2009 as Retail National Sales and Operations, before being promoted to General Manager, Retail Business for Malaysia, Singapore, Hong Kong and Brunei from January 2010 to December 2014. During his tenure in the sales and operations division, he was responsible for ensuring safe operations and delivering business results, while working with the regional team to drive growth in cash flow and returns. From January 2015 to August 2016, he served as General Manager, Retail (Malaysia and Brunei) and Integrated Downstream Business Lead, where he led the transformation of the integrated retail business model.

Concurrently, from January 2010 to August 2016, Datuk Azman was also the Managing Director of SMTSB, the retail business and operations of downstream business activities of Shell's group of companies in Malaysia. He left Shell group of companies in August 2016.

From January 2017 to December 2022, Datuk Azman joined PLUS Malaysia Berhad ("**PLUS**") as Managing Director, leading the group's overall strategy, governance, and direction until December 2022. He led the digital transformation and sustainability efforts at PLUS, making it the first highway operator in Malaysia to sign the United Nations Global Compact. He also led PLUS on a safety journey to reduce preventable fatality and lost time injury and to become the first highway concessionaire in Malaysia to introduce Expressway Operation Safety Passport (EOSP).

From June 2023 to September 2024, Datuk Azman served as a part-time coach at the Razak School of Government, guiding emerging leaders on stakeholders' engagement and business transformation.

In October 2024, he joined Digital Nasional Berhad as the CEO, where he oversees the operations and performance of the company and works closely with the board, government authorities, telecommunication operators and other relevant stakeholders of the company.

As at the LPD, Datuk Azman sits on the board of directors of a public limited company as disclosed in Section 9.2.4 of this Prospectus.

(v) **Zuhaida Binti Zulkifli**

Zuhaida Binti Zulkifli, a Malaysian aged 50, is our Independent Non-Executive Director. She was appointed to our Board on 30 June 2025. She graduated from Monash University, Australia with a Bachelor of Business (Accounting) in December 1996. She is a fellow of Chartered Accountants Australia and New Zealand and has been a member of the Malaysian Institute of Accountants since November 2003.

Zuhaida began her career in March 1997 as an Auditor with KPMG Malaysia, where she was involved in financial audit and review of several companies in various sectors. She left KPMG Malaysia in December 1999 as a Senior Auditor.

From March 2000 to January 2022, Zuhaida served within the PETRONAS group of companies, holding various positions across multiple divisions. She began her tenure at PDB in March 2000 as an Executive, General Ledger and Taxation, where she was responsible for monthly financial reporting and analysis. She also provided financial advisory to ensure efficient execution of the company's business operations. In April 2003, she was promoted to Senior Executive, Joint Venture Accounting, where she assumed similar roles and responsibilities with a focus on the company's joint venture activities. From July 2003 to March 2005, she served as Manager, Financial Accounting, overseeing monthly financial reporting for PDB group of companies, managing and analysing supply chain and inventory data and supporting joint venture activities.

In April 2005, Zuhaida joined PETRONAS and assumed the role of Manager, Group Accounts & Policies, where she was responsible for financial reporting and consolidation of the half-year and annual results for the PETRONAS group of companies globally. From July 2007 to December 2008, she served as Senior Manager, Accounts and Budget at PETRONAS International Corp Ltd, where she was involved in the preparation of consolidated management and financial reporting, including analysis of business performance of PETRONAS' international entities.

From January 2009 to December 2012, Zuhaida was seconded to PETRONAS Australia Pty Limited ("PAPL") as Chief Financial Officer. In this role, she was responsible for the establishment and set-up of the finance and administrative department of PETRONAS' Australian office. She led the finance team by setting functional objectives, enhancing team capabilities and overseeing the delivery of key outcomes. Zuhaida also worked closely with the CEO and the Management Committee of PAPL in developing and implementing the strategic direction of the PAPL group of companies. During her tenure, she was involved in the commercial aspects of project management for Gladstone LNG, a liquefied natural gas plant in Queensland, Australia.

In January 2013, Zuhaida returned to Malaysia and held the position of General Manager, Business Planning & Performance Reporting for Upstream Business in PETRONAS, where she formulated and implemented corporate and functional policies/procedures and planning, performance reporting and the management of accounting and financial services matters across upstream business of PETRONAS. She also provided support to global upstream activities and ensured compliance with all relevant regulatory requirements, as well as PETRONAS' internal policies and guidelines.

From April 2016 to September 2018, Zuhaida served as Senior General Manager, Commercial & Strategic Relations (Malaysia Petroleum Management), where she provided commercial strategy for petroleum arrangements, including providing direction for the establishment and development of stakeholders' relationship management with contractors, both local and foreign government authorities and agencies, business partners and industry players.

Subsequently in October 2018, Zuhaida held the position of Senior General Manager, Governance & Strategic Relations (Malaysia Petroleum Management). In this role, she was responsible for the planning, budgeting and performance of petroleum arrangements contractors ("**PACs**"). She spearheaded stakeholder engagement initiatives by establishing and implementing comprehensive stakeholder management frameworks with PACs, both local and foreign government authorities and agencies, business partners and industry players.

In January 2020, Zuhaida held the position of Senior General Manager, Strategy, Finance & Risk for Downstream Business, where she provided strategic direction to ensure the long-term sustainability of the downstream business in line with the group's vision and mission. She left PETRONAS in January 2022.

As at the LPD, Zuhaida is an Independent Non-Executive Director of Petra Energy Bhd, a company listed on the Main Market of Bursa Securities and sits on the board of directors of other public limited and private limited companies as disclosed in Section 9.2.4 of this Prospectus.

(vi) **Lynette Yeow Su-Yin**

Lynette Yeow Su-Yin, a Malaysian aged 56, is our Independent Non-Executive Director. She was appointed to our Board on 30 June 2025. She graduated with a Bachelor of Arts in Law from the University of Cambridge, United Kingdom in 1992 and subsequently obtained a Master of Arts in Law from the same university in 1996. She was admitted as an advocate and solicitor of the High Court of Malaya and became a member of the Malaysian Bar in 1994.

Lynette has been practicing in Malaysian law firms since January 1995, specialising in corporate and securities laws, with a focus on mergers and acquisitions and capital markets. She began her career as a legal assistant at Messrs Lee Hishammuddin in January 1995, where she practised until April 1995. From June 1995 to November 1997, she was a legal assistant at Messrs Lee Choon Wan & Co. She subsequently joined Messrs Rashid & Lee as a legal assistant from January 1998 to November 1998. In November 1998, she joined Messrs Raslan Loong as a legal assistant and was promoted to partner in January 2000. She left the firm in August 2002.

Lynette was a partner at Messrs Zaid Ibrahim & Co. from September 2002 to April 2011 and subsequently at Messrs Kadir Andri & Partners from May 2011 to April 2012. After a career break, she returned to Messrs Kadir Andri & Partners and resumed her role as partner from January 2014 to October 2015. In November 2015, she joined Messrs Chua Associates as a partner and was appointed as a Consultant in April 2018 until her departure in December 2018. In January 2019, she joined Messrs Sanjay Mohan as a Consultant, a position she continues to hold to date.

As at the LPD, Lynette is an Independent Non-Executive Director of MBSB Berhad and CTOS Digital Berhad, both are listed on the Main Market of Bursa Securities and sits on the board of directors of other public limited and private limited companies as disclosed in Section 9.2.4 of this Prospectus.

(vii) **Nasmiza Binti Ismail**

Nasmiza Binti Ismail, a Malaysian aged 60, is our Independent Non-Executive Director. She was appointed to our Board on 30 June 2025. She graduated from the Queensland Institute of Technology, Australia with a Bachelor of Applied Science – Applied Chemistry in March 1987.

Nasmiza has over 30 years of working experiences with the PETRONAS group of companies, having held various positions across various divisions within PETRONAS. She began her career in July 1987 as a Project Executive in PETRONAS, where she was assigned to the team responsible for conducting technical studies and licensor assessments for technology and processes to be installed at PETRONAS' refinery located in Malacca. She was also involved in the evaluation of crude oil quality and production profiles to broaden the refinery's feedstock portfolio and developed the linear programming model for use in refinery production planning.

From January 1994 to December 2001, Nasmiza served as a Production Planner at Petronas Penapisan Melaka Sdn Bhd, where she was responsible for developing the monthly refinery operating plans for both the company and its joint venture partner (following the commencement of JV operations in 1998). Her role included optimising production rates and petroleum products distribution modes for both domestic and export markets, and resolving any operational issues relating to the production and distribution of petroleum products.

Nasmiza rejoined PETRONAS in January 2002 and held several positions over the following years, including Executive, Refinery Planning (2002 to 2006), Manager, Refinery Optimisation, Oil Business (2006 to 2009), Senior Manager, System Optimisation (2009 to 2010) and Head of Enterprise Optimisation (2010 to 2013). During her tenure with the Refinery Planning and Optimisation, Oil Business Division of PETRONAS, she was responsible for optimising and coordinating the implementation of PETRONAS' domestic oil business portfolio while ensuring integration with overseas assets including refineries, oil trading and lubricant businesses. She was also involved in the management of petroleum products supply chain in Malaysia, the resolution of downstream inter-company disputes and the assessment the petroleum products' demand and market for expansion of the projects.

Subsequently, Nasmiza joined PETCO, where she served as the Head of Crude Oil Trading from March 2013 to December 2015 and later as the Head of Petroleum Products Trading from January 2016 to November 2021. In these roles, she was responsible for directing the trading and sourcing of crude oil, petroleum products and liquefied petroleum gas for PETRONAS. She led negotiations related to refinery projects, joint ventures and trading partnerships and was the lead negotiator for crude sourcing and product trading arrangements for Pengerang Integrated Complex, an oil refining complex jointly developed by PETRONAS and Saudi Arabian Oil Company (Saudi Aramco) in Pengerang, Johor. She retired in December 2021.

As at the LPD, Nasmiza sits on the board of directors of a private limited company as disclosed in Section 9.2.4 of this Prospectus.

9.2.3 Shareholdings of our Directors

The details of our Directors and their shareholdings in our Company before and after our IPO, assuming our Directors will fully subscribe for their respective entitlements for the Pink Form Shares are as follows:

	Before our IPO				After our IPO							
					Assuming the Over-allotment Option is not exercised				Assuming the Over-allotment Option is fully exercised			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Abdul Hamid Bin Sh Mohamed	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-
Aliff Omar Bin Mohamad Omar	-	-	-	-	-	-	-	-	-	-	-	-
Cheah Sin Bi	-	-	-	-	1,274,000[(1)]	*	-	-	1,274,000[(1)]	*	-	-
Datuk Azman Bin Ismail	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-
Zuhaida Binti Zulkifli	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-
Lynette Yeow Su-Yin	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-
Nasmiza Binti Ismail	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-

Notes:

* *Negligible.*
(1) *Assuming full subscription by our Directors for their respective entitlements to the Pink Form Shares.*

9.2.4 Principal business activities of our Directors outside our Group

Save as disclosed below, none of our Directors are involved in any other principal business activities outside of our Group or hold principal directorships in companies outside of our Group as at the LPD ("**Present Involvement**") and in the past 5 years preceding the LPD ("**Past Involvement**"):

(i) Dato' Abdul Hamid Bin Sh Mohamed

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Present Involvement				
Symphony House Sdn Bhd	Investment holdings in cash, shares, unit trusts and structured funds	Director and substantial shareholder (indirect)	3 December 2003	-
Symphony Assets Sdn Bhd	Dormant; intended to provide management services to its holding company, Symphony House Sdn Bhd and its subsidiaries; the provision of consultancy services and business of letting properties	Director and substantial shareholder (indirect)	5 January 2007	-
Symphony Data Processing Sdn Bhd	Dormant; intended to provide infrastructure, manpower and services for the centralisation of outward cheque clearing	Director and substantial shareholder (indirect)	21 August 2007	-
MMC Corporation Berhad	Undertake mining and mineral exploration activities and also derives income from its investment. The subsidiaries of the company are principally involved in engineering, infrastructure and utilities	Director	10 August 2009	-
Almurisi Capital Sdn Bhd	Investment and property holding and management services	Director and substantial shareholder (direct and indirect)	1 August 2011	-
Stone Equity Sdn Bhd	Investment holding of Symphony House Sdn Bhd and its subsidiaries	Director and substantial shareholder (direct)	3 December 2012	-
Almurisi Development Sdn Bhd	Property and housing developer	Director	3 January 2014	-

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Almurisi Holding Sdn Bhd	Investment holding company, while its subsidiary is involved in property and housing developer	Director and substantial shareholder (direct)	19 June 2017	-
PT Maybank Sekuritas Indonesia	Stock broking	Director	9 April 2019	-
Solid Walls & Floors Sdn Bhd	Activities of interior decorations	Director	26 July 2019	-
Ekuiti Nasional Berhad	Investment advisory services	Director	1 June 2020	-
Harimau Menangis Sdn Bhd	Activities of holding company; real estate activities with own or leased property not elsewhere classified	Director and substantial shareholder (direct)	22 January 2021	-
OM Holdings Limited	Investment holding[(1)]	Director	10 May 2021	-
Pi Data Centre Sdn Bhd	Data centre co-location, operation and managed services	Director	2 January 2025	-
Panti Transport Sendirian Berhad	Taxi and collection of rental	Substantial shareholder (direct)	-	-
The Trustees of Al-Fitrah Foundation Registered	A non-profit organisation set up to assist blind Muslims everywhere to access the Holy Quran and other Islamic texts through Braille publications and other means	Trustee	21 May 2014	-
Past Involvement				
Boardroom Share Registrars Sdn Bhd	Provide and/or undertake share registration services	Director	5 January 2004	31 December 2022
Malaysian Issuing House Sdn Bhd	Issuing house	Director	4 February 2004	31 December 2022
Boardroom Business Solutions Sdn Bhd	Principally provide corporate secretarial, accounting payroll, tax, training, consultancy services, including and not limited to other allied services	Director	28 July 2006	31 December 2022

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Sky Corporate Services Sdn Bhd	Management consultancy	Director	19 June 2017	31 December 2022
Maybank Investment Bank Berhad	Investment banking business including Islamic banking scheme operations, provision stock brokering services and related financial services	Director	26 October 2017	26 October 2025
Boardroom Corporate Services Sdn Bhd	Principally provide company secretarial corporate governance, due diligence, training, consultancy services, including and not limited to other allied services and investment holding	Director	4 February 2019	31 December 2022
Boardroom (Malaysia) Sdn Bhd	Principally engaged in the business of providing solutions and management services to the group of companies, other allied services and investment holding	Director	1 April 2019	31 December 2022
Maybank IBG Holdings Limited	Holding company for all Maybank investment banking companies outside Malaysia	Director	1 August 2019	31 January 2024
Ultimate Forte Sdn Bhd	Private hospital	Director	21 April 2020	9 May 2022
Boustead Holdings Berhad	Investment holding company, while its subsidiaries are involved in plantation, property and industrial, pharmaceutical, heavy industries and trading, finance and investment sector	Director	1 September 2020	16 April 2021
Lembaga Tabung Haji	Principally involved in pilgrimage management, depository services, and investment	Director	1 August 2021	31 July 2023
TH Alam Management (M) Sdn Bhd	Ship operating and chartering	Director	1 November 2021	4 August 2023

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Maybank International Holdings Sdn Bhd	Investment holding company and principally involved in investment banking business	Director	31 January 2024	26 October 2025

Note:

(1) As at the LPD, OM Holdings Limited is a public company listed on the Australian Securities Exchange and the Main Market of Bursa Securities. Its subsidiaries are principally involved in production of manganese alloys and ferrosilicon, and the marketing and trading of manganese ore and ferroalloys.

(ii) Aliff Omar Bin Mohamad Omar

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Present Involvement				
Premier Connexion Sdn Bhd	Investment holding company holding shares in Exabytes Capital Group Sdn Bhd	Director	31 December 2020	-
Exabytes Capital Group Sdn Bhd	Investment holding company; while its subsidiaries are involved in, amongst others, provision of web hosting and related services; operating and managing computer service bureau; provision of internet related services; developing and marketing computer software; and provision of technical and operational advice	Director	1 January 2021	-
E-Global Innovative Sdn Bhd	Web and cloud hosting, computer and internet related services, developing, marketing computer software, provide technical and operational advice	Director	31 January 2021	-
Exabytes Cloud Sdn Bhd	Operating of a shared services/outsourcing centre providing business process and information technology outsourcing services and related implementation, technical and maintenance services	Director	31 January 2021	-

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Exabytes Data Centre Sdn Bhd	Activities of providing infrastructure for hosting, data processing services and related activities	Director	31 January 2021	-
Exabytes Enterprise Sdn Bhd	Web hosting and related services	Director	31 January 2021	-
Exabytes Network Sdn Bhd	Providing services for website and domain hosting, networking, appliances and server management services training provider	Director	31 January 2021	-
HT Internet Sdn Bhd	Providing services for website and domain hosting, networking, appliances and server management services	Director	31 January 2021	-
Signetique Network Sdn Bhd	Providing internet and intranet applications, webhosting and web page design services, e-commerce and computer programming, development and consultancy services	Director	31 January 2021	-
Sempena Fokus Sdn Bhd	Investment holding; however, it does not hold shares in any company (in the process of winding up)	Director	1 November 2021	-
TKSB	Investment holding company; investing in private equity investments and acquisition of shares of or investment in any company	Director	30 March 2025	-
ECSB	Investment holding company; investing in private equity investments and acquisition of shares of or investment in any company	Director	30 March 2025	-
E-Cap Asas Sdn Bhd	Investment holding company; investing in private equity investments and acquisition of shares of or investment in any company	Director	30 March 2025	-

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
E-Cap 2	Investment holding company; investing in private equity investments and acquisition of shares in any company	Director	30 March 2025	-
E-Cap 4	Investment holding company; investing in private equity investments and acquisition of shares of or investment in any company	Director	30 March 2025	-
E-Cap (Internal) Three Sdn Bhd	Investment holding company; investing in private equity investments and acquisition of shares of or investment in any company	Director	30 March 2025	-
E-Cap (External) One Sdn Bhd	Investment holding company; investing and borrowing money and do all acts and activities in relation to its business; provide guidance on business strategy and operational best practices	Director	30 March 2025	-
E-Cap (External) Two Sdn Bhd	Investment holding company; investing in private equity investments and acquisition of shares of or investment in any company	Director	30 March 2025	-
E-Cap (PC) One Sdn Bhd	Activities of holding company; other credit granting not elsewhere classified; licensed money lending activities	Director	30 March 2025	-
Hallmark Odyssey Sdn Bhd	Investment holding company; general trading; investment in property	Director	30 March 2025	-
Premier Ambient Sdn Bhd	Investment advisory services; venture capital companies	Director	30 March 2025	-
Ekuiti Nasional Berhad	Investment advisory services	Director	23 May 2025	-

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Al-Ikhsan Sports Sdn Bhd	Selling various types of sportswear and equipment	Director	28 July 2025	-
AL Sports Sdn Bhd	Selling various types of sport wear and other related products	Director	28 July 2025	-
Premier Share Sdn Bhd	Investment holding company; investing in private equity investments and acquisition of shares of or investment in any company	Director	19 September 2025	-
Past Involvement				
Coolblog Apps Sdn Bhd	Management services, acquire and hold for investment shares, stocks and debentures	Director	31 March 2019	28 July 2020
Coolblog F&B Sdn Bhd	Trading of dessert and beverages components and related merchandise, equipment and apparatus, and also outlet operator of dessert and beverage	Director	31 March 2019	28 July 2020
Coolblog Enterprise Sdn Bhd	Trading of dessert and beverages components and related merchandise, equipment and apparatus, and also outlet operator of dessert and beverage	Director	31 March 2019	28 July 2020
Coolblog Dessert Sdn Bhd	Licensing and franchise of certain dessert and beverages outlet operators, trading of beverages components and related merchandise, equipment and apparatus	Director	31 March 2019	28 July 2020
Coolblog Trading Sdn Bhd	Trading of dessert and beverages components and related merchandise, equipment and apparatus, and also outlet operator of dessert and beverage	Director	31 March 2019	28 July 2020

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Jit Sing Enterprise Sdn Bhd	Trading of beverage components and related merchandise, equipment and apparatus	Director	31 March 2019	28 July 2020
Cahya Mata Cement Sdn Bhd	Manufacturing and trading of cement and cement clinker; manufacturing and supplying of concrete related products	Director	6 January 2025	24 March 2025
Cahya Mata Phosphates Industries Sdn Bhd	To operate and integrate phosphate complex for manufacturing of food, feed and fertiliser phosphate products	Director	6 January 2025	24 March 2025
Lianson Fleet Group Berhad (*formerly known as Icon Offshore Berhad*)	Investment holding[(1)]	Alternate director	30 March 2023	1 April 2025

Note:

(1) As at the LPD, Lianson Fleet Group Berhad (formerly known as Icon Offshore Berhad) is listed on the Main Market of Bursa Securities. Its subsidiaries are principally involved in vessel owning/leasing and provision of vessel chartering and ship management services to oil and gas related industries.

(iii) Datuk Azman Bin Ismail

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Present Involvement				
Digital Nasional Berhad	To own, build and operate a 5G network and infrastructure exclusively and to provide access to its network to licensed telecommunications service providers in Malaysia	CEO	23 October 2024	-
Past Involvement				
Justgo Digital Berhad	Operator of the digital payment systems	Director	1 January 2017	1 January 2023

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Expressway Lingkaran Tengah Sdn Bhd	Construction of bridges, including those for elevated highways, highway, bridge and tunnel operation services	Director	1 January 2017	1 January 2023
Expressway Project & Advisory Services Sdn Bhd (*formerly known as Penang Bridge Sdn Bhd*)	Provision of project management and consultancy services	Director	1 January 2017	1 January 2023
Lebuhraya Pantai Timur 2 Sdn Bhd	Operations and maintenance of the East Coast Expressway Phase 2	Director	1 January 2017	1 January 2023
PLUS Malaysia Berhad	Investment holding, while its subsidiaries involved in construction, operation and maintenance of highways, bridge and tunnel	Director	1 January 2017	1 January 2023
Projek Lebuhraya Utara-Selatan Berhad	Highway, bridge and tunnel operation services	Director	1 January 2017	1 January 2023
Projek Lebuhraya Usahasama Berhad	Provision of expressways operation	Director	1 January 2017	1 January 2023
Teras Teknologi Sdn Bhd	Investment holding and engaged in supply, installation and maintenance of toll systems and equipment for expressway products, secure access and automatic fare collection	Director	1 January 2017	1 January 2023
Terra Plus Sdn Bhd	Real estate activities with own or leased property not elsewhere classified	Director	1 January 2017	1 January 2023
Justgo Solutions Sdn Bhd (*formerly known as Zoom Interactive Sdn Bhd*)	Digital payment system operator	Director	4 January 2019	1 January 2023

9. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(iv) Zuhaida Binti Zulkifli

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Present Involvement				
CIMB Islamic Bank Berhad	Islamic banking and related financial services	Director	1 March 2023	-
Petra Energy Bhd	Investment holding(1)	Director	1 September 2023	-
Qalya Legacy Sdn Bhd	Activities of investment holding, provision of property management and related services; general trading	Director and substantial shareholder (direct and indirect)	20 May 2021	-
Past Involvement				
Petronas Trading Corporation Sendirian Berhad	Marketing of crude oil, trading in crude oil and petroleum products and investment holding	Director	29 April 2020	21 December 2021
Petronas Lubricants International Sdn Bhd	Investment holding, manufacturing and trading of lubricant products	Director	19 October 2020	5 January 2022
Petronas Marketing International Sdn Bhd	Investment holding of Engen Limited group of companies, being a downstream retail business of PETRONAS in South Africa and other African nations	Director	16 April 2020	14 January 2022
Petronas Lubricants Italy S.p.A	Investment holding, manufacturing and trading of lubricant products	Director	7 April 2021	31 January 2022

Note:

(1) As at the LPD, Petra Energy Bhd is listed on the Main Market of Bursa Securities. Its subsidiaries are engaged in a comprehensive range of activities that span the upstream segment of the oil and gas industry, specialising in operations and maintenance of oilfields, integrated brown field maintenance & engineering; marine offshore support; design, fabrication supply & installation and engineering & project management services.

(v) Lynette Yeow Su-Yin

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Present Involvement				
SC Shekar Photography Sdn Bhd	Dealing in photography and photographic materials; dealing in exhibitions and artists' products; restoration and cleaning of pictures of all kinds	Director and substantial shareholder (direct and indirect)	11 June 2012	-
Beagle Books Sdn Bhd	Dealing in publication of reading materials and pictures of all kinds; printers and distributors for printing materials and equipment; general trading	Director and shareholder (direct and indirect)	29 June 2012	-
MBSB Berhad	Investment holding(1)	Director	22 March 2017	-
CTOS Digital Berhad	Investment holding(2)	Director	1 October 2020	-
TNB Power Generation Sdn Bhd	Operation of generation facilities that produce electric energy	Director	10 October 2023	-
MBSB Investment Bank Berhad *(formerly known as MIDF Amanah Investment Bank Berhad)*	Investment banking and related financial services	Director	1 January 2025	-
Messrs Sanjay Mohan	Law firm	Consultant	1 January 2019	-
Amanah Warisan Negara	To protect the land, buildings and facilities within Taman Tugu; and to manage, operate, monitor and maintain Taman Tugu	Trustee	24 June 2025	-
Past Involvement				
Destination Resorts and Hotels Sdn Bhd	Investment holding and provision of management services	Director	27 March 2015	1 January 2021
MBSB Bank Berhad	Islamic banking business and related services	Director	7 February 2018	11 June 2021

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
CTOS Data Systems Sdn Bhd	Credit reporting agency and other digital software related services	Director	1 October 2020	31 August 2023
SC	The statutory body entrusted with the responsibility to regulate and develop the Malaysian capital market	Member of the SC's Take Overs and Mergers Committee	10 January 2020	10 June 2023
		Board member	11 June 2021	10 June 2023
The Datai Pledge	A conservation and sustainability programme initiated by The Datai, Langkawi	Trustee	21 February 2020	30 April 2025

Notes:

(1) As at the LPD, MBSB Berhad is a public company listed on the Main Market of Bursa Securities. Its subsidiaries are principally involved in Islamic banking, investment banking, development finance and related financial services.

(2) As at the LPD, CTOS Digital Berhad is a public company listed on the Main Market of Bursa Securities. Its subsidiaries are principally involved in credit reporting agency business, and offering digital products and credit risk management solutions and services for credit decisioning.

(vi) Nasmiza Binti Ismail

Name of company/ entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Present Involvement				
Zoo Bear Agro Sdn Bhd	Farming and general agricultural activities	Director and substantial shareholder (direct and indirect)	30 December 2015	-
Past Involvement				
Petronas Energy Trading Limited	Liquefied natural gas, gas trading and marketing company in the West of Suez handling both physical and derivatives products; storage, shipping and optimisation of gas and liquefied natural gas assets	Director	23 March 2017	23 December 2021

The involvement of our Directors in these business activities outside our Group will not affect their commitment and responsibilities to our Group in their respective roles as our Directors.

9.2.5 Service contracts with our Directors

As at the date of this Prospectus, there are no existing or proposed service contracts between our Directors and our Company which provide for benefits upon termination of employment.

(The rest of this page is intentionally left blank)

9.2.6 Directors' remuneration and material benefits-in-kind

The aggregate remuneration and material benefits-in-kind (including contingent or deferred remuneration) paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2024 and proposed to be paid for FYE 2025 are as follows:

FYE 2024 (Paid)	**Director's fees**	**Salaries**	**Bonuses**	**EPF and SOCSO**	**Allowances**	**Benefits-in-kind**	**Total**
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
Dato' Abdul Hamid Bin Sh Mohamed(1)	-	-	-	-	-	-	-
Aliff Omar Bin Mohamad Omar	-	-	-	-	-	-	-
Cheah Sin Bi(2)	-	576,000	264,000	146,417	84,000	11,728	1,082,145
Datuk Azman Bin Ismail(3)	-	-	-	-	-	-	-
Zuhaida Binti Zulkifli(3)	-	-	-	-	-	-	-
Lynette Yeow Su-Yin(3)	-	-	-	-	-	-	-
Nasmiza Binti Ismail(3)	-	-	-	-	-	-	-

FYE 2025 (Proposed)	**Director's fees**	**Salaries**	**Bonuses**	**EPF and SOCSO**	**Allowances**	**Benefits-in-kind**	**Total**
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
Dato' Abdul Hamid Bin Sh Mohamed(1)	120,000	-	-	-	7,500	-	127,500
Aliff Omar Bin Mohamad Omar	-	-	-	-	-	-	-
Cheah Sin Bi(2)	-	720,000	300,000	175,033	84,000	13,476	1,292,509
Datuk Azman Bin Ismail(3)	60,000	-	-	-	19,500	-	79,500

FYE 2025 (Proposed)	Director's fees	Salaries	Bonuses	EPF and SOCSO	Allowances	Benefits-in-kind	Total
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
Zuhaida Binti Zulkifli(3)	60,000	-	-	-	19,500	-	79,500
Lynette Yeow Su-Yin(3)	60,000	-	-	-	19,500	-	79,500
Nasmiza Binti Ismail(3)	60,000	-	-	-	19,500	-	79,500

Notes:

(1) Dato' Abdul Hamid Bin Sh Mohamed was appointed to our Board on 2 May 2025.
(2) Cheah Sin Bi was appointed to our Board on 3 March 2025.
(3) Datuk Azman Bin Ismail, Zuhaida Binti Zulkifli, Lynette Yeow Su-Yin and Nasmiza Binti Ismail were appointed to our Board on 30 June 2025.

The remuneration of our Directors, which includes Directors' fees, bonus and such other allowances as well as other benefits, must be considered and recommended by our Board Nomination and Remuneration Committee and subsequently approved by our Board. Our Directors' fees must be further approved/endorsed by our shareholders at a general meeting.

9.2.7 Board Audit Committee

Our Board Audit Committee was formed by our Board on 14 July 2025. Our Board Audit Committee currently comprises the following members, all of whom are Independent Non-Executive Directors:

Name	Designation	Directorship
Zuhaida Binti Zulkifli	Chairman	Independent Non-Executive Director
Datuk Azman Bin Ismail	Member	Senior Independent Non-Executive Director
Nasmiza Binti Ismail	Member	Independent Non-Executive Director

In fulfilling its primary objectives, the Board Audit Committee undertakes, among others, the following responsibilities and duties as stated in the terms of reference:

(i) To review and assess the suitability, objectivity and independence of the external auditors and internal auditors, its conduct of the annual statutory audit of the financial statements, and the engagement of external auditors for all other services.

(ii) To assess the suitability, objectivity and independence of the external auditor and internal auditor based on the relevant policies and procedures, including but not limited to the following:

(a) to draw reference to the annual transparency report to be presented by external auditors, if any;

(b) to determine the appropriateness of audit fees to support a quality audit;

(c) to approve non-audit services before services rendered by the external auditor and its affiliates while taking into account the nature and extent of the non-audit services and the appropriateness of the level of fees;

(d) to obtain a written assurance from the external auditor confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements;

(e) to conduct an annual evaluation on the performance of the external auditor and internal auditor. An evaluation shall be completed by the management and members of the Board Audit Committee and a summary report shall be presented to our Board;

(f) to make appropriate recommendations to our Board on matters of resignation, dismissal or cessation of office of the external auditors and secure the reason of such resignation, dismissal or cessation of office; and

(g) to recommend the nomination of person(s) as the external auditors to our Board and subsequent recommendation to the shareholders for approval.

(iii) To conduct periodic reviews of the involvements of our Board in the companies outside of our Group, in which they have executive functions to ensure that it does not affect their role and responsibilities within our Group.

(iv) To do the following, in relation to the internal audit function:

(a) to consider and approve the appointment of the internal auditors, the internal audit fee and any question of resignation or dismissal;

(b) to review the adequacy of the scope, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;

(c) to review the internal audit plan and results of the internal audit assessments and investigation undertaken and ensure that appropriate action is taken on the recommendations of the internal auditors;

(d) to consider the internal audit reports and findings by the internal auditors, fraud investigations and actions and steps taken by the management in response to audit findings;

(e) to review and decide on the budget allocated to the internal audit function;

(f) to appraise or assess the performance of members of the internal audit function; and

(g) to monitor the overall performance of our Company's internal audit function.

(v) To review and recommend the quarterly and annual financial statements before the approval by our Board, focusing in particular on the following:

(a) any changes in or implementation of major accounting policies and practices;

(b) significant matters highlighted, including financial reporting issues, significant judgements made by the management, significant and unusual events or transactions, and how these matters are addressed;

(c) significant adjustments arising from the audit;

(d) going concern assumption; and

(e) compliance with accounting standards and other regulatory or legal requirements.

(vi) To review and monitor any related party transactions/business dealings entered into by our Group and any conflict-of-interest situation that may arise within our Group to ensure that they are conducted on arms' length basis and based on terms that are fair to our Group, and report the same to our Board.

(vii) To consider the major findings of internal investigations and the management's response.

(viii) To verify, review and recommend any proposed declaration of dividend to our Board for approval and/or onwards shareholders' approval.

(ix) To review and assess the impairment of investments.

(x) To review any banking facilities and/or any business transactions in accordance with the defined thresholds or limits of authority which require Board Audit Committee's recommendation to our Board for approval.

(xi) To assess processes and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.

(xii) To monitor key risks relating to sustainability, ESG and sustainability disclosures and performance.

(xiii) To oversee the effectiveness of the company's whistleblowing procedures, ensuring proper handling of reported concerns.

(xiv) To perform any such other functions as may be requested by our Board.

9.2.8 Board Risk and Compliance Committee

Our Board Risk and Compliance Committee was formed by our Board on 14 July 2025. Our Board Risk and Compliance Committee currently comprises the following members:

Name	Designation	Directorship
Datuk Azman Bin Ismail	Chairman	Senior Independent Non-Executive Director
Cheah Sin Bi	Member	Non-Independent Executive Director
Lynette Yeow Su-Yin	Member	Independent Non-Executive Director
Nasmiza Binti Ismail	Member	Independent Non-Executive Director

In fulfilling its primary objectives, the Board Risk and Compliance Committee undertakes, among others, the following responsibilities and duties as stated in the terms of reference:

(i) To engage in discussions on risk-related matters and propose actionable steps to address any identified risks or weaknesses in controls, ensuring effective outcomes.

(ii) To oversee the risk management framework and internal control policies by reviewing them with management, including the following:

(a) to assess whether the company's strategy is consistent with the agreed-upon risk appetite and tolerance levels for our Company or our Group;

(b) to maintain and establish a clear framework to hold management accountable for building and maintaining an effective risk appetite framework, and providing our Board with regular, periodic reports on our Company's residual risk status;

(c) to review the design of our Company's risk management functions, as well as the qualifications and backgrounds of senior risk personnel and the policies applicable to risk management and to evaluate whether they are appropriate given our Company's size and scope of operations;

(d) to review the results of Group-wide risk assessments, including the identification and reporting of critical risks;

(e) to review the categories of risk our Company or our Group faces, including any risk concentrations and risk interrelationships, as well as the likelihood of occurrence, potential impact, mitigating measures, and action plans to be employed if a given risk materialises;

(f) to review the policies and procedures in place to hedge against or mitigate risks, along with the actions to be taken if risk limits are exceeded;

(g) to ensure the assumptions and analyses underpinning the determination of our Company's principal risks, and whether adequate procedures are in place;

(h) to ensure that new or materially changed risks are properly and promptly identified;

(i) to implement risk policies and procedures to assess whether they are being followed and are effective;

(j) to ensure policies and framework that govern the management of risks, including risk governance matters that have been delegated by our Board;

(k) to review the risk appetite level of the company/group and ensure it aligns with our Board's approvals;

(l) to monitor technology, information, and cyber risks against appetite as part of overall risk oversight;

(m) to review and monitor all risks and risk management practices, including internal control and compliance processes and systems;

(n) to approve the appointment and review the committee structure and composition, and define the roles and duties of the management-level risk management committee/working group;

(o) to consult and exchange views with the Board Audit Committee to assess whether the risk management policies and strategies cover all existing and new types of financial risks and evaluate the effectiveness and efficiency of their implementation; and

(p) to perform other duties as delegated by our Board or required by regulatory obligations.

9.2.9 Board Nomination and Remuneration Committee

Our Board Nomination and Remuneration Committee was formed by our Board on 14 July 2025. Our Board Nomination and Remuneration Committee currently comprises the following members:

Name	Designation	Directorship
Lynette Yeow Su-Yin	Chairman	Independent Non-Executive Director
Aliff Omar Bin Mohamad Omar	Member	Non-Independent Non-Executive Director
Zuhaida Binti Zulkifli	Member	Independent Non-Executive Director

In fulfilling its primary objectives, the Board Nomination and Remuneration Committee undertakes, among others, the following pertinent responsibilities for recommending to our Board as stated in the terms of reference:

(i) To identify, assess, propose, consider and recommend new nominees for the directorships of our Company by considering the fit and proper criteria.

(ii) To review the composition of the committees of our Board and make recommendations to our Board for the appointment of additional committee members or the removal/resignation of the committee members.

(iii) To assess the composition and effectiveness of our Board as a whole, the committees of our Board and the performance and contribution of each individual Director, as well as the Key Senior Management, including their performance in addressing our Company's material sustainability risks and opportunities vide a formal and objective assessment.

(iv) To develop succession planning policy for Directors and ensure that the policy is reviewed periodically.

(v) To identify suitable training programmes for the Directors, as well as overseeing the identification of suitable training programmes for the key senior management.

(vi) To review and recommend to our Board in respect of remuneration policies and framework of the executive directors and key senior management of our Group.

(vii) To review and recommend the remuneration of the non-executive directors.

(viii) To develop and adopt a formal and transparent procedure and policies on remuneration packages for the Directors and the key senior management, which takes into account the demands, complexities of the roles and performance of the Company as well as skills and experience required.

9.3 KEY SENIOR MANAGEMENT

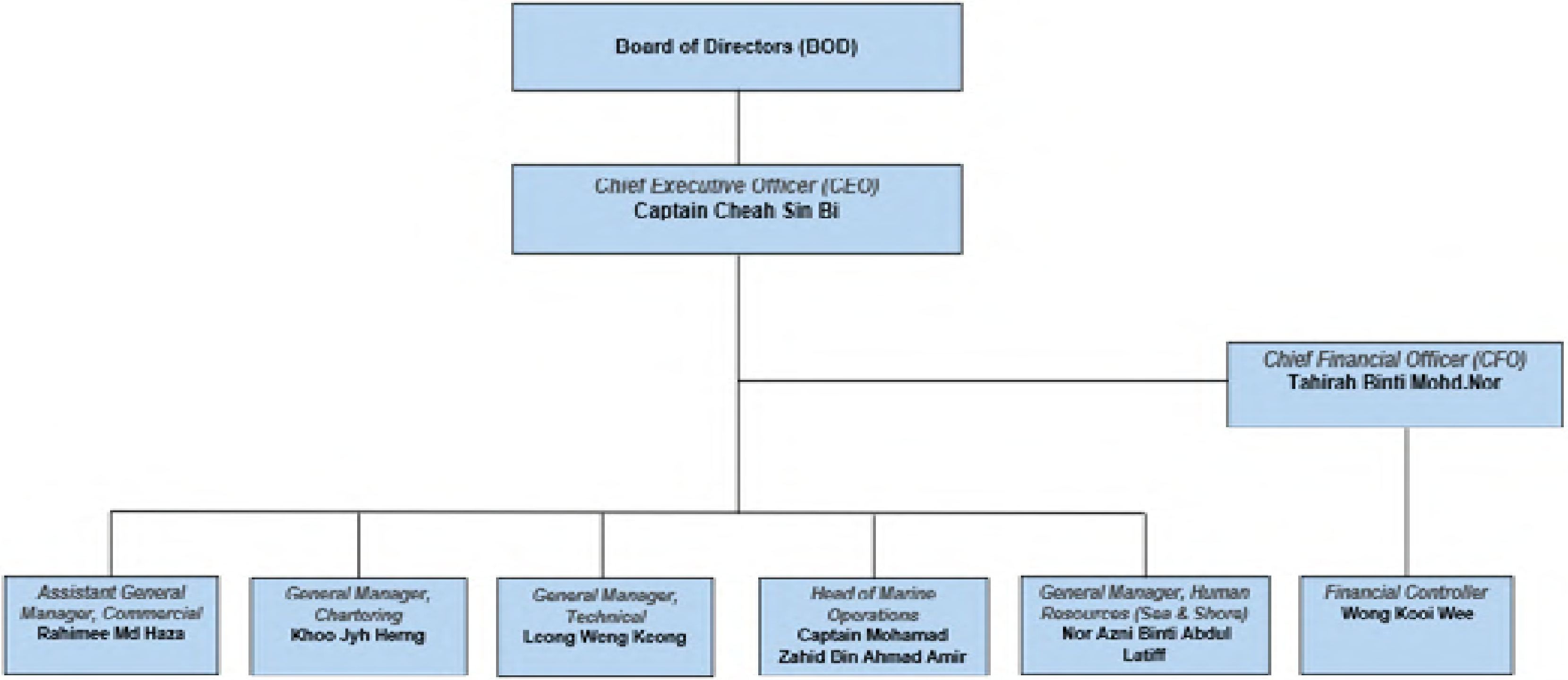
Our Key Senior Management set out below is responsible for the day-to-day management and operations of our Group. The members of our Key Senior Management as at the date of this Prospectus are as follows:

Name	Age	Designation
Cheah Sin Bi	45	CEO
Tahirah Binti Mohd.Nor	47	CFO
Wong Kooi Vee	55	Financial Controller
Mohamad Zahid Bin Ahmad Amir	57	Head of Marine Operations
Khoo Jyh Herng	37	General Manager, Chartering
Leong Weng Keong	55	General Manager, Technical
Nor Azni Binti Abdul Latiff	44	General Manager, Human Resources (Sea & Shore)
Rahimee Bin Md Haza	54	Assistant General Manager, Commercial

(The rest of this page is intentionally left blank)

9.3.1 Management reporting structure

Our management reporting structure as at the LPD is as follows:



9.3.2 Profiles of our Key Senior Management

The profile of our CEO, Cheah Sin Bi, who is also a member of our Board is set out in Section 9.2.2 of this Prospectus. The profiles of our other Key Senior Management are as follows:

(i) Tahirah Binti Mohd.Nor

Tahirah Binti Mohd.Nor, a Malaysian aged 47, is our CFO since 1 April 2025. She obtained a Bachelor of Accounting from the University of Malaya in September 2002. She has been a member of the Malaysian Institute of Certified Public Accountants since January 2007 and admitted as a Chartered Accountant of the MIA since December 2015.

Tahirah began her career in May 2002 as an Associate in the Assurance and Advisory Business Services Department at Athur Andersen Malaysia (which has since merged with Ernst & Young PLT and is now known as Ernst & Young PLT). Following the merger between Arthur Andersen Malaysia and EY, she was offered to continue her employment with EY and was later promoted to the positions of Assistant Manager in September 2006 and Manager in September 2007, where she led a team of auditors to conduct audit and financial due diligence. Throughout her tenure in EY, she was primarily involved in statutory audits of companies in multiple industries including the oil and gas, plantations, education and property development sectors. She was also involved in special audits for corporate exercises, including initial public offerings and private debt securities offerings. She left EY in July 2009.

In August 2009, Tahirah joined Pengurusan Aset Air Berhad as Manager of the Lease Management Department, where she was one of the key team members in the working committee responsible for negotiating financial terms for states' water asset acquisitions, preparing financial models, reviewing financial statements and business plans as well as ensuring regulatory compliance until her departure in October 2010.

Tahirah joined SK TL Offshore Sdn Bhd (currently known as Sapura Offshore Sdn Bhd) ("**SKTL**"), a wholly owned subsidiary of SapuraCrest Petroleum Berhad (*now known as Sapura Energy Berhad*) as Senior Manager in November 2010 where she led the group consolidation team to prepare the group's monthly, quarterly and annual audited financial statements. She was also involved in preparing the annual business plan and budget of the group. She left SKTL in June 2011.

In July 2011, Tahirah joined Petra Energy Berhad as Group Accountant, where the role she assumed was similar to the role that she had performed in SKTL until her departure in August 2012.

In September 2012, Tahirah rejoined SKTL as Deputy General Manager, where she served as the Head of Financial Reporting and Compliance. During her tenure with SKTL, she was primarily responsible for the financial oversight of the Engineering & Construction Division, in which she oversaw and managed the financial reporting within the division, including preparation of the division's monthly, quarterly, and annual financial results. She left SKTL in April 2017.

Subsequently in April 2017, Tahirah joined UEM Sunrise Berhad ("**UEMS**") as General Manager, Finance, where she oversaw and managed the UEMS's group treasury function, funding requirements, cash flow management and accounts receivables management. She left UEMS in July 2019.

Tahirah served as Director of Finance and Planning for the Offshore Business Unit ("**OBU**") at MISC Berhad from July 2019 to July 2021, where she was responsible for the OBU's statutory financial reporting, treasury management, formulation of business plans, risk management, tax planning and regulatory compliance. In addition, she worked closely with the Business Development Department on offshore business development activities, including participation in bids for the leasing of the Floating Production Storage Offloading (FPSO) units.

In August 2021, Tahirah joined our Company as the CFO, where she oversaw our Company's overall financial management and was responsible for monthly management and financial reporting to our Board, as well as the preparation of annual business plans and budgets, tax compliance and treasury management. In addition, she led and managed our Procurement Department and worked closely with our key departments, including our Commercial Department and our Operations Department to support our Group's business until her departure in May 2022.

Subsequently in May 2022, Tahirah joined Malaysia Airports Holding Berhad ("**MAHB**") as the CFO of MAHB's subsidiaries in Türkiye, namely (i) İstanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım Ve İşletme A.Ş. ("**ISG**") and (ii) SGC Havalimanı İsletmeleri Ticaret Ve Turizm A.Ş ("**SGC**"), which operate Istanbul Sabiha Gökçen International Airport (being the second largest airport in Türkiye). As the CFO, she was overseeing finance, risk management, strategy and planning, treasury, compliance and strategic tax, company secretarial and compliance matters for ISG and SGC. She was also in charge of assessing investment needs for the new terminal expansion and handling the end-to-end procurement process. She has served on the Management Committees, Executive Committees, Management Procurement Committees and the Internal Audit Management Committees of both ISG and SGC. She left MAHB in March 2025.

Tahirah rejoined our Company in April 2025 as our CFO, where she is primarily responsible for overseeing and managing our Group's finance and accounting functions, financial performance, treasury management and regulatory compliance to ensure that our Group meets its business objectives in terms of returns, profitability and cash flow.

(ii) Wong Kooi Vee

Wong Kooi Vee, a Malaysian aged 54, is our Financial Controller and has been with our Group since May 2009. He obtained the ACCA qualification in December 1996 and has been a fellow of the ACCA since January 2005. He is also a member of the Malaysian Institute of Accountants since July 2000.

Wong Kooi Vee began his career as an Audit Executive at Mohamed Yeng & Co in December 1996 and was progressed through the positions of Audit Senior and Audit Supervisor. As Audit Supervisor, he led a team of auditors to conduct financial audit for private limited companies and public listed companies in various sectors. In Mohamed Yeng & Co, he was involved in preparing corporate tax and deferred taxation computations, preparing consolidated accounts for group companies and conducting special audit, including fraud investigations and financial due diligence for various corporate exercises until he left the firm in August 2000.

Wong Kooi Vee then joined Global Carriers Berhad ("**GCB**") as Corporate Finance Manager in August 2000 and was subsequently promoted to the position of Senior Corporate Finance Manager in January 2004. He was responsible for overseeing corporate planning, financial restructuring, investment strategies and treasury activities, including securing funding and managing credit facilities for GCB and its group of companies. During his tenure with GCB, he was involved in GCB's restructuring exercise from 1998 to 2002 and various fund raising and corporate exercises undertaken by GCB. Additionally, he was involved in due diligence exercises and feasibility studies undertaken by GCB for acquisitions and investment opportunities and preparation of financial reports. He also managed GCB's corporate tax planning, and treasury functions, including cash flow management, fund placements, and securing competitive interest rates for the financing obtained by GCB or its group of companies. He left GCB in April 2009.

In April 2009, Wong Kooi Vee joined OSMSB, our wholly-owned subsidiary, as the Head of Administration and Finance and was subsequently redesignated to the positions of Senior Manager, Finance in January 2017 and the Head of Finance (Operations) in July 2020, leading our finance department. In April 2023, he was promoted to the position of the Financial Controller, where he oversees our Group's financial strategy, accounting matters, corporate finance, banking, and corporate planning, including restructuring, investments, and treasury activities. He plays a key role in securing financings for new ship construction and vessel acquisitions and ensuring compliance with financial regulations.

In addition, Wong Kooi Vee is responsible for overseeing and managing the preparation of cash flow projections, yearly budgets, rolling budgets, and financial projections for our Group. He is also involved in the preparation of our Group's financial statements and corporate tax planning.

(iii) Mohamad Zahid bin Ahmad Amir

Mohamad Zahid bin Ahmad Amir, a Malaysian aged 56, is our Head of Marine Operations and has been with our Group since August 2013. He obtained a Class 1 Certificate of Competency as Master (Unlimited Voyage) from the Marine Department of Malaysia in March 2000.

Captain Zahid began his career at MISC Berhad ("**MISC**") as a Deck Cadet in February 1988. From February 1988 to October 2000, he progressed through various onboard roles as Deck Cadet, Third Officer, Second Officer and Chief Officer, where he was primarily responsible for overseeing and managing the day-to-day operations of chemical tankers and ensuring safety and compliance with international maritime regulations.

In February 2001, Captain Zahid joined Sutrajaya Shipping Sdn Bhd as a Chief Officer and he was subsequently promoted to the position as the Master served on board of chemical tankers, where he led the operations of chemical tankers, including navigation, crew management, safety and compliance with international maritime regulations until September 2006.

Captain Zahid joined Global TS Sdn Bhd as Master of Oil Tankers in November 2006 where the role he assumed was similar to the role he had performed in Sutrajaya Shipping Sdn Bhd and left the company in June 2010. In July 2010, Captain Zahid transitioned to a shore-based role as Manager of Operations, where he oversaw and managed vessel operations, including safety and risk management, regulatory compliance, emergency response and crisis management. He left Global TS Sdn Bhd in July 2013.

In August 2013, Captain Zahid joined OSMSB, our wholly-owned subsidiary, as Manager of Operations and was subsequently promoted to the position of Senior Manager of Operations in January 2018 and redesignated as the Head of Commercial of Operations in July 2020, leading our Operations Department. In January 2025, he was promoted to the position of Head of Marine Operations, where his main responsibilities include overseeing our Group's vessel operations, managing vessel and system operations in accordance with terminal, port and charterer requirements, ensuring safety and regulatory compliance and risk management. In addition, he was appointed as our Group's Company Security Officer (CSO) in June 2016, where he is responsible for the implementation of security protocols and risk management strategies of our Group.

With over 25 years of extensive experience in the maritime and shipping industry, of which 12 years has been with our Group, Captain Zahid has played a significant role in maintaining and improving our Group's operational reliability, vessel safety as well as compliance with the applicable international maritime standards and regulations.

(iv) Khoo Jyh Herng

Khoo Jyh Herng, a Malaysian aged 37, is our General Manager, Chartering. He obtained a Bachelor of Information Technology (Honours) in Data Communications & Networking from the Multimedia University in January 2010.

In October 2019, Khoo Jyh Herng began his career as a Sales Supporting Specialist in the Solutions and Sales Effect Department of Dell Technologies' Asia Pacific & Japan through an employment agency. As a Sales Supporting Specialist, he was primarily responsible for providing technical and sales support to customers, troubleshooting product-related issues and coordinating with internal sales teams for order fulfilment.

In February 2010, Khoo Jyh Herng joined OSMSB, our wholly-owned subsidiary, as System Administrator Assistant and was promoted to the position of Assistant Manager of System Administrator in February 2011 and the position of Manager of System Administrator in September 2013, where he undertook the setup, maintenance and upgrading of our Group's IT infrastructure, including the IT and communication systems for our vessels. He led the transition of our Group's satellite communication systems to satellite broadband systems in 2011, which has significantly reduced our Group's communication costs.

In February 2017, Khoo Jyh Herng was rotated to our Technical Department as Manager of Services, where he managed procurement, logistics and IT services for our vessels, established bulk purchase agreements and expanded our Group's vendor portfolios. He was subsequently rotated to our Commercial Department as Manager of Commercial in November 2017 and was subsequently redesignated to the position of Manager of Business in January 2019, where he handled the commercial operations of ship management, managed claims and client negotiations, as well as developed strategies to optimise revenue streams.

In January 2021, Khoo Jyh Herng was redesignated as Manager of Chartering and Business Development and was subsequently promoted to the position of the Head of Chartering in July 2022, where he focused on contract negotiations for the chartering out of our Group's vessels.

Subsequently, he was promoted to the position of Assistant General Manager of Chartering in January 2024 and elevated as General Manager of Chartering in January 2025, leading our Chartering Department. As General Manager of Chartering, his main responsibilities include developing and executing our Group's chartering strategy, performing market trends analysis, negotiating charter agreements, expanding our Group's client portfolio and ensuring optimal fleet utilisation and profitability. Under Khoo Jyh Herng's leadership, we have expanded our client list since 2022 to include Petron Malaysia and also secured 2 long-term Consecutive Voyage Charter Contracts in 2024 with one of our major customers.

With over 15 years of diverse experience across multiple departments including Information Technology, Technical and Commercial departments within our Group, he has played a significant role in maintaining and improving our Group's business operations and managing and maintaining good business relationships with our charterers, stakeholders and industry partners to improve and strengthen our Group's reputation in the maritime industry.

(v) Leong Weng Keong

Leong Weng Keong, a Malaysian aged 54, is our General Manager of Technical and he has been with our Group since October 2010. Leong Weng Keong obtained a Diploma in Marine Engineering from Politeknik Ungku Omar in July 1993 and a Class 1 Certificate of Competency as Chief Engineer (Unlimited Voyage) from the Marine Department of Malaysia in September 2002.

Leong Weng Keong began his career in May 1991 with MISC under the company's cadet sponsorship programme. From May 1991 to July 1999, he progressed through various onboard roles as Engine Cadet, Fourth Engineer, Third Engineer and Second Engineer, where he was primarily responsible for overseeing the day-to-day activities in the engine room of vessels, managing the proper functioning of the engine room machinery systems and the maintenance of engine and equipment.

From August 1999 and February 2000, he attended a course at the Malaysian Maritime Academy to obtain his Class 1 Certificate of Competency as Chief Engineer (Unlimited Voyage).

In March 2000, Leong Weng Keong joined Maritime Consortium Management Sdn Bhd (currently known as Global TS Sdn Bhd) ("**MCM**"), a wholly owned subsidiary of Global Carrier Berhad, as Technical Superintendent, where he was responsible for monitoring vessel performance, managing the technical and operational condition of vessels, ensuring compliance with international maritime requirements and classification society regulations. He left MCM in March 2006.

Subsequently in March 2006, Leong Weng Keong joined the American Nautical Systems LLC ("**ABS Nautical**") as Senior Product Consultant, where he was primarily involved in implementing, configuring and supporting ABS Nautical's NS5 system, a fleet management software solution for managing day-to-day functions, including vessel maintenance and fleet management. He left ABS in April 2007.

In April 2007, Leong Weng Keong joined GP Marine Sdn Bhd ("**GP Marine**") as a supervisor for new shipbuilding projects. During his tenure with GP Marine, he was primarily involved in supervising and managing the shipbuilding projects of our Group based in China, overseeing the construction of our vessels, including Orkim Fortune, Orkim Harmony, Orkim Power, Orkim Leader, Orkim Express, Orkim Challenger and Orkim Discovery. He left GP Marine in October 2010.

In October 2010, Leong Weng Keong joined OSMSB, our wholly-owned subsidiary, as Technical Manager. He was subsequently promoted and redesignated to various positions, including Senior Manager of New Buildings and Projects in June 2015, Head of Technical in April 2023 and Assistant General Manager of Technical in April 2024, where he was responsible for overseeing the day-to-day technical operations of our fleet, managing maintenance and repair activities and ensuring compliance with safety and regulatory standards.

In April 2024, he was further elevated to his current position of the General Manager of Technical, leading our Group's Technical Department. As the General Manager of Technical, Leong Weng Keong is responsible for overseeing the technical management of the fleet, implementing strategies for fleet optimisation, enhancing technological capabilities, improving asset management to ensure the fleet's long-term value. In addition, he was appointed as our Company Environmental Representative (CER) in July 2020 to manage and oversee our Group's compliance with the applicable environmental laws and regulations, implementation of the environmental risks management and sustainable practices and compliance with the relevant regulations such as the Environmental Ship Index, ballast water treatment protocols, continuous monitoring of exhaust system and continuous collection and analysis of environmental data from all vessels.

With 30 years of experience in the maritime and shipping industry, of which 15 years has been with our Group, Leong Weng Keong has played a significant role in maintaining and improving our vessels' operations and maintenance as well as compliance with the environmental laws and regulations.

(vi) Nor Azni Binti Abdul Latiff

Nor Azni Binti Abdul Latiff, a Malaysian aged 43, is our General Manager of Human Resources (Sea & Shore) and has been with our Group since April 2020. She obtained a Bachelor of Science Bioindustry from Universiti Putra Malaysia in October 2003.

Azni began her career in July 2005 as an Executive in the Human Resources Department at Total Logistic Services (M) Sdn Bhd, where she was involved in a broad range of human resource functions, including managing employee relations, handling grievances and disciplinary matters, reviewing and drafting human resource policies and ensuring consistent application of procedures across the company. She also supported internal employee committees, conducted safety audits and contributed to the alignment of the company's remuneration strategy with its business objectives. She left the company in August 2007.

In September 2007, Azni joined Utmost Distinction Sdn Bhd as a Senior Executive in the Human Resources Department, where she carried out responsibilities similar to those in her previous role at Total Logistic Services (M) Sdn Bhd. She remained with the company until March 2011.

Subsequently in the same month, Azni joined Aluminium Company of Malaysia Berhad (currently known as ALCOM Group Berhad), as Assistant Manager of Employee Relations. In this role, she was responsible for the organisation's core human resource functions and also oversaw human resources-related matters for its subsidiary, Alcom Nikkei Specialty Coatings Sdn Bhd. She led key initiatives in various employee relations matters, including industrial relations, legal compliance, and union engagement and provided advisory support on immigration and international staffing matters. She left the company in January 2012.

Between February 2012 to November 2014, Azni took time to focus on family commitments. In December 2014, Azni joined Nando's Chickenland Malaysia Sdn Bhd as Manager of Human Resource Services, where she was primarily responsible for overseeing general human resource functions. She was redesignated to the position of Manager, Business Partner in April 2017, where she oversaw staffing, training and providing back-end human resource support for the company's outlets across the southern and central regions. She was also involved in the management of the company's industrial relations, ensuring compliance with employment legislations, the development of the company's human resource strategy and spearheaded the company's succession planning initiatives.

In April 2020, Azni joined OSMSB, our wholly-owned subsidiary, as Manager of the Human Resources and Administrations Department. She was subsequently promoted to the position of Senior Manager in January 2022, where she was primarily responsible for managing and overseeing a broad range of human resources functions for shore-based employees.

In January 2014, she was promoted to the position of Assistant General Manager, Human Resources (Sea & Shore) and subsequently assumed her current position of General Manager of the Human Resources Department in January 2025. In her current role, she leads our Group's human resources functions for both sea and shore operations. Her core responsibilities include driving strategic workforce planning, overseeing crewing recruitment, implementing retention and succession planning initiatives, establishing human resource policy frameworks in compliance with applicable employment laws. Azni plays a significant role in aligning our Group's human resource policies and practices with its business objectives.

(vii) Rahimee Bin Md Haza

Rahimee Bin Md Haza, a Malaysian aged 54, is our Assistant General Manager of Commercial, and has been with our Group since October 2005. He completed the 3rd Mate Preparatory Course at Maritime Academy Malaysia in January 1995.

Rahimee began his career as a Deck Cadet at Pacific Ship-Managers Sdn Bhd in May 1991 under the company's cadet sponsorship programme, where he gained hands-on experience in ship operations, safety procedures and cargo handling. During his tenure as a Deck Cadet, he pursued and completed the 3rd Mate Preparatory Course in January 1995 and continued to serve as a Deck Cadet until his departure in March 1995.

In September 1995, Rahimee joined MCM, a wholly owned subsidiary of GCB, as a Marine Third Officer, where he served onboard GCB's dry-bulk carriers. He was primarily involved in supporting vessel safety management, including watchkeeping, chart plotting, ensuring compliance with international maritime regulations and supporting deck operations until his departure in October 1996.

In November 1996, Rahimee transitioned into a shore-based role and joined the sister company of MCM, namely Budisukma Shipping (Thailand) Co. Ltd, a shipping company and freight agent based in Bangkok, Thailand as Operations Manager, where he led a team of 6 personnel to manage port agency operations and oversaw vessel port calls for both loading and discharging of bulk cargoes across multiple ports in Thailand. He also served as MCM's representative in Thailand who was responsible for supervising all the vessels owned by GCB calling at ports in Thailand and ensuring smooth coordination with local authorities and port service providers. He left the company in August 2000.

Rahimee returned to Malaysia and rejoined MCM as Admin Assistant under the Crewing Department in December 2000, where he was involved in crew recruitment, training, ensuring compliance with crew certification requirements and maritime labor standards for container vessels. During his tenure with MCM, he was primarily involved in the crew recruitment of Malaysian seafarers for MCM's container fleet until June 2003.

In July 2003, Rahimee joined Inai Kiara Sdn Bhd as Manning Executive in the Fleet Management Division, where he assumed similar responsibilities to the role that he had performed in MCM but focused on the crew recruitment of Malaysian seafarers for dredger vessels and the development of crew training programme. He left the company in August 2005.

In October 2005, Rahimee joined OSMSB, our wholly-owned subsidiary, as Operations Superintendent, where he served as a Time Charter Operator and was primarily responsible for the appointment of port agents, cargo surveyors, bunker suppliers and port authorities. He was also involved as one of the core team members in securing our Group's first long-term charter contract with the PETRONAS Group. He was subsequently promoted to the position of Assistant Manager of Commercial Operations in January 2009 in preparation of the delivery of our Group's first newly built vessels, namely Orkim Power. He was further promoted as the Head of Commercial Operations in April 2013, where his responsibilities were expanded to include our Group's commercial operations, charter contract negotiations, claim negotiations, client relationship management, preparation of commercial proposals, bunker purchases and vessel insurance renewals.

Rahimee was subsequently promoted to the position of Senior Manager of Business in June 2015 and redesignated to the position of the Head of Commercial in January 2021, where he was overseeing our Group's chartering and commercial department. In April 2023, he was promoted to his current position of Assistant General Manager of Commercial, where his main responsibilities include overseeing our Group's commercial operations, optimising revenue generation through effective vessel deployment, managing client relationship, venturing and developing new business opportunities and improving operational efficiency for our Group.

With a span of over 30 years of experience in the maritime and shipping industry, of which 20 years have been with our Group, Rahimee has played a significant role in monitoring and managing the overall performance of our vessels to ensure smooth and effective operations.

9.3.3 Shareholdings of our Key Senior Management

The shareholdings of our Key Senior Management (other than our CEO who is also our Director as disclosed in Section 9.2.3 of this Prospectus) before and after our IPO, assuming full subscription by our Key Senior Management for their respective entitlements to the Pink Form Shares, are set out below:

						After our IPO							
		Before our IPO				Assuming the Over-allotment Option is not exercised				Assuming the Over-allotment Option is fully exercised			
		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	**Nationality**	**No. of Shares**	**(%)**	**No. of Shares**	**(%)**	**No. of Shares**	**(%)**	**No. of Shares**	**(%)**	**No. of Shares**	**(%)**	**No. of Shares**	**(%)**
Tahirah Binti Mohd.Nor	Malaysian	-	-	-	-	250,000[(1)]	*	-	-	250,000[(1)]	*	-	-
Wong Kooi Vee	Malaysian	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-
Mohamad Zahid Bin Ahmad Amir	Malaysian	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-
Khoo Jyh Herng	Malaysian	-	-	-	-	225,000[(1)]	*	-	-	225,000[(1)]	*	-	-
Leong Weng Keong	Malaysian	-	-	-	-	225,000[(1)]	*	-	-	225,000[(1)]	*	-	-
Nor Azni Binti Abdul Latiff	Malaysian	-	-	-	-	225,000[(1)]	*	-	-	225,000[(1)]	*	-	-
Rahimee Bin Md Haza	Malaysian	-	-	-	-	200,000[(1)]	*	-	-	200,000[(1)]	*	-	-

Notes:

* *Negligible.*

(1) Assuming full subscription by our Key Senior Management for their respective entitlements to the Pink Form Shares.

9.3.4 Involvement of our Key Senior Management in other principal business activities

Save as disclosed below, none of our Key Senior Management is involved in any other principal business activities outside our Group as at the LPD or hold directorships in other companies outside our Group as at the LPD and in the past 5 years preceding the LPD:

(i) Leong Weng Keong

Name of company / entity	Principal activities	Involvement in business activities	Date of appointment	Date of resignation
Present Involvement				
Golden Oil Carrier Sdn Bhd	Transport of passenger via rivers, canals, lakes and other inland waterways, including inside harbours and ports, other service activities incidental to water transportation not elsewhere classified, renting and operational leasing of water-transport equipment without operator	Substantial shareholder (direct)	-	-
Past Involvement				
Nil				

The involvement of our Key Senior Management in those business activities outside our Group will not affect their contribution to our Group. The involvement of our Key Senior Management in those business activities outside our Group is not expected to require a significant amount of their time or attention or adversely affect the operations of our Group.

9.3.5 Service contracts with our Key Senior Management

As at the date of this Prospectus, there are no existing or proposed service contracts between our Key Senior Management and our Company which provide for benefits upon termination of employment.

9.3.6 Key Senior Management's remuneration and benefits

The remuneration and material benefits-in-kind of our CEO is set out in Section 9.2.6 of this Prospectus.

The aggregate remuneration and material benefits-in-kind paid (including contingent or deferred remuneration) and proposed to be paid to our Key Senior Management for services rendered in all capacities to our Group for the FYE 2024 and proposed to be paid for FYE 2025 are as follows:

	Remuneration band	
	FYE 2024 (Paid)	**FYE 2025 (Proposed)[1]**
	(RM'000)	(RM'000)
Tahirah Binti Mohd.Nor[1]	-	800 to 850[2]
Wong Kooi Vee	400 to 450	450 to 500
Mohamad Zahid Bin Ahmad Amir	400 to 450	450 to 500
Khoo Jyh Herng	400 to 450	450 to 500
Leong Weng Keong	500 to 550	500 to 550
Nor Azni Binti Abdul Latiff	350 to 400	400 to 450
Rahimee Bin Md Haza	400 to 450	450 to 500

Notes:

(1) Tahirah Binti Mohd.Nor joined our Group on 1 April 2025.

(2) The total proposed remuneration band of Tahirah Binti Mohd.Nor for the FYE 2025 will be prorated based on her date of joining our Group.

The above remuneration of our Key Senior Management, which includes salaries, bonus, fees and allowances as well as other benefits, must be considered and recommended by our Board Nomination and Remuneration Committee and subsequently approved by our Board.

9.4 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors and Key Senior Management has been involved in any of the following (whether in or outside Malaysia):

(i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed *(and not struck out)* against such person or any partnership in which such person was a partner or any corporation of which such person was a director or member of key senior management;

(ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(iii) in the last 10 years, was charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(iv) in the last 10 years, any judgement was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on such person's part, involving a breach of any law or regulatory requirement that relates to the capital market;

(v) in the last 10 years, such person was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on such person's part that relates to the capital market;

(vi) the subject of any order, judgement or ruling of any court, government or regulatory authority or body temporarily enjoining such person from engaging in any type of business practice or activity;

(vii) in the last 10 years has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; or

(viii) there is any unsatisfied judgement against such person.

9.5 ASSOCIATION OR FAMILY RELATIONSHIP BETWEEN OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, there is no other family relationship and/or association between any of our Promoters, Substantial Shareholders, Directors and Key Senior Management as at the LPD:

(i) Dato' Abdul Hamid Bin Sh Mohamed, who is our Non-Independent Non-Executive Chairman, is a nominee of PNB.

(ii) Aliff Omar Bin Mohamad Omar, who is our Non-Independent Non-Executive Director, is a nominee of ECSB and PNB. Aliff Omar Bin Mohamad Omar is also a director of TKSB, E-Cap 2 and ECSB.

9.6 OTHER MATTERS

(i) No other amount has been paid or benefit given within the 2 years preceding the date of this Prospectus, nor is it intended to be paid or given, to our Promoters and Substantial Shareholders except for the dividends paid to our shareholder.

(ii) As at the date of this Prospectus, there is no arrangement which operation may result in the change in control of our Company at a date subsequent to our IPO and our Listing.

(iii) Our Promoters and Substantial Shareholders have no different voting rights from our other shareholders.

10. RELATED PARTY TRANSACTIONS

10.1 OUR GROUP'S RELATED PARTY TRANSACTIONS

10.1.1 Material related party transactions

There are no material related party transactions entered or to be entered into by our Group which involves the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them, during the Financial Periods under Review and up to the date of this Prospectus.

Please refer to Section 11.1.2 for non-material related party transactions entered into by our Group during the Financial Periods under Review and up to the date of this Prospectus, involving entities which are our suppliers.

Our Directors confirm that there are no material related party transactions that have been entered by our Group that involves the interest, direct or indirect, of our Directors, major shareholders and/or persons connected to them but not yet effected up to the date of this Prospectus.

After our Listing, we will be required to seek our shareholders' approval each time we enter into a material related party transaction in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders (which mandate would typically be renewed as required at each AGM of our Company) to enter into such recurrent transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate.

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Board Audit Committee will, among others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. Where necessary, our Board would make appropriate disclosure in our annual report with regard to any related party transaction entered into by us.

10.1.2 Related party transactions entered into that are unusual in their nature or conditions

There are no transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which we were a party for the Financial Periods under Review and up to the LPD.

10.1.3 Outstanding loans and/or financial assistance (including guarantees of any kind) made to or for the benefit of related parties

Our Group has not granted any loans or financial assistance (including guarantees of any kind) to or for the benefit of our related parties in respect of the Financial Periods under Review and up to the LPD.

Nonetheless, there were outstanding shareholders' advances from TKSB during the Financial Periods under Review as follows:

10. RELATED PARTY TRANSACTIONS (*Cont'd*)

Transacting parties	Nature of relationship	Nature of transaction	Outstanding amount FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FPE 30 June 2025 RM'000
• Orkim • TKSB	TKSB is our Promoter and sole shareholder as at the LPD	Receipt of shareholder's advances	57,651 (Represents 15.2% of the Group's NA as at 31 December 2022)	-	-	-

The shareholder's advances were provided by TKSB as part funding for the acquisition of some of our vessels and carried interest rates ranging from 8% to 15% per annum, benchmarked against TKSB's internal rate of return. These rates reflected the unsecured nature of the advances and the absence of fixed repayment terms. TKSB and Orkim deemed the terms reasonable, taking into account the ad-hoc and short-term nature of the advances, as well as the intention to incentivise early repayment. Accordingly, the advances were considered to be on an arm's length basis. The outstanding amount was fully repaid in 2023.

In addition, ECSB has provided letters of undertaking ("**Undertakings**") to Bank Pembangunan Malaysia Berhad ("**BPMB**") in relation to our wholly-owned subsidiary, OENE. No consideration was paid to ECSB, as it is our indirect major shareholder. Under the terms of the Undertakings, ECSB's obligations will cease upon: (i) its effective shareholding in our Company falling below 51.0%; and (ii) BPMB receiving written notice of such change from us, ECSB, or OENE.

Following the Listing, we do not intend to enter into similar transactions with our related parties.

10.2 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

10.2.1 Board Audit Committee review

Our Board Audit Committee reviews related party transactions and conflicts of interest situations that may arise within our Company or Group. The Board Audit Committee reviews the procedures set by our Company to monitor related party transactions to ensure the integrity of these transactions, procedures or course of conducts. In reviewing the related party transactions, the following, among other things, will be considered:

(i) the rationale and the cost/benefit to our Company is first considered;

(ii) where possible, comparative quotes will be taken into consideration;

(iii) that the transactions are based on normal commercial terms and not more favourable to the related parties than those generally available to third parties dealing on an arm's length basis; and

(iv) that the transactions are not detrimental to our Company's non-interested shareholders.

All reviews by the Board Audit Committee shall be reported to our Board for its further action.

10.2.2 Our Group's policy on related party transactions

Related party transactions by their very nature, involve conflicts of interests between our Group and the related parties with whom our Group has entered into such transactions. It is the policy of our Group that all related party transactions are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing at arm's length with our Group and are not detrimental to our non-interested shareholders.

In addition, we will maintain a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situation and intend for the framework to be guided by the Listing Requirements and MCCG upon our Listing. The procedures which form part of the framework include, among other things, the following:

(i) our Directors will be required to immediately make full disclosure of any direct or indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction; and

(ii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transactions to the Board Audit Committee for evaluation and assessment who would in turn, make a recommendation to our Board.

11. CONFLICT OF INTEREST

11.1 INTEREST IN ENTITIES WHICH CARRY ON A SIMILAR TRADE AS OUR GROUP OR WHICH ARE OUR CUSTOMERS OR SUPPLIERS

11.1.1 Involvement of our Directors and Substantial Shareholders in entities which carry on a similar trade as our Group

As at the LPD, our Directors and Substantial Shareholders do not have any interest, direct or indirect, in any entities which are carrying on a similar trade as our Group.

11.1.2 Involvement of our Directors and Substantial Shareholders in entities which are our customers and/or suppliers

Save as disclosed below, as at the LPD, our Directors and Substantial Shareholders do not have any interest, direct or indirect, in any entities which are the customers and/or suppliers of our Group:

Name of company	Principal activity	Director and substantial shareholder	Nature of Transaction	Nature of interest
ENSB	ENSB is principally involved in providing services for website and domain hosting, networking, appliances and server management services.	**Substantial shareholder** ECSB **Director** Aliff Omar Bin Mohamad Omar	Provision of computer software and related IT support services to our Group	• ENSB is a subsidiary of Exabytes Capital Group Sdn Bhd, which is an associated company of ECSB via its interest held in E-Cap (Internal) Three Sdn Bhd and Premier Connexion Sdn Bhd • ECSB is our Promoter and Substantial Shareholder • Aliff Omar Bin Mohamad Omar, our Non-Independent Non-Executive Director, is also a director of ENSB and Exabytes Capital Group Sdn Bhd
UMW Industrial Power Services Sdn Bhd ("**UMW Industrial**")	UMW Industrial is principally involved in providing total power solutions	**Substantial Shareholder** PNB	Provision of vessels' spare parts to our Group	• UMW Industrial is a subsidiary of Sime Darby Berhad, of which PNB and ART collectively hold a 44.12% interest (PNB's direct interest in the company is 4.46%)

Our Board is of the view that any potential conflict of interest situation that may arise as a result of the interests of ECSB and PNB in ENSB and UMW Industrial (collectively, the "**Related Suppliers**") respectively, which were our Group's suppliers during the Financial Periods Under Review, has been mitigated or eliminated as the transactions with the Related Suppliers are transacted on an arm's length basis and on normal commercial terms, supported by price benchmarking against quotations from other suppliers where applicable, and on terms and conditions which are not more favourable to them than those generally available to third parties.

In addition, our Group is not dependent on the Related Suppliers as there are other suppliers of the same services, and the total amount transacted with the Related Suppliers during the Financial Periods Under Review and up to the LPD is not material, as none of the transactions exceeded 1% of our Group's total net assets.

As set out in Section 10.2.1 of this Prospectus, our Board Audit Committee will review any conflict of interest situation that may arise within our Company or our Group including any transaction, procedure or course of conduct that raises questions on management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts to ensure that any such transactions are carried out on terms that are not detrimental to our Group and is in the best interest of our Group. Any future dealings with parties in which the Directors and the Substantial Shareholders have interest, direct or indirect, will be based on established procedures for related party transactions to ensure that they are carried out on an arm's length basis and in accordance with the Listing Requirements in respect of related party transactions.

Notwithstanding, the interests that are held by our Directors and Substantial Shareholders and the interests that may be held by our Directors and Substantial Shareholders in the future in other businesses or corporations which are carrying on a similar trade as our Group and/or our customers or suppliers may give rise to a conflict of interest situation with our business. Although such interests may give rise to a conflict of interest situation, our Directors and Substantial Shareholders and persons connected to them shall abstain from deliberating and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. Such transactions will be carried out on arm's length basis and on normal commercial terms.

11.2 DECLARATION BY ADVISERS ON CONFLICTS OF INTEREST

11.2.1 Declaration by CIMB

CIMB, being the Principal Adviser for our Listing and the Joint Bookrunner, Managing Underwriter and Joint Underwriter for our IPO, as well as its holding company, CIMB Group Holdings Berhad and the subsidiaries, related and associated companies of its holding company ("**CIMB Group**") form a diversified financial group and are engaged in a wide range of businesses relating to amongst others, retail banking, investment banking, commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus.

In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of our Group, our shareholders, our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its other clients in debt or equity securities or senior loans of any member of our Group and/or our affiliates. This is a result of the businesses of the CIMB Group generally acting independently of each other, and accordingly there may be situations where parts of the CIMB Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of our Group.

Notwithstanding the above, CIMB is of the view that there is no conflict of interest in respect of its capacity as the Principal Adviser for our Listing and the Joint Bookrunner, Managing Underwriter and Joint Underwriter for our IPO due to the following:

(i) CIMB is a licensed investment bank and its appointment as the Principal Adviser for our Listing and the Joint Bookrunner, Managing Underwriter and Joint Underwriter for our IPO is in the ordinary course of its business and CIMB does not receive or derive any financial interest or benefits, save for the professional fees received in relation to the aforementioned appointment for our Listing and our IPO;

(ii) the conduct of the CIMB Group in its banking business is strictly regulated by, among others, the Financial Services Act 2013, Islamic Financial Services Act 2013, the CMSA and the CIMB Group's own internal controls and checks; and

(iii) CIMB is required under its investment banking license to comply with applicable laws, regulations and guidelines issued by the relevant authorities governing its business, which require, among others, clear segregation between dealing and advisory activities, implementation of the "Chinese Wall" policies between different business divisions and the formation of an independent committee to review its business operations.

As at the LPD, CIMB is not aware of any existing or potential conflict of interest or any circumstance which would give rise to a conflict of interest in respect of its capacity as the Principal Adviser for our Listing and the Joint Bookrunner, Managing Underwriter and Joint Underwriter for our IPO.

Accordingly, CIMB confirms that there is no conflict of interest situation in its capacity as the Principal Adviser for our Listing and the Joint Bookrunner, Managing Underwriter and Joint Underwriter for our IPO.

11.2.2 Declaration by RHB IB

RHB IB, being our Joint Bookrunner and Joint Underwriter, and its related companies ("**RHB Banking Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses. The RHB Banking Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the RHB Banking Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group, our Directors, our shareholders and/or our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates. This is a result of the businesses of the RHB Banking Group generally acting independently of each other, and accordingly, there may be situations where parts of the RHB Banking Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group. Nonetheless, the RHB Banking Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions. The related companies of RHB IB may also subscribe for our IPO Shares to be offered under the Institutional Offering.

Notwithstanding the above, RHB IB is of the view that the abovementioned does not give rise to a conflict of interest situation in its capacity as the Joint Bookrunner and Joint Underwriter for our IPO due to the following reasons:

(i) RHB IB is a licensed investment bank and its appointment as the Joint Bookrunner and Joint Underwriter is in the ordinary course of its business. RHB IB does not receive or derive any financial interest or benefit save for the professional fees received in relation to the aforesaid appointment; and

(ii) the conduct of the RHB Banking Group in its banking business is strictly regulated by the Financial Services Act, 2013, Islamic Financial Services Act, 2013, CMSA and the RHB Banking Group's own internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

RHB IB confirms that there is no existing and potential conflict of interest in its capacity as the Joint Bookrunner and Joint Underwriter to our company for our IPO.

11.2.3 Declaration by Affin Hwang IB

Affin Hwang IB, being our Joint Underwriter, and its related companies ("**Affin Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses. The Affin Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Affin Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group, our Directors, our shareholders and/or our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates. This is a result of the businesses of the Affin Group generally acting independently of each other, and accordingly, there may be situations where parts of the Affin Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group. Nonetheless, the Affin Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions. The related companies of Affin Hwang IB may also subscribe for our IPO Shares to be offered under the Institutional Offering.

Notwithstanding the above, Affin Hwang IB is of the view that the abovementioned does not give rise to a conflict of interest situation in its capacity as the Joint Underwriter for our IPO due to the following reasons:

(iii) Affin Hwang IB is a licensed investment bank and its appointment as the Joint Underwriter is in the ordinary course of its business. Affin Hwang IB does not receive or derive any financial interest or benefit save for the professional fees received in relation to the aforesaid appointment; and

(iv) the conduct of the Affin Group in its banking business is strictly regulated by the Financial Services Act, 2013, Islamic Financial Services Act, 2013, CMSA and the Affin Group's own internal controls and checks which includes, segregation off reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Affin Hwang IB confirms that there is no existing and potential conflict of interest in its capacity as the Joint Underwriter to our Company for our IPO.

11.2.4 Declaration by EY

EY confirms that there is no existing or potential conflict of interest situation in its capacity as the Auditors and Reporting Accountants to our Company for our IPO.

11.2.5 Declaration by Mah-Kamariyah & Philip Koh

Mah-Kamariyah & Philip Koh confirms that there is no existing or potential conflict of interest situation in its capacity as the legal adviser to our Company for our IPO.

11.2.6 Declaration by Christopher & Lee Ong

Christopher & Lee Ong confirms that there is no existing or potential conflict of interest situation in its capacity as the legal adviser to the Joint Bookrunners, Managing Underwriter and Joint Underwriters for our IPO.

11.2.7 Declaration by Vital Factor

Vital Factor confirms that there is no existing or potential conflict of interest situation in its capacity as the IMR for our IPO.

12.1 HISTORICAL FINANCIAL INFORMATION

The historical consolidated financial information for the FYE 2022, FYE 2023, FYE 2024 and FPE 30 June 2025 presented below have been derived from the Accountants' Report included in Section 13 of this Prospectus ("**Consolidated Financial Statements**").

The historical results for any prior financial years or interim periods are not necessarily indicative of results to be expected for a full financial year or interim period or any future financial years or interim periods.

The following historical consolidated financial information should be read in conjunction with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" set out in Section 12.2 of this Prospectus and the Accountants' Report set out in Section 13 of this Prospectus.

Selected consolidated statements of profit or loss and other comprehensive income data

	FYE			FPE 30 June	
	Audited			Unaudited	Audited
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	315,577	302,579	316,589	160,468	152,670
Cost of sales	(221,336)	(188,476)	(201,810)	(99,058)	(96,820)
GP	**94,241**	**114,103**	**114,779**	**61,410**	**55,850**
Other income	3,158	298	1,456	444	2,236
Administrative expenses	(8,445)	(9,333)	(9,528)	(4,460)	(7,924)
Gain/(loss) on disposal of PPE	(32,345)	-	4,481	4,481	-
Results from operating activities	56,609	105,068	111,188	61,875	50,162
Finance costs	(28,353)	(24,329)	(18,203)	(9,379)	(6,289)
Finance income	353	1,139	1,027	525	637
PBT	**28,609**	**81,878**	**94,012**	**53,021**	**44,510**
Income tax	(668)	(831)	(1,106)	(1,032)	(469)
PAT[(1)]	**27,941**	**81,047**	**92,906**	**51,989**	**44,041**

Other selected financial data

	FYE			FPE 30 June	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
GP margin (%)[(2)]	29.9%	37.7%	36.3%	38.3%	36.6%
EBITDA[(3)]	106,523	155,882	170,085	89,579	82,130
Adjusted EBITDA[(3)]	138,868	155,882	165,604	85,098	84,865
EBITDA Margin (%)[(4)]	33.8%	51.5%	53.7%	55.8%	53.8%
Adjusted EBITDA Margin (%)[(5)]	44.0%	51.5%	52.3%	53.0%	55.6%
PBT margin (%)[(6)]	9.1%	27.1%	29.7%	33.0%	29.2%
PAT margin (%)[(7)]	8.9%	26.8%	29.3%	32.4%	28.8%
Adjusted PBT margin (%)[(8)]	19.3%	27.1%	28.3%	30.2%	30.9%
Adjusted PAT margin (%)[(9)]	19.1%	26.8%	27.9%	29.6%	30.6%
Basic and diluted EPS (sen)[(10)]	2.79	8.10	9.29	5.20	4.40

Notes:

(1) The PAT of our Group is wholly attributable to owners of our Company as there is no non-controlling interest.
(2) Computed based on GP divided by revenue.
(3) EBITDA is calculated as PBT plus finance costs and depreciation and amortisation, less finance income. Adjusted EBITDA is calculated as EBITDA plus/(less) loss/(gain) on disposal of PPE and plus IPO and related Listing expenses. See below for details of computation as well as information regarding the use of non-MFRS measures.
(4) Computed based on EBITDA divided by revenue.
(5) Computed based on Adjusted EBITDA divided by revenue.
(6) Computed based on PBT divided by revenue.
(7) Computed based on PAT divided by revenue.
(8) Computed based on Adjusted PBT divided by revenue. See below for details of computation of Adjusted PBT.
(9) Computed based on Adjusted PAT divided by revenue. See below for details of computation of Adjusted PAT.
(10) Computed based on PAT divided by our enlarged issued Shares of 1,000,000,000 upon our Listing.

EBITDA, Adjusted EBITDA, EBITDA margin and Adjusted EBITDA margin are supplemental measures of our performance and liquidity that are not required by or presented in accordance with the MFRS or IFRS. EBITDA, Adjusted EBITDA, EBITDA margin and Adjusted EBITDA margin are not measures of our financial performance or liquidity under the MFRS or IFRS and should not be considered as alternatives to PAT or any other performance measures derived in accordance with the MFRS or IFRS or as alternatives to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA, Adjusted EBITDA, EBITDA margin and Adjusted EBITDA margin are not standardised terms, and hence, a direct comparison of similarly titled measures between companies may not be possible. Other companies may calculate EBITDA, Adjusted EBITDA, EBITDA margin and Adjusted EBITDA margin differently from us, limiting its usefulness as a comparative measure.

The following table reconciles the PBT to EBITDA and Adjusted EBITDA for the Financial Periods Under Review:

	FYE			**FPE 30 June**	
	2022	**2023**	**2024**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
PBT	28,609	81,878	94,012	53,021	44,510
Add/(Less):					
Finance costs	28,353	24,329	18,203	9,379	6,289
Depreciation and amortisation	49,914	50,814	58,897	27,704	31,968
Finance income	(353)	(1,139)	(1,027)	(525)	(637)
EBITDA	**106,523**	**155,882**	**170,085**	**89,579**	**82,130**
Add/(Less):					
Loss/(Gain) on disposal of PPE	32,345	-	(4,481)	(4,481)	-
IPO and related Listing expenses	-	-	-	-	2,735
Adjusted EBITDA	**138,868**	**155,882**	**165,604**	**85,098**	**84,865**

For illustrative purposes only, assuming the gain/loss on disposal of PPE and IPO and related Listing expenses which are one-off in nature are excluded from the respective financial years, our adjusted PBT and PAT and for the Financial Periods Under Review would be as follows:

	FYE			FPE 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
PBT	28,609	81,878	94,012	53,021	44,510
Add/(Less):					
Loss/(Gain) on disposal of PPE	32,345	-	(4,481)	(4,481)	-
IPO and related Listing expenses	-	-	-	-	2,735
Adjusted PBT	**60,954**	**81,878**	**89,531**	**48,540**	**47,245**
Income tax	(668)	(831)	(1,106)	(1,032)	(469)
Adjusted PAT	**60,286**	**81,047**	**88,425**	**47,508**	**46,776**

Selected consolidated statements of financial position data

	As at 31 December			As at 30 June
	Audited			Audited
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total non-current assets	790,807	773,914	769,825	757,427
Total current assets	120,754	93,947	123,191	192,101
Total assets	**911,561**	**867,861**	**893,016**	**949,528**
Total non-current liabilities	363,076	314,079	257,360	357,991
Total current liabilities	168,432	92,682	91,650	53,490
Total liabilities	**531,508**	**406,761**	**349,010**	**411,481**
Net assets	380,053	461,100	544,006	538,047
Net current assets	(47,678)	1,265	31,541	138,611
Equity				
Share capital	44,335	44,335	44,335	44,335
Retained earnings	335,718	416,765	499,671	493,712
Total equity	**380,053**	**461,100**	**544,006**	**538,047**
Other selected financial data				
Total borrowings	432,453	364,434	310,779	375,646
Gearing ratio (times)(1)	1.1	0.8	0.6	0.7

Note:

(1) Computed based on total borrowings over total equity as at the end of the financial year.

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the Accountants' Report as set out in Section 13 of this Prospectus.

12.2.1 Overview of our business

We own and operate marine vessels, namely product tankers and LPG tankers, providing marine transportation services for CPP and LPG.

Please refer to Section 7 of this Prospectus for further information on our business operations.

12.2.2 Significant factors affecting our financial condition and results of operations

Significant factors that had affected and are expected to continue to affect our financial condition and results of operations are as follows:

(i) Our ability to generate revenue is dependent on securing contracts, vessel utilisation, charter rates and prevailing market conditions

Our business performance is dependent on our ability to secure new chartering contracts and renew existing ones. We provide marine transportation services primarily based on chartering contracts secured. We enter into various types of chartering contracts with customers, including Time Charters, CVC, COA, and spot charters.

The contract types, duration, and pricing mechanisms influence the variability of our earnings. Time Charters, CVC and COA contracts generally offer a more stable and recurring income base, while spot charters are more sensitive to short-term market fluctuations. Although spot charters are exposed to higher volatility, they also allow us to capture higher freight rates during periods of favourable market conditions.

Our ability to secure contracts is dependent on several factors, including our track record, the reliability and availability of our fleet, market demand for petroleum product transportation services, and prevailing charter rates. These factors may be affected by broader economic conditions, fluctuations in domestic oil demand, customer requirements, and new regulatory developments impacting our industry.

To remain competitive, we must maintain a high fleet availability and minimise downtime through continuous investment in vessel maintenance while ensuring compliance with operational standards. Our average vessel utilisation rate was 88.3%, 91.4%, 92.0%, and 91.6% in FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 respectively, reflecting our operational efficiency and ability to meet customer requirements. Sustaining high vessel utilisation is critical to optimising earnings from our fleet. In addition, the age, capacity, and specifications of our vessels collectively determine the earning capacity, cost efficiency, and market competitiveness. A younger fleet offers several advantages, including a longer revenue stream before retirement compared to older vessels, as well as improved fuel efficiency through advanced engine technologies, thereby reducing operating costs.

Failure to meet contractual performance requirements may result in penalties, non-renewal of existing contracts, or loss of future business opportunities. Our order book includes recurring business from long-standing customers including oil majors. Nevertheless, future contract awards may be subject to competitive tender processes and negotiations with customers, as well as the fleet expansion plans of our Group.

(ii) The significant capital expenditure required for acquiring new vessels to expand our business, and investment in dry docking, present a financial risk, potentially impacting our cash flow and increasing our debt burden

Our business requires substantial capital investments and ongoing operating expenses to ensure the continued viability and performance of our fixed assets, which are mainly marine vessels, to fulfil our contracted services. We have cumulatively invested RM1.0 billion in our existing fleet of 17 marine vessels as at 30 June 2025.

In addition, our vessels are required to undergo mandatory dry docking to ensure our vessels comply with relevant regulatory requirements as well as for operational efficiency and safety. This is reflected in our cumulative investment in dry docking of RM213.8 million as of 30 June 2025. For the FYE 2022, FYE 2023 and FYE 2024, the number of dry-docking days was 116 days, 199 days and 188 days, respectively, while the dry-docking costs were RM16.0 million, RM31.4 million and RM34.3 million, respectively. For the FPE 30 June 2025, the number of dry-docking days was 34 days, while the dry-docking costs amounted to RM10.3 million. Please see Section 7.5.8.3 of this Prospectus for further information on our dry-docking schedule for FYE 2025 and FYE 2026.

Moving forward, expansion of our fleet forms a key part of our business growth strategy, which will, in turn, increase our dry-docking expenses. If we fail to obtain sufficient funding for the purchase of vessels and the associated operational expenses, including safety and maintenance obligations, our business expansion and financial performance may be adversely affected.

(iii) Fluctuations in bunker prices

For our marine transportation operations, we enter into various types of chartering contracts with customers, including Time Charters, CVC, COA, and spot charters. The cost structure and risk exposure under each contract differ, particularly in relation to bunker costs, which constitute a significant component of our operating expenditures.

Bunker costs have historically represented a material portion of our total voyage and vessel operating costs. The table below sets out the bunker fuel costs incurred by our Group as a percentage of our total cost of sales for the Financial Periods Under Review:

	FYE			FPE 30 June	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Bunker fuel costs	62,227	38,761	40,155	21,121	17,069
Total cost of sales	221,336	188,476	201,810	99,058	96,820
% of our total cost of sales	28.1	20.6	19.9	21.3	17.6

The following table demonstrate the sensitivity analysis of our PBT to a reasonably possible change in bunker fuel costs based on the degree of fluctuations experienced in the respective financial period within our Group, with all other variables held constant:

	FYE			FPE 30 June	
Effects on PBT	**2022**	**2023**	**2024**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Bunker fuel costs					
Strengthen by 10%	(6,223)	(3,876)	(4,016)	(2,112)	(1,707)
Weakened by 10%	6,223	3,876	4,016	2,112	1,707
Strengthen by 20%	(12,445)	(7,752)	(8,031)	(4,224)	(3,414)
Weakened by 20%	12,445	7,752	8,031	4,224	3,414

Bunker prices are influenced by a multitude of factors including global supply-demand dynamics, geopolitical events, regulatory changes, currency fluctuations, and macroeconomic conditions. Any significant or prolonged increase in bunker prices may adversely affect our operating costs, particularly under contracts where we bear the fuel cost. The table below sets out our average cost of bunker fuel per metric tonne which are the types of fuel we primarily purchase and consume for our vessel operations for the Financial Periods Under Review:

	FYE			FPE 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RM	**RM**	**RM**	**RM**	**RM**
Average purchase cost of bunker fuel per metric tonne	4,077	3,218	2,936	3,246	2,940

Under Time Charter contracts, bunker costs are borne entirely by the charterers, and we are only responsible for vessel operation and maintenance. For CVC and COA contracts, we bear the bunker cost; however, these contracts include a bunker adjustment mechanism that allows us to pass through most of the fuel price variations to customers. Under spot charter contracts, we are fully responsible for all bunker costs incurred during the voyage, and charges to customers are quoted on an all-in basis. As such, we are exposed to fluctuations in bunker prices between the time of rate quotation and actual voyage execution, and a significant or sustained increase in bunker prices beyond our budgeted levels may impact our profit margins.

(iv) Our reliance on debt financing exposes us to potential increases in interest rates, which could significantly impact our profitability and cash flow

We rely on borrowings primarily to fund vessel acquisitions. All of our borrowings are interest-bearing, and our finance costs mainly comprise interest charges or profit rate payments on credit facilities. During the Financial Periods Under Review, our finance costs also include interest expenses incurred from advances from corporate shareholder, which has been fully repaid.

As at 30 June 2025, our total bank borrowings amounted to RM375.6 million, comprising RM29.5 million in floating rate facilities and RM346.2 million in fixed rate facilities. Our finance costs have declined over the past 3 financial years, from RM28.4 million in FYE 2022 to RM24.3 million in FYE 2023, and further to RM18.2 million in FYE 2024. This decrease was mainly due to the repayment of term loans and the full settlement of amounts owing to our corporate shareholder. For the FPE 30 June 2025, our finance costs amounted to RM6.3 million.

We have established the Sukuk Programme pursuant to which we issued the Sukuk Wakalah in the same month. The issuance was carried out in 2 tranches; (i) RM200.0 million with a fixed coupon rate of 4.48% and a tenure of 7 years, and (ii) RM100.0 million with a fixed coupon rate of 4.32% and a tenure of 5 years.

Any future increase in borrowings, interest rates and/or profit rate payments may have a material impact on our finance costs and overall financial performance.

12.2.3 Critical accounting estimates and judgements

Our significant accounting policies are set out in Note 2 of the Accountants' Report in Section 13 of this Prospectus. Save as disclosed in Note 3 of the Accountants' Report, there are no other key assumptions regarding the future, nor other significant sources of estimation uncertainty for the Financial Periods Under Review, that are expected to result in a material adjustment to the carrying amounts of our Group's assets and liabilities in the next financial year.

Furthermore, there were no critical judgments made by management in the process of applying the accounting policies of our Group that have a significant effect on the amounts recognised in the financial statements.

12.2.4 Accounting standards issued but not yet effective and not early adopted

We have not adopted any accounting standards issued but not yet effective and not early adopted.

12.2.5 Accounting policies which are peculiar to our Group

We have not adopted any accounting policies which are peculiar to our Group because of the nature of our business or the industry in which we operate.

12.2.6 Results of operations

Principal components of our consolidated statement of comprehensive income

Revenue

Our revenue is primarily derived from the provision of marine transportation services for CPP and LPG, which form the core of our business operations. These services are provided under 2 principal types of chartering contracts, Time Charters and voyage charters.

Under a Time Charter contract, our vessel is hired for a fixed period, and the charterer pays a daily rate for the use of the vessel, regardless of the number of voyages performed. The charterer bears voyage-related expenses such as bunker and port charges, while we remain responsible for the crewing and technical management of the vessel. In contrast, voyage charters involve the transportation of cargo from a specific loading port to a designated discharge port for a fixed fee.

The CPP marine transportation segment is our principal revenue driver, supported by a fleet of 16 CPP tankers as at the LPD. This segment operates under a mix of Time Charter and voyage charter contracts and has consistently contributed over 90% of our total revenue during the Financial Periods Under Review. The LPG marine transportation segment, serviced by 2 LPG tankers under existing Time Charter contracts, provides a smaller but stable revenue stream and contributes to our service diversification.

In addition, we derive a small portion of revenue from shipbroking services, which involve arranging vessel charters between cargo owners and vessel operators. These services are ad-hoc in nature and do not represent a material segment of our business.

Our revenue is influenced by key operating metrics such as vessel utilisation rates and average daily charter rates. High utilisation reflects effective deployment and operational reliability of our fleet and is critical to maximising revenue generation. For the Financial Periods Under Review, our average fleet utilisation rates were 88.3% in FYE 2022, 91.4% in FYE 2023, 92.0% in FYE 2024, and 91.6% in FPE 30 June 2025, reflecting high vessel availability and our ability to meet customer requirements.

The average daily charter rate, calculated based on revenue per vessel operating day, provides a benchmark of pricing performance across different charter types. Time Charters typically yield lower daily rates, while voyage charters may command higher rates due to their exposure to voyage-specific risks, and the inclusion of voyage-related expenses such as bunker and port charges, which are borne by us, being the vessel owner.

The following table sets out the breakdown of our revenue for the Financial Periods Under Review:

	FYE					
	Audited					
	2022		**2023**		**2024**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
CPP marine transportation						
Voyage charter[(1)]	184,561	58.4	146,988	48.6	170,275	53.8
Time Charter	107,160	34.0	131,416	43.4	121,131	38.2
LPG marine transportation[(2)]	22,958	7.3	22,753	7.5	24,607	7.8
Total marine transportation	**314,679**	**99.7**	**301,157**	**99.5**	**316,013**	**99.8**
Shipbroking services	**898**	**0.3**	**1,422**	**0.5**	**576**	**0.2**
Total revenue	**315,577**	**100.0**	**302,579**	**100.0**	**316,589**	**100.0**

	FPE 30 June			
	Unaudited		Audited	
	2024		2025	
	RM'000	%	RM'000	%
CPP marine transportation				
Voyage charter[(1)]	86,463	53.9	83,060	54.4
Time Charter	62,101	38.7	56,911	37.3
LPG marine transportation[(2)]	11,602	7.2	12,573	8.2
Total marine transportation	**160,166**	**99.8**	**152,544**	**99.9**
Shipbroking services	**302**	**0.2**	**126**	**0.1**
Total revenue	**160,468**	**100.0**	**152,670**	**100.0**

Notes:

(1) Includes CVC, COA, and spot charters.
(2) All revenue is derived from Time Charter contracts, except for a portion of revenue derived from spot charter contracts in December 2024, which arose while transitioning from one customer to another.

The following table sets out the average vessel utilisation, daily charter rate, and dry-docking days for the Financial Periods Under Review:

	FYE			FPE 30 June	
	2022	2023	2024	2024	2025
Number of operating vessels	**22**	**18**	**18**	**18**	**17**
CPP tankers	20[(1)]	16	16[(2)]	16[(2)]	15
LPG tankers	2	2	2	2	2
Total operating days of all vessels (days)	6,193	6,007	5,867	2,943	2,820
Total available days of all vessels (days)	7,011	6,570	6,374	3,246	3,077
Average vessel utilisation[(3)]	**88.3%**	**91.4%**	**92.0%**	**90.7%**	**91.6%**
Average daily charter rate (RM)[(4)]	**50,812**	**50,134**	**53,863**	**54,423**	**54,094**
Number of dry-docking days	**116**	**199**	**188**	**123**	**34**
Number of vessels in dry dock	**4**	**7**	**10**	**7**	**2**
Dry-docking costs (RM'million)	**16.0**	**31.4**	**34.3**	**19.5**	**10.3**

Notes:

(1) Including 4 CPP tankers that were disposed during FYE 2022.
(2) Including 1 CPP tanker that was disposed during FYE 2024.
(3) Computed based on the total number of operating days divided by the total number of available days of the vessels for the respective financial years/periods.
(4) Computed based on revenue divided by the total number of operating days.

Cost of sales

Our cost of sales consists of 2 primary components: (i) vessel operating costs, and (ii) voyage costs. Vessel operating costs are incurred across all types of charters and represent the ongoing expenses required to keep our vessels operational, seaworthy, and in compliance with regulatory requirements. These include depreciation and amortisation, crew wages and benefits, spare parts and maintenance, insurance, and other supporting expenses such as inspections, safety management, and vessel communication systems. These costs are relatively fixed in nature and do not vary significantly with voyage activity levels.

In contrast, voyage costs are incurred when our vessels are operating under voyage charters, where we as the vessel owner, are responsible for voyage-related expenses. These include bunker costs, port charges (such as pilotage, port dues and custom clearance fees), and other voyage-specific items. Voyage costs are typically not incurred under Time Charters, where the charterer is responsible for bunker and port-related expenses. As such, the composition and magnitude of our cost of sales are influenced by our charter mix. A higher proportion of voyage charters generally results in higher voyage costs and greater variability in total cost of sales.

The following table sets out the major components of our cost of sales as a percentage of our total cost of sales for the Financial Periods Under Review:

	FYE					
	Audited					
	2022		**2023**		**2024**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Vessel operating costs						
Depreciation and amortisation	49,248	22.3	49,861	26.5	58,108	28.8
Crew costs	60,374	27.3	53,807	28.5	53,962	26.7
Spare parts, repairs and maintenance(1)	14,261	6.4	17,705	9.4	18,286	9.1
Insurance	8,777	4.0	8,038	4.2	7,851	3.9
Others(2)	6,065	2.7	6,364	3.4	6,056	3.0
Total vessel operating costs	**138,725**	**62.7**	**135,775**	**72.0**	**144,263**	**71.5**
Voyage costs						
Bunker	62,227	28.1	38,761	20.6	40,155	19.9
Port charges(3)	18,798	8.5	12,185	6.5	16,020	7.9
Other voyage costs(4)	1,586	0.7	1,755	0.9	1,372	0.7
Total voyage costs	**82,611**	**37.3**	**52,701**	**28.0**	**57,547**	**28.5**
Total cost of sales	**221,336**	**100.0**	**188,476**	**100.0**	**201,810**	**100.0**

12. FINANCIAL INFORMATION *(Cont'd)*

	FPE 30 June			
	Unaudited		Audited	
	2024		2025	
	RM'000	%	RM'000	%
Vessel operating costs				
Depreciation and amortisation	27,090	27.3	31,529	32.6
Crew costs	27,045	27.3	25,812	26.7
Spare parts, repairs and maintenance(1)	8,937	9.0	7,869	8.1
Insurance	3,730	3.8	4,023	4.2
Others(2)	3,256	3.3	2,989	3.0
Total vessel operating costs	**70,058**	**70.7**	**72,222**	**74.6**
Voyage costs				
Bunker	21,121	21.3	17,069	17.6
Port charges(3)	7,236	7.3	6,860	7.1
Other voyage costs(4)	643	0.7	669	0.7
Total voyage costs	**29,000**	**29.3**	**24,598**	**25.4**
Total cost of sales	**99,058**	**100.0**	**96,820**	**100.0**

Notes:

(1) Includes consumables such as lubricants, cleaning materials, and general supplies used in vessel operations and maintenance.

(2) Includes expenses related to surveys and inspections, vessel safety and quality management, as well as IT-related services.

(3) Includes charges imposed by port authorities and terminal operators such as pilotage, port dues and custom clearance fees.

(4) Includes survey costs, fresh water costs, cargo and bunker testing costs, and tank cleaning expenses.

GP and GP margin

The following table sets out the breakdown of our GP and GP margin for the Financial Periods Under Review:

	FYE					
	Audited					
	2022		2023		2024	
	RM'000	GP margin %	RM'000	GP margin %	RM'000	GP margin %
CPP marine transportation(1)	86,346	29.6	104,881	37.7	106,298	36.5
LPG marine transportation(2)	6,997	30.5	7,800	34.3	7,905	32.1
Total marine transportation	**93,343**	**29.7**	**112,681**	**37.4**	**114,203**	**36.1**
Shipbroking services	**898**	**100.0**	**1,422**	**100.0**	**576**	**100.0**
Total	**94,241**	**29.9**	**114,103**	**37.7**	**114,779**	**36.3**

	FPE 30 June			
	Unaudited		Audited	
	2024		2025	
	RM'000	GP margin %	RM'000	GP margin %
CPP marine transportation[1]	57,540	38.7	51,104	36.5
LPG marine transportation[2]	3,568	30.8	4,620	36.7
Total marine transportation	**61,108**	**38.2**	**55,724**	**36.5**
Shipbroking services	**302**	**100.0**	**126**	**100.0**
Total	**61,410**	**38.3**	**55,850**	**36.6**

Notes:

(1) Includes Time Charter, CVC, COA, and spot charters.
(2) Primarily operating under Time Charter contracts.

Other income

Other income mainly includes gains on foreign exchange, as well as insurance claims. These income are generally incidental to our core business operations and may fluctuate depending on external factors such as exchange rate movements and the timing of insurance claim recoveries.

The following table sets out the breakdown of our other income for the Financial Periods Under Review:

	FYE					
	Audited					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Gain on foreign exchange	-	-	155	52.0	729	50.1
Insurance claims[1]	2,227	70.5	137	46.0	725	49.8
Others[2]	931	29.5	6	2.0	2	0.1
Total	**3,158**	**100.0**	**298**	**100.0**	**1,456**	**100.0**

	FPE 30 June			
	Unaudited		Audited	
	2024		2025	
	RM'000	%	RM'000	%
Gain on foreign exchange	444	100.0	715	32.0
Insurance claims[1]	-	-	1,247	55.8
Others[2]	-	-	274	12.2
Total	**444**	**100.0**	**2,236**	**100.0**

Notes:

(1) For FYE 2022, FYE 2024 and FPE 30 June 2025, our insurance claims are mainly under loss of hire and/or vessel maintenance claims related to hull and machinery. For FYE 2023, our insurance claims are mainly under protection and indemnity, relating to crew-related medical claims.

(2) Mainly includes refund of insurance premium paid from vessel disposed, and fair value gain of investment income.

Administrative expenses

Administrative expenses comprise of overhead costs associated with our corporate and support functions. These include professional fees, staff costs, utilities, office and rental expenses, travel, and other general administrative expenditures incurred in the course of managing and supporting our operations. Staff costs under administrative expenses relate primarily to personnel based at our headquarters and do not include crew costs for our vessels, which are accounted for separately under cost of sales.

The following table sets out the breakdown of our administrative expenses for the Financial Periods Under Review:

	FYE					
	Audited					
	2022		2023		2024	
	RM'000	%	RM'000	%	RM'000	%
Professional fees	2,499	29.6	3,431	36.8	3,703	38.9
Staff costs	221[(1)]	2.6	2,000	21.4	2,219	23.3
Utilities and upkeep of facilities	685	8.1	916	9.8	928	9.7
Depreciation[(2)]	666	7.9	953	10.2	789	8.3
Travelling expenses	-	-	461	4.9	640	6.7
Bank charges	907	10.7	565	6.1	346	3.6
Loss on foreign exchange	2,789	33.0	157	1.7	-	-
Others[(3)]	678	8.1	850	9.1	903	9.5
Total	**8,445**	**100.0**	**9,333**	**100.0**	**9,528**	**100.0**

	FPE 30 June			
	Unaudited		Audited	
	2024		2025	
	RM'000	%	RM'000	%
Professional fees	1,486	33.3	4,702	59.3
Staff costs	1,105	24.8	1,031	13.0
Utilities and upkeep of facilities	499	11.2	594	7.5
Depreciation[(2)]	390	8.7	438	5.5
Travelling expenses	267	6.0	223	2.8
Bank charges	165	3.7	543	6.9
Loss on foreign exchange	34	0.8	89	1.1
Others[(3)]	514	11.5	304	3.9
Total	**4,460**	**100.0**	**7,924**	**100.0**

Notes:

(1) Due to the reversal of overprovision on the bonus.
(2) Comprises depreciation of plant and equipment, as well as right-of-use assets.
(3) Mainly includes insurance expenses, pre-acquisition assessment costs for vessels, office expenses, and rental expenses.

Gain/(loss) on disposal of PPE

Gain/(loss) on disposal of PPE primarily relates to the disposal of vessels. In FYE 2022, we recognised a loss of RM32.3 million arising from the disposal of 4 CPP tankers. In contrast, a gain of RM4.5 million was recorded in FYE 2024 from the disposal of 1 CPP tanker. There was no disposal activity in FYE 2023.

Finance costs

Finance costs represent interest expenses incurred on borrowings and lease liabilities. These include term loans obtained mainly for vessel acquisitions, as well as advances from corporate shareholder in FYE 2022 and FYE 2023. Lease liabilities relate to lease arrangements for our office headquarters. The decline in finance costs over the years is primarily due to the full settlement of advances from corporate shareholder and the progressive repayment of bank borrowings. For FPE 30 June 2025, our borrowings include the Sukuk Wakalah, where the proceeds raised from the Sukuk Wakalah issuance were utilised to refinance our existing borrowings.

The following table sets out the breakdown of our finance costs for the Financial Periods Under Review:

	FYE					
	Audited					
	2022		**2023**		**2024**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Interest expense on:						
Borrowings and advances from corporate shareholder	28,339	99.9	24,299	99.9	18,153	99.7
Lease liabilities	14	0.1	30	0.1	50	0.3
Total	**28,353**	**100.0**	**24,329**	**100.0**	**18,203**	**100.0**

	FPE 30 June			
	Unaudited		**Audited**	
	2024		**2025**	
	RM'000	**%**	**RM'000**	**%**
Interest expense on:				
Borrowings	9,339	99.6	6,274	99.8
Lease liabilities	40	0.4	15	0.2
Total	**9,379**	**100.0**	**6,289**	**100.0**

Finance Income

Finance income primarily comprises of interest earned from deposits and other cash balances. The amount of finance income may vary from year to year depending on the level of cash reserves and prevailing interest rates.

Income tax expense

Our tax expense includes both current and deferred tax. Current tax relates to tax payable on taxable income for the year, while deferred tax arises from temporary differences between the accounting and tax treatments of certain assets and liabilities.

During the Financial Periods Under Review, our Group incurred minimal tax expense as the majority of our profits were derived from the operation of Malaysian-registered vessels, which are exempted from income tax under Section 54A of the ITA. Accordingly, most of our marine transportation income is not subject to tax. Further details on the tax exemptions are provided in Note 20 of Section 13 of this Prospectus. The current exemption is effective up to year of assessment 2026, pursuant to the Income Tax (Exemption for Malaysian Ship) Order 2024 [P.U.(A)184/2024], subject to meeting the minimum substance requirements relating to local operating expenditure and employment.

Our tax expense primarily relates to non-exempt income sources such as shipbroking services and interest income, which are taxed at the domestic statutory tax rate of 24% on the estimated assessable profit for the year. The following table sets out our current and deferred tax expense for the Financial Periods Under Review:

	FYE			FPE 30 June	
	Audited			Unaudited	Audited
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Current tax expense	637	1,224	882	1,032	237
Deferred tax (benefit)/expense	31	(393)	224	-	232
Total tax expense	**668**	**831**	**1,106**	**1,032**	**469**
Profit before tax	28,609	81,878	94,012	53,021	44,510
Effective tax rate[(1)] (%)	2.3	1.0	1.2	1.9	1.1

Note:

(1) Computed as total tax expense divided by profit before tax.

12.2.7 Review of the performance for the FYE 2023 compared to FYE 2022

The following table presents selected financial information from our consolidated statement of comprehensive income for the financial years indicated:

	FYE				
	2022		2023		%
	RM'000	%	RM'000	%	change
Revenue	315,577	100.0	302,579	100.0	(4.1)
Cost of sales	(221,336)	(70.1)	(188,476)	(62.3)	(14.8)
GP	**94,241**	**29.9**	**114,103**	**37.7**	**21.1**
Finance and other income	3,511	1.1	1,437	0.5	(59.1)
Administrative expenses	(8,445)	(2.7)	(9,333)	(3.1)	10.5
Gain/(loss) on disposal of PPE	(32,345)	(10.2)	-	-	(100.0)
Finance costs	(28,353)	(9.0)	(24,329)	(8.0)	(14.2)
PBT	**28,609**	**9.1**	**81,878**	**27.1**	**186.2**
Income tax expense	(668)	(0.2)	(831)	(0.3)	24.4
PAT	**27,941**	**8.9**	**81,047**	**26.8**	**190.1**

Revenue

Our revenue decreased by RM13.0 million or 4.1% to RM302.6 million in FYE 2023 (FYE 2022: RM315.6 million). This was mainly due to the decrease in revenue from CPP marine transportation operations which decreased by RM13.3 million following the staggered disposal of 4 CPP tankers during FYE 2022. The reduction in fleet size led to a decrease in total operating days from 6,193 in FYE 2022 to 6,007 in FYE 2023, a reduction of 186 days or approximately 3.0%. These vessels, built between 2005 and 2008, with an average age of 15 years during FYE 2022, were disposed in FYE 2022 as part of our fleet rejuvenation efforts. The disposals followed the earlier delivery of 5 new vessels in FYE 2021 with an average of 1 year in FYE 2021, and formed part of our Group's ongoing strategy to modernise and enhance the efficiency of its fleet.

The decrease in revenue was partially offset by an improvement in overall utilisation, with our Group's vessel utilisation rate increasing from 88.3% to 91.4%. The higher utilisation was contributed by a change in chartering mix, with a higher proportion of vessels employed under long-term CVC charters in FYE 2023, compared to spot charters, which provided greater operational stability and vessel utilisation. In addition, the number of dry-docking days for the newer vessels delivered in FYE 2021 was lower compared to the ageing vessels disposed, resulting in a higher overall number of operating days for our Group's vessels.

Revenue from the provision of shipbroking services increased by RM0.5 million or 58.4% to RM1.4 million in FYE 2023 (FYE 2022: RM0.9 million), arising from higher services rendered as requested by a customer.

Cost of sales

For FYE 2023, our cost of sales decreased by RM32.9 million or 14.8% to RM188.5 million (FYE 2022: RM221.3 million). The decrease in cost of sales was contributed by a decrease in voyage costs by RM29.9 million or 36.2% to RM52.7 million in FYE 2023 (FYE 2022: RM82.6 million), mainly due to lower bunker costs resulting from the following:

(i) the reduction in fleet size in FYE 2023 following the disposal of 4 CPP tankers that were previously on spot charter contracts in FYE 2022;

(ii) a decrease in spot charter contracts from the existing vessels, where we bear the bunker costs; and

(iii) lower global oil prices in FYE 2023, as reflected by a 17.2% decline in the average global Brent crude oil from USD99.8 per barrel in 2022 to USD82.6 per barrel in 2023 *(Source: IMR report)*.

These factors contributed to the decrease in bunker costs by RM23.5 million or 37.7% to RM38.8 million in FYE 2023 (FYE 2022: RM62.2 million).

In addition, vessel operating costs decreased by RM3.0 million or 2.1% to RM135.8 million in FYE 2023 (FYE 2022: RM138.7 million), mainly due to lower crew cost following the staggered disposal of 4 CPP tankers. This was reflected in a decrease in average number of crews from 382 crews in FYE 2022 to 355 crews in FYE 2023.

The decrease in the vessel operating costs was partially offset by higher expenditure on spare parts for repair and maintenance, in line with the upkeep requirements for the remaining fleet during FYE 2023.

GP and GP margin

Our GP increased by RM19.9 million or 21.1% to RM114.1 million in FYE 2023 (FYE 2022: RM94.2 million), mainly driven by the higher GP contribution from our CPP marine transportation operations. This was driven by lower voyage costs, particularly bunker costs following the disposal of the 4 CPP tankers and a decrease in spot charter contracts, resulting in lower bunker costs incurred. Furthermore, the decline in global oil prices also contributed to lower bunker costs.

Our GP margin improved from 29.9% in FYE 2022 to 37.7% in FYE 2023, mainly due to lower voyage costs, particularly lower bunker costs. The lower bunker costs were attributable to several factors, including a reduced fleet size following the disposal of vessels that were previously on spot charter contracts and operated with lower utilisation, fewer spot charter contracts from the existing vessels which led to lower bunker purchase requirements, and lower global oil prices. This was reflected in a 6.9% decline in the average proportion of bunker costs to revenue in FYE 2023. In addition, the GP margin improvement was also partly attributed to the improvement in vessel utilisation, which increased from 88.3% in FYE 2022 to 91.4% in FYE 2023, resulting in more efficient revenue generation across the fleet.

Finance and other income

Our finance and other income decreased by RM2.1 million or 59.1% to RM1.4 million in FYE 2023 (FYE 2022: RM3.5 million). This was mainly due to a decrease in insurance claims by RM2.1 million in FYE 2023 and a refund of insurance premium paid from vessel disposed in FYE 2022.

This was partially offset by an increase in finance income of RM0.8 million, attributable to higher interest income earned from the proceeds arising from the disposal of vessels.

Administrative expenses

Our administrative expenses increased by RM0.9 million or 10.5% to RM9.3 million in FYE 2023 (FYE 2022: RM8.4 million) mainly attributable to an increase in staff costs by RM1.8 million, which was due to low staff costs in FYE 2022 arising from the reversal of overprovision on the bonus. In addition, the increase in administrative expenses was also attributed to an increase in professional fees by RM0.9 million, and travelling expenses of RM0.5 million incurred in FYE 2023. This was partially offset by a decrease in foreign exchange losses by RM2.6 million.

Gain/(loss) on disposal of PPE

In FYE 2022, we recorded a loss on disposal of PPE of RM32.3 million, relating to the disposal of 4 CPP tankers as part of our fleet rejuvenation plan. The disposals were driven by various considerations, including the condition of the vessels and the significant maintenance and upgrade costs required to sustain their operational efficiency.

Finance costs

Our finance costs decreased by RM4.0 million or 14.2% to RM24.3 million in FYE 2023 (FYE 2022: RM28.4 million), mainly due to a RM3.5 million reduction in interest expense on term loans attributable to the lower outstanding loan balances in FYE 2023.

PBT, PAT and effective tax rate

Our PBT increased by RM53.3 million or 186.2% to RM81.9 million in FYE 2023 (FYE 2022: RM28.6 million), while the PBT margin improved from 9.1% in FYE 2022 to 27.1% in FYE 2023. Similarly, our PAT increased by RM53.1 million or 190.1% to RM81.0 million in FYE 2023 (FYE 2022: RM27.9 million), while PAT margin improved from 8.9% in FYE 2022 to 26.8% in FYE 2023.

The improvements in PBT and PAT were mainly due to higher GP and finance income, as well as lower finance costs in FYE 2023. In addition, the absence of a loss on disposal of PPE in FYE 2023 also contributed to the increase in PBT and PAT (FYE 2022: loss of RM32.3 million arising from the disposal of the 4 CPP tankers).

For FYE 2022 and FYE 2023, our effective tax rate was 2.3% and 1.0% respectively, which were both lower than the statutory tax rate of 24.0%, as profits derived from our Malaysian-registered vessel operations are exempted from income tax under Section 54A of the ITA. Please refer to Note 20 of Section 13 of this Prospectus for further details.

12.2.8 Review of the performance for the FYE 2024 compared to FYE 2023

The following table presents selected financial information from our consolidated statement of comprehensive income for the financial years indicated:

	FYE				
	2023		**2024**		**%**
	RM'000	**%**	**RM'000**	**%**	**change**
Revenue	302,579	100.0	316,589	100.0	4.6
Cost of sales	(188,476)	(62.3)	(201,810)	(63.7)	7.1
GP	**114,103**	**37.7**	**114,779**	**36.3**	**0.6**
Finance and other income	1,437	0.5	2,483	0.8	72.8
Administrative expenses	(9,333)	(3.1)	(9,528)	(3.0)	2.1
Gain/(loss) on disposal of PPE	-	-	4,481	1.4	100.0
Finance costs	(24,329)	(8.0)	(18,203)	(5.7)	(25.2)
PBT	**81,878**	**27.1**	**94,012**	**29.7**	**14.8**
Income tax expense	(831)	(0.3)	(1,106)	(0.3)	33.1
PAT	**81,047**	**26.8**	**92,906**	**29.3**	**14.6**

Revenue

Our revenue increased by RM14.0 million or 4.6% to RM316.6 million in FYE 2024 (FYE 2023: RM302.6 million), mainly driven by higher revenue from our CPP marine transportation operations. The revenue from CPP marine transportation operations increased by RM13.0 million, supported by an increase in the overall average DCR which increased by 7.7% to about RM53,900 per day in FYE 2024 (FYE 2023: RM50,100 per day). The higher average DCR was mainly attributed to a greater share of marine transportation activities undertaken under CVC contracts following the commencement of 4 CVC contracts in FYE 2024, which generally command higher rates compared to Time Charter contracts. This was reflected in the increase in revenue of voyage charter by RM23.3 million or 15.8% to RM170.3 million in FYE 2024 (FYE 2023: RM147.0 million).

The increase in our revenue was also contributed by higher revenue from the LPG marine transportation segment, which increased by RM1.9 million or 8.1% to RM24.6 million in FYE 2024 (FYE 2023: RM22.8 million). This was derived from additional spot charter contracts secured for LPG marine transportation prior to the commencement of a new long-term Time Charter contract. These contracts were secured with higher rates, contributing to the overall increase in revenue.

Cost of sales

For the FYE 2024, our cost of sales increased by RM13.3 million or 7.1% to RM201.8 million (FYE 2023: RM188.5 million), contributed by the following:

(i) increase in vessel operating costs by RM8.5 million or 6.3% to RM144.3 million in FYE 2024 (FYE 2023: RM135.8 million), mainly attributed to higher depreciation and amortisation costs. This increase reflects the higher capitalisation of dry-docking costs in FYE 2023 and FYE 2024, where the number of dry-docking days was at 199 days and 188 days respectively, in line with our ongoing fleet maintenance and rejuvenation programme to ensure operational efficiency. Dry-docking costs are capitalised as they extend the useful life of the vessels or enhance their functionality and are subsequently depreciated over time. The resulting depreciation is recognised as part of cost of sales, as the vessels are directly used in the provision of marine transportation services.

(ii) increase in voyage costs by RM4.8 million or 9.2% to RM57.5 million in FYE 2024 (FYE 2023: RM52.7 million), mainly attributed to higher port charges and bunker costs. This was driven by an increase in CPP marine transportation services under CVC contracts, where we are responsible for the voyage-related costs. This is also reflected in the revenue growth of 15.8% from the voyage charter for our CPP marine transportation operations in FYE 2024.

GP and GP margin

Despite our revenue increasing by 4.6% in FYE 2024, our GP remained relatively stable with a slight increase of RM0.7 million or 0.6% to RM114.8 million in FYE 2024 (FYE 2023: RM114.1 million) as a result of a higher cost of sales as detailed above. This also resulted in a marginal decline in GP margin from 37.7% in FYE 2023 to 36.3% in FYE 2024, mainly due to higher vessel operating costs from increased depreciation and amortisation arising from the capitalisation of additional dry-docking costs, as well as higher voyage costs driven by port charges and bunker costs.

Finance and other income

Our finance and other income increased by RM1.0 million or 72.8% to RM2.5 million in FYE 2024 (FYE 2023: RM1.4 million). This was mainly due to the higher insurance claims of RM0.7 million during FYE 2024 (FYE 2023: RM0.1 million).

In addition, there was a RM0.6 million increase in foreign exchange gains in FYE 2024 arising from favourable currency movement on the settlement of foreign currency-denominated purchases of spare parts and bunker fuels.

Administrative expenses

Our administrative expenses increased by RM0.2 million or 2.1% to RM9.5 million in FYE 2024 (FYE 2023: RM9.3 million) mainly attributable to an increase in professional fees by RM0.3 million and increase in staff costs by RM0.2 million. This was partially offset by a decrease in bank charges of RM0.2 million.

Gain/(loss) on disposal of PPE

In FYE 2024, we recorded a gain on disposal of PPE of RM4.5 million, relating to the disposal of 1 CPP tanker aged 16 years, as part of our fleet rejuvenation plan. The gain on disposal of the CPP tanker was mainly attributed to better negotiated terms on the back of favourable market conditions.

Finance costs

Our finance costs decreased by RM6.1 million or 25.2% to RM18.2 million in FYE 2024 (FYE 2023: RM24.3 million). This was mainly attributable to lower interest expense on borrowings following the full settlement of amount owing to corporate shareholder, as well as repayment of term loans.

PBT, PAT and effective tax rate

Our PBT increased by RM12.1 million or 14.8% to RM94.0 million in FYE 2024 (FYE 2023: RM81.9 million), while PBT margin improved from 27.1% in FYE 2023 to 29.7% in FYE 2024. Similarly, our PAT increased by RM11.9 million or 14.6% to RM92.9 million in FYE 2024 (FYE 2023: RM81.0 million), while PAT margin improved from 26.8% in FYE 2023 to 29.3% in FYE 2024.

The improvements in PBT and PAT were mainly attributable to lower finance costs, as well as a one-off gain of RM4.5 million arising from the disposal of a CPP tanker in FYE 2024.

For FYE 2024, our effective tax rate was 1.2%, which was lower than the statutory tax rate of 24.0%, as profits derived from our Malaysian-registered vessel operations are exempted from income tax under Section 54A of the ITA. Please refer to Note 20 of the Accountant's Report in Section 13 of this Prospectus for further details.

12.2.9 Review of the performance for the FPE 30 June 2025 compared to FPE 30 June 2024

The following table presents selected financial information from our consolidated statement of comprehensive income for the financial periods indicated:

	FPE 30 June				
	2024		2025		%
	RM'000	%	RM'000	%	change
Revenue	160,468	100.0	152,670	100.0	(4.9)
Cost of sales	(99,058)	(61.7)	(96,820)	(63.4)	(2.3)
GP	**61,410**	**38.3**	**55,850**	**36.6**	**(9.1)**
Finance and other income	969	0.6	2,873	1.9	196.5
Administrative expenses	(4,460)	(2.8)	(7,924)	(5.2)	77.7
Gain/(loss) on disposal of PPE	4,481	2.8	-	-	(100.0)
Finance costs	(9,379)	(5.8)	(6,289)	(4.1)	(32.9)
PBT	**53,021**	**33.0**	**44,510**	**29.2**	**(16.1)**
Income tax expense	(1,032)	(0.6)	(469)	(0.3)	(54.6)
PAT	**51,989**	**32.4**	**44,041**	**28.8**	**(15.3)**

Revenue

Our revenue decreased by RM7.8 million or 4.9% to RM152.7 million in FPE 30 June 2025 (FPE 30 June 2024: RM160.5 million). This was mainly due to the decrease in revenue from CPP marine transportation operations, which decreased by RM8.6 million following the disposal of 1 CPP tanker in May 2024. The reduction in fleet size led to a decrease in total operating days from 2,943 days in FPE 30 June 2024 to 2,820 days in FPE 30 June 2025, a reduction of 123 days or approximately 4.2%.

The decrease in revenue was partially offset by an increase in revenue from LPG marine transportation operations, which increased by RM1.0 million following the commencement of the new long-term Time Charter contract in January 2025. This was reflected in the higher average vessel utilisation rate which increased from 90.7% in FPE 30 June 2024 to 91.6% in FPE 30 June 2025.

Cost of sales

For the FPE 30 June 2025, our cost of sales decreased by RM2.2 million or 2.3% to RM96.8 million (FPE 30 June 2024: RM99.1 million). The decrease in cost of sales was contributed by a decrease in voyage costs by RM4.4 million or 15.2% to RM24.6 million in FPE 30 June 2025 (FPE 30 June 2024: RM29.0 million), mainly due to lower bunker costs resulting from the following:

(i) the reduction in fleet size in FPE 30 June 2025 following the disposal of 1 CPP tanker in May 2024; and

(ii) lower global oil prices in FPE 30 June 2025, as reflected by a 14.6% decline in the average global Brent crude oil price from USD84.0 per barrel in the first half of 2024 to USD71.7 per barrel in the first half of 2025 *(Source: IMR report)*.

These factors contributed to the decrease in bunker costs by RM4.1 million or 19.2% to RM17.1 million in FPE 30 June 2025 (FPE 30 June 2024: RM21.1 million).

The decrease in cost of sales was partially offset by an increase in vessel operating costs by RM2.2 million or 3.1% to RM72.2 million in FPE 30 June 2025 (FPE 30 June 2024: RM70.1 million). The increase was mainly due to higher depreciation and amortisation arising from the capitalisation of additional dry-docking costs, and the Ballast Water Management System installation.

GP and GP margin

Our GP decreased by RM5.6 million or 9.1% to RM55.9 million in FPE 30 June 2025 (FPE 30 June 2024: RM61.4 million). This was mainly attributed to lower GP contribution from our CPP marine transportation, which decreased by RM6.4 million in FPE 30 June 2025, mainly attributed to the lower revenue following the disposal of 1 CPP tanker in May 2024. This also resulted in a decline in GP margin from 38.3% in FPE 30 June 2024 to 36.6% in FPE 30 June 2025, mainly due to higher vessel operating costs from increased depreciation and amortisation arising from the capitalisation of additional dry-docking costs.

Finance and other income

Our finance and other income increased by RM1.9 million or 196.5% to RM2.9 million in FPE 30 June 2025 (FPE 30 June 2024: RM1.0 million). This was mainly due to the insurance claims of RM1.2 million under loss of hire claims relating to vessel maintenance in FYE 2024, as well as a RM0.3 million gain from the increase in fair value gain of investment income during FPE 30 June 2025 arising from the fixed income unit trust funds.

In addition, there was a RM0.3 million increase in foreign exchange gains in FPE 30 June 2025 arising from favourable currency movement on the settlement of foreign currency-denominated purchases of spare parts and bunker fuels.

Administrative expenses

Our administrative expenses increased by RM3.5 million or 77.7% to RM7.9 million in FPE 30 June 2025 (FPE 30 June 2024: RM4.5 million). The increase was mainly attributable to an increase in professional fees by RM3.2 million, primarily due to our IPO listing exercise.

Finance costs

Our finance costs decreased by RM3.1 million or 32.9% to RM6.3 million in FPE 30 June 2025 (FPE 30 June 2024: RM9.4 million). This was mainly attributable to capitalisation of finance costs of RM2.0 million for the vessel under construction.

PBT, PAT and effective tax rate

Our PBT decreased by RM8.5 million or 16.1% in FPE 30 June 2025, while PBT margin decreased by 3.8% in FPE 30 June 2025. Similarly, our PAT decreased by RM7.9 million or 15.3% in FPE 30 June 2025, while PAT margin decreased by 3.6% in FPE 30 June 2025.

The decrease in PBT and PAT for FPE 30 June 2025 were mainly due to the absence of the gain on disposal of PPE of RM4.5 million recorded in FPE 30 June 2024 arising from the disposal of 1 CPP tanker. In addition, the increase in administrative expenses by RM3.5 million as discussed above also contributed to the lower PBT and PAT.

For FPE 30 June 2025, our effective tax rate was 1.1%, which was lower than the statutory tax rate of 24.0%, as profits derived from our Malaysian-registered vessel operations are exempted from income tax under Section 54A of the ITA. The current exemption is effective up to the year of assessment 2026, pursuant to the Income Tax (Exemption for Malaysian Ship) Order 2024 [P.U. (A) 184/2024], subject to meeting certain minimum requirements. Please refer to Note 20 of the Accountant's Report in Section 13 of this Prospectus for further details of our income tax expense.

12.2.10 Liquidity and capital resources

(i) Working capital

Our business is funded through a combination of internal and external sources of funds. Internal sources comprise shareholders' equity and cash generated from our operations, while external sources are mainly banking facilities from financial institutions and our Sukuk Wakalah.

As at 30 June 2025, our cash and bank balances were RM121.1 million, and our total borrowings were RM375.6 million which includes the Sukuk Wakalah. As at the LPD, save for the term loans to fund the construction of Orkim Jade and Orkim Ruby, we do not have any other unutilised borrowing facilities.

As at 30 June 2025, our working capital, calculated as current assets of RM192.1 million minus current liabilities of RM53.5 million, was RM138.6 million.

Based on the above and taking into consideration our funding requirements for our committed capital expenditure as set out in Section 12.2.13, the planned acquisitions of 2 vessels as set out in Section 4.6.1 of this Prospectus, contractual obligations, expected cash flows from operations, cash and bank balances, borrowings, and the expected dividends of RM20.0 million to be paid after our Listing, together with the estimated proceeds that we expect to receive from our IPO, our Board believes that we have sufficient working capital for a period of 12 months from the date of this Prospectus.

(ii) Cash flows

The following is a summary of our consolidated statements of cash flows for the Financial Periods Under Review:

	FYE		
	Audited		
	2022	**2023**	**2024**
	RM'000	**RM'000**	**RM'000**
Net cash generated from operating activities	130,244	151,089	160,768
Net cash generated from/(used in) investing activities	35,268	(32,183)	(71,104)
Net cash from/(used in) financing activities	(105,431)	(148,894)	(82,320)
Net increase/(decrease) in cash and cash equivalents	60,081	(29,988)	7,344
Cash and cash equivalents at the beginning of the financial year	20,398	80,479	50,491
Cash and cash equivalents at the end of the financial year	**80,479**	**50,491**	**57,835**

	FPE 30 June	
	Unaudited	Audited
	2024	**2025**
	RM'000	**RM'000**
Net cash generated from operating activities	124,841	50,003
Net cash generated from/(used in) investing activities	(39,328)	2,208
Net cash from/(used in) financing activities	(45,288)	11,095
Net increase/(decrease) in cash and cash equivalents	40,225	63,306
Cash and cash equivalents at the beginning of the financial period	50,491	57,835
Cash and cash equivalents at the end of the financial period	**90,716**	**121,141**

Our cash and cash equivalents are mainly held in RM. As at the LPD, there are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in cash dividends, loans or advances, subject to the availability of distributable reserves, loans or advances in compliance with any applicable financial covenants.

Net cash generated from operating activities

FYE 2022

For FYE 2022, our net cash generated from operating activities was RM130.2 million. This was based on PBT of RM28.6 million, which was then adjusted for non-cash and other items of RM110.3 million, mainly comprising depreciation of PPE, loss on disposal of CPP tankers, and interest expense on borrowings, as well as working capital changes of RM8.2 million which mainly comprised the following:

(a) decrease in payables of RM13.1 million, which was mainly attributed to lower outstanding balance of trade payables as at 31 December 2022 arising from timely payments and lower maintenance activities required during the FYE 2022; and

(b) increase in inventories of RM0.9 million, which was mainly attributed to the procurement of spare parts for our vessels,

which was partially offset by a decrease in receivables of RM5.8 million, which was mainly attributed to lower outstanding balance of trade receivables as at 31 December 2022 due to improvement in collections.

Our Group also received interest income of RM0.4 million and made tax payment of RM0.8 million.

FYE 2023

For FYE 2023, our net cash generated from operating activities was RM151.1 million. This was based on PBT of RM81.9 million, which was then adjusted for non-cash and other items of RM74.2 million, mainly comprising depreciation of PPE and interest expense on borrowings, as well as working capital changes of RM5.4 million.

The working capital changes mainly comprised an increase in receivables of RM6.5 million, which was mainly due to higher billing recorded in the last quarter of FYE 2023. This was offset by a decrease in inventories of RM1.1 million, which was mainly attributed to the utilisation of spare parts for vessel repair and maintenance during FYE 2023 in line with the increase in spare parts, repairs and maintenance cost by 24.1% to RM17.7 million in FYE 2023 (FYE 2022: RM14.3 million).

Our Group also received interest income of RM1.1 million and made tax payment of RM0.7 million.

FYE 2024

For FYE 2024, our net cash generated from operating activities was RM160.8 million. This was based on PBT of RM94.0 million, which was then adjusted for non-cash and other items of RM71.6 million, mainly comprising depreciation of PPE and interest expense on borrowings, as well as working capital changes of RM3.8 million which mainly comprised the following:

(a) decrease in payables of RM3.1 million, mainly attributed to lower outstanding balance of trade payables as at 31 December 2024 attributed to timely payments driven by reduced maintenance activities; and

(b) increase in receivables of RM0.9 million, mainly attributed to the increase in other receivables arising from insurance claims submitted in FYE 2024,

which was partially offset by a decrease in inventories of RM0.2 million, mainly attributed to a lower inventory of consumables as they were used for our vessel maintenance activities.

Our Group also received interest income of RM1.0 million and made tax payments amounting to RM2.0 million in FYE 2024.

FPE 30 June 2025

For FPE 30 June 2025, our net cash generated from operating activities was RM50.0 million. This was based on PBT of RM44.5 million, which was then adjusted for non-cash and other items of RM37.7 million, mainly comprising depreciation of PPE and interest expense on borrowings, as well as working capital changes of RM31.2 million, which mainly comprised the following:

(a) increase in receivables of RM25.3 million, driven primarily by higher other receivables arising from the new bank guarantees pledged to 7 vessels relating to our time charter contracts following the issuance of Sukuk Wakalah; and

(b) decrease in payables of RM7.0 million, which was mainly attributed to the absence of deferred income mainly relating to time charter income paid in advance by customers. In addition, this was also contributed by the decrease in accrued expenses relating to staff bonus.

This was partly offset by the decrease in inventories of RM1.1 million, which was mainly attributed to the lower volume of bunker purchased for our vessels following the disposal of 1 CPP tanker, coupled with the lower average purchase costs of bunker fuel per metric tonne during FPE 30 June 2025.

Our Group also received interest income of RM0.6 million and made tax payments of RM1.7 million.

Net cash generated from/(used in) investing activities

FYE 2022

For FYE 2022, our net cash generated from investing activities was RM35.3 million, mainly attributed to the proceeds of RM53.0 million from the disposal of 4 CPP tankers during FYE 2022.

This was partially offset by RM17.7 million attributed to capital expenditures arising from dry-docking activities.

FYE 2023

For FYE 2023, our net cash used in investing activities was RM32.2 million, mainly attributed to the capital expenditure arising from the dry-docking activities.

FYE 2024

For FYE 2024, our net cash used in investing activities was RM71.1 million, mainly attributed to the following:

(a) RM79.6 million used to fund the purchase of PPE. This included the upfront payments of RM43.7 million made for the purchase for new vessels that are under construction, and RM34.3 million for the capital expenditures arising from the dry-docking activities; and

(b) RM20.0 million investment in fixed income unit trust funds.

This was partially offset by proceeds of RM28.5 million from the disposal a CPP tanker during FYE 2024.

FPE 30 June 2025

For FPE 30 June 2025, our net cash generated from investing activities was RM2.2 million, mainly attributed to proceeds of RM20.0 million from the upliftment of investment in fixed income unit trust funds.

This was partially offset by the purchase of PPE amounting to RM17.8 million, comprising RM10.3 million for capital expenditures relating to dry-docking activities and RM7.3 million mainly for the purchase and installation of Ballast Water Management System on our vessels.

Net cash from/(used in) financing activities

FYE 2022

For FYE 2022, our net cash used in financing activities was RM105.4 million, mainly attributed to the following:

(a) RM87.1 million used for repayment of borrowings, mainly for the repayment of term loans;

(b) RM28.3 million used for interest paid on borrowings, comprising term loans and advances from a corporate shareholder;

(c) RM5.8 million used for repayment of amount due to a corporate shareholder;

(d) RM1.5 million used for placement of deposit pledged with licensed banks relating to borrowing facilities utilised; and

(e) RM0.3 million used for repayment of lease liability for our office building.

This was partially offset by RM17.6 million in drawdown of term loans mainly used to finance our working capital.

FYE 2023

For FYE 2023, our net cash used in financing activities was RM148.9 million, mainly attributed to the following:

(a) RM85.8 million used for repayment of borrowings, mainly for the repayment of term loans;

(b) RM57.6 million used for the full settlement of amount owing to a corporate shareholder;

(c) RM24.3 million used for interest paid on borrowings, comprising term loans and advances from a corporate shareholder; and

(d) RM0.4 million used for repayment of lease liability for our office building.

This was partially offset by RM17.8 million in drawdown of term loans, mainly used to refinance the earlier acquisition of a CPP tanker, as well as RM1.5 million from the withdrawal of deposits pledged with licensed banks.

FYE 2024

For FYE 2024, our net cash used in financing activities was RM82.3 million, mainly attributed to the following:

(a) RM53.7 million used for repayment of borrowings, mainly for the repayment of term loans;

(b) RM18.2 million used for interest paid on our term loans;

(c) RM10.0 million of dividend paid to our shareholders; and

(d) RM0.5 million used for repayment of lease liability for our office building.

FPE 30 June 2025

For FPE 30 June 2025, our net cash generated from financing activities was RM11.1 million, mainly attributed to the RM300.0 million drawdown of borrowings from the issuance of our Sukuk Wakalah. This was offset by the following:

(a) RM233.6 million used for repayment of borrowings, mainly for the repayment of term loans;

(b) RM50.0 million of dividend paid to our shareholders; and

(c) RM3.4 million used for interest paid on our term loans.

(iii) Borrowings

As at 30 June 2025, our Group's total borrowings amounted to RM375.6 million, as set out below:

Non-current	**Effective interest rate (%)**	**RM'000**
Sukuk Wakalah[1]	4.32% - 4.48%	298,465[4]
Term loans[2]	4.50% - 5.95%	59,476
Hire purchase[3]	4.15%	50
Total non-current borrowings		**357,991**
Current		
Term loans[2]	4.50% - 5.95%	17,639
Hire purchase[3]	4.15%	16
Total current		**17,655**
Total borrowings		**375,646**

Notes:

(1) Proceeds raised from the Sukuk Wakalah issuance was utilised to refinance our existing borrowings and will be utilised to part finance future asset acquisition and working capital.
(2) Term loans were utilised to finance vessel construction and refinance a loan relating to a vessel acquired. Our term loans are secured by legal charges over the respective vessels.
(3) Hire purchase to finance the purchase of a vehicle.
(4) Net of issuance expenses.

As at 30 June 2025, all our borrowings are denominated in RM, and our Group's floating and fixed rate borrowings are set out below:

	RM'000
Floating rate borrowings (term loans)	29,464
Fixed rate borrowings (term loans, hire purchase, and Sukuk Wakalah[(1)])	346,182
Total	**375,646**

Note:

(1) Net of issuance expenses.

The maturity profile and average interest rates of our borrowings as at 30 June 2025 are set out below:

	Within 1 year	1 -5 years	Over 5 years	Total
	RM'000	RM'000	RM'000	RM'000
Sukuk Wakalah	-	100,000	200,000	300,000
Term loans	17,639	55,887	3,589	77,115
Hire purchase	16	50	-	66
Total	17,655	155,937	203,589	377,181
Unamortised issuance expenses	-	(505)	(1,030)	(1,535)
Total	**17,655**	**155,432**	**202,559**	**375,646**

Our Sukuk Programme is subject to the covenant where the consolidated finance to equity ratio of our Group shall not exceed 1.5 times throughout the tenure of the Sukuk Programme so long as any of the Sukuk Programme remain outstanding.

The consolidated finance to equity ratio refers to the ratio of consolidated indebtedness of our Group represented by:

(a) the aggregate outstanding nominal value of the Sukuk Programme; and

(b) (i) all other outstanding indebtedness for Islamic financing and/or borrowed moneys; (ii) fair value of financial derivatives in connection with Islamic financing and/or borrowed moneys; and (iii) any guarantees or contingent liabilities;

to consolidated total equity of our Group.

We have not defaulted on interest or profit rate payments or principal amounts on any of our borrowings during the Financial Periods Under Review and up to the LPD. As at the LPD, we are not in breach of any terms and conditions or covenants associated with our borrowings, which could materially affect our financial position and results of operations or the investments in our Shares.

12.2.11 Key financial ratios

Our key financial ratios for the Financial Periods Under Review are as follows:

	FYE			FPE 30 June
	2022	**2023**	**2024**	**2025**
Average trade receivable turnover period (days)(1)	30	42	39	36
Average trade payable turnover period (days)(2)	68	30	23	27
Average inventory turnover period (days)(3)	101	144	133	152
Current ratio (times)(4)	0.7	1.0	1.3	3.6
Gearing ratio (times)(5)	1.1	0.8	0.6	0.7

***Notes**:*

(1) Computed based on the average trade receivables at the beginning and end of the financial year/period, divided by total revenue excluding revenue from Time Charter (which is paid in advance), multiplied by 365/181 days.

(2) Computed based on the average trade payables at the beginning and end of the financial year/period, divided by voyage and vessel operating costs (excluding depreciation and crew-related costs), multiplied by 365/181 days.

(3) Computed based on the average inventories at the beginning and end of the financial year/period, divided by costs of inventories recognised as an expense, multiplied by 365/181 days.

(4) Computed based on current assets over current liabilities as at the end of the financial year/period.

(5) Computed based on total borrowings over total equity as at the end of the financial year/period.

(i) Trade receivables

Save for Time Charter contracts which are paid in advance, we deal with our customers on credit terms. The credit period that we generally grant to our customers is 30 days from the invoice date.

Our average trade receivables turnover period was 30 days as at 31 December 2022, 42 days as at 31 December 2023, 39 days as at 31 December 2024, and 36 days as at 30 June 2025.

For FYE 2022, the average trade receivable turnover period was within the credit terms. For FYE 2023, FYE 2024 and FPE 30 June 2025, the higher turnover days relative to our standard credit terms were due to minor payment delays as the payments are often subject to validation of voyage-related documentation.

In FYE 2023, our trade receivables turnover period increased from 30 days as at 31 December 2022 to 42 days as at 31 December 2023, mainly due to slow payment primarily from petroleum product distribution and trading companies, who are our major customers in Malaysia as reflected in the higher proportion of outstanding trade receivables on the back of lower revenue excluding Time Charter, which decreased by 20.0% in FYE 2023.

In FYE 2024, our trade receivables turnover period decreased from 42 days as at 31 December 2023 to 39 days as at 31 December 2024, mainly due to timely collection from customers as reflected in the lower outstanding trade receivables on the back of higher revenue excluding Time Charter, which increased by 16.6% in FYE 2024.

For FPE 30 June 2025, our trade receivables turnover period decreased from 39 days as at 31 December 2024 to 36 days as at 30 June 2025, mainly due to timely collection from customers as reflected in the lower proportion of outstanding trade receivables.

The following table sets out the ageing analysis for our trade receivables as at 30 June 2025:

As at 30 June 2025	Current	Past due 1-30 days	Past due 31-90 days	Past due More than 90 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivables	522	11,136	1,973	2,341	15,972
% of total trade receivables	3.3	69.7	12.4	14.6	100
As at the LPD:					
Trade receivables collected	521	11,136	1,691	2,185	15,533
Trade receivables collected (% of total trade receivables)	3.3	69.7	10.6	13.7	97.3
Trade receivables outstanding	1	-	282	156	439

As at the LPD, RM15.5 million or 97.3% of the total trade receivables as at 30 June 2025 has been subsequently collected. The balance outstanding of approximately RM0.4 million was attributed to our customers who are petroleum product distribution and trading companies.

(ii) Trade payables

Generally, the normal credit terms granted by our suppliers ranged from 30 to 90 days, with the exception of some suppliers which require payment in advance and the current turnover days remain within this range.

Our average trade payables turnover period was 68 days as at 31 December 2022, 30 days as at 31 December 2023, 23 days as at 31 December 2024, and 27 days as at 30 June 2025, which were within the credit terms granted by our suppliers.

In FYE 2023, our average trade payables turnover period decreased from 68 days as at 31 December 2022 to 30 days as at 31 December 2023, mainly due to timely payment to our suppliers. The higher turnover days as at 31 December 2022 were mainly due to a delay in payment to certain service providers as a result of delayed collections from a customer for services provided, as well as a delay in payment to bunker suppliers. The past due trade payables have been subsequently settled.

In FYE 2024, our average trade payables turnover period improved from 30 days as at 31 December 2023 to 23 days as at 31 December 2024, mainly due to timely payment to our suppliers.

For FPE 30 June 2025, our average trade payables turnover period increased from 23 days as at 31 December 2024 to 27 days as at 30 June 2025, mainly attributed to higher outstanding payment to our spare part supplier.

The following table sets out the ageing analysis for our trade payables as at 30 June 2025:

As at 30 June 2025	Current	Past due 1-30 days	Past due 31-90 days	Past due More than 90 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables	65	1,801	1,836	2,837	6,539
% of total trade payables	1.0	27.5	28.1	43.4	100.0
As at the LPD:					
Trade payables settled	65	1,801	1,836	2,837	6,539
Trade payables settled (% of total trade payables)	1.0	27.5	28.1	43.4	100.0
Trade payables outstanding	-	-	-	-	-

We endeavour to pay our suppliers within the credit period granted to us to ensure our supplies are not disrupted. As at the LPD, we do not have any material disputes or legal proceedings for outstanding payment that have been initiated by our suppliers against us.

(iii) Inventories

A summary of our inventories for the Financial Periods Under Review is set out below:

	FYE 2022	FYE 2023	FYE 2024	FPE 30 June 2025
	RM'000	RM'000	RM'000	RM'000
Opening inventories	17,802	18,685	17,565	17,354
Closing inventories	18,685	17,565	17,354	16,226
Average inventories	18,244	18,125	17,460	16,790
Costs of inventories recognised as an expense in cost of sales	66,163	46,002	47,902	20,006
Average inventory turnover period (days)(1)	101	144	133	152

***Note**:*

(1) Computed based on the average inventories at the beginning and end of the financial year, divided by the costs of inventories recognised as an expense under cost of sales, and multiplied by 365/181 days.

Our inventory mainly comprises consumables and bunkers for our vessel maintenance and operations. We typically maintain a relatively higher level of inventory as vessels are required to carry critical spare parts to ensure uninterrupted operations.

Our average inventory turnover period increased from 101 days as at 31 December 2022 to 144 days as at 31 December 2023, mainly due to lower cost of inventories, driven by lower bunker costs resulting from the reduced fleet in FYE 2023.

Our average inventory turnover period decreased from 144 days as at 31 December 2023 to 133 days as at 31 December 2024, mainly due to higher cost of inventories attributed to an increase in bunker and consumable costs following higher marine transportation services under the CVC charter.

Our average inventory turnover period increased from 133 days as at 31 December 2024 to 152 days as at 30 June 2025. The increase was mainly due to the lower cost of inventories, driven by lower bunker costs resulting from the reduced fleet in FPE 30 June 2025.

(iv) Current ratio

A summary of our current ratio for the Financial Periods Under Review is set out below:

	FYE			FPE 30 June
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current assets	120,754	93,947	123,191	192,101
Current liabilities	168,432	92,682	91,650	53,490
Current ratio (times)[(1)]	**0.7**	**1.0**	**1.3**	**3.6**

Note:

(1) Computed based on current assets over current liabilities as at the end of the financial year/period.

As at 31 December 2022, our Group recorded a current ratio of 0.7 times, and net current liabilities of RM47.7 million. This was mainly attributed to the RM57.7 million of amount due to corporate shareholder.

Our current ratio increased from 0.7 times as at 31 December 2022 to 1.0 times as at 31 December 2023. This was mainly due to the decrease in current liabilities, arising from the full settlement of amount owing to our corporate shareholder using internally generated funds, coupled with an increase in the net cash flow generated from operating activities in FYE 2023.

Our current ratio increased from 1.0 times as at 31 December 2023 to 1.3 times as at 31 December 2024. This was mainly due to the increase in current assets, mainly from investment in unit trust made using surplus funds partly derived from the disposal of a vessel in FYE 2024. The increase of our current ratio was also partly attributed to the decrease in current liabilities, due to a decrease in deferred income following the services rendered pertaining to the upfront payments under Time Charter contracts.

Our current ratio increased from 1.3 times as at 31 December 2024 to 3.6 times as at 30 June 2025. This was mainly attributed to an increase in current assets, primarily higher cash and bank balances resulting from the issuance of Sukuk Wakalah. The increase is also partly attributed to higher non-trade receivables from new bank guarantees pledged to 7 vessels for our Time Charter contracts. In addition, there was a decrease in current liabilities mainly due to the lower current borrowings, as a result of using the funds from the issuance of Sukuk Wakalah to refinance our existing borrowings.

(v) Gearing ratio

A summary of our gearing ratio for the Financial Periods Under Review is set out below:

	FYE			FPE 30 June
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Sukuk Wakalah	-	-	-	298,465[(1)]
Term loans	432,340	364,341	310,702	77,115
Hire purchase	113	93	77	66
Total bank borrowings	**432,453**	**364,434**	**310,779**	**375,646**
Total equity	380,053	461,100	544,006	538,047
Gearing ratio (times)[(2)]	1.1	0.8	0.6	0.7

Notes:

(1) Net of issuance expenses.
(2) Computed based on total borrowings over total equity as at the end of the financial year/period.

Our gearing ratio decreased from 1.1 times as at 31 December 2022 to 0.8 times as at 31 December 2023, and further decreased to 0.6 times as at 31 December 2024.

This was attributed to the decrease in outstanding balance of term loans due to repayments made and increase in our retained earnings arising from the profitability of our Group, throughout the past 3 financial years.

Our gearing ratio increased from 0.6 times as at 31 December 2024 to 0.7 times as at 30 June 2025 as a result of the issuance of the Sukuk Wakalah in February 2025, which was partly used to repay our term loans.

12.2.12 Capital expenditures and material investments and divestitures

Capital expenditures

Our capital expenditures for the Financial Periods Under Review and up to the LPD are set out below:

	FYE			FPE 30 June
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Vessels under construction	-	-	43,708	2,056
Dry docking	16,007	31,383	34,288	10,315
Vessels	1,589	106	1,347	7,264
Computer equipment	87	24	242	80
Office equipment	-	-	5	-
Furniture and fittings	2	124	1	-
Renovation	-	546	-	87
Motor vehicles	151	-	-	-
Total	**17,836**	**32,183**	**79,591**	**19,802**

Our capital expenditures were primarily funded via a combination of bank borrowings and internally generated funds.

Our capital expenditure increased by 80.4% from RM17.8 million for the FYE 2022 to RM32.2 million for the FYE 2023, mainly due to higher dry-docking costs to maintain our vessels.

Our capital expenditure increased by 147.3% from RM32.2 million for the FYE 2023 to RM79.6 million for the FYE 2024, mainly due to the vessel construction cost for Orkim Jade and Orkim Ruby of RM43.7 million.

As at 30 June 2025, our capital expenditure amounted to RM19.8 million, mainly due to dry-docking costs to maintain our vessels, as well as upgrading works for the installation of Ballast Water Management System on our vessels.

From 1 July 2025 and up to the LPD, our capital expenditure amounted to RM27.4 million, mainly due to dry-docking costs to maintain our vessels.

Material investments and divestitures

Saved for the disposal of 4 CPP tankers in FYE 2022 and 1 CPP tanker in FYE 2024, the RM20.0 million investment in fixed income unit trust funds in FYE 2024, and the investments set out above, we have not undertaken any material divestitures or investments for the Financial Periods Under Review and up to the LPD.

12.2.13 Material commitment for capital expenditures

As at the LPD, our Group's material commitments for capital expenditure are set out below:

	As at 30 June 2025	As at the LPD
	RM'000	RM'000
Approved and contracted for:	158,862	158,862

Our approved and contracted for capital commitments as at the LPD comprise 2 newbuild CPP tankers with a DWT of 14,500 each, pursuant to 2 shipbuilding contracts entered into on 27 March 2024. The estimated construction cost for the 2 newbuild CPP tankers was RM202.6 million (USD47.2 million), of which RM43.7 million has been paid whilst the remaining RM158.9 million will be funded through bank borrowings.

Save as disclosed above, as at the LPD, there are no material capital commitments incurred or known to be incurred by us that may have a material adverse effect on our results of operations or financial position.

12.2.14 Contingent liabilities

As at the LPD, we do not have any contingent liabilities which, upon becoming enforceable, may have a material adverse impact on our results of operations or financial position.

12.2.15 Off-balance sheet arrangements

During the Financial Periods Under Review, we do not have any off-balance sheet arrangements that are reasonably likely to have a material effect on our business, financial performance and financial position.

12.2.16 Financial risk management

We are exposed to market risks arising from our operations and use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and fair values. Our overall financial risk management focuses on the unpredictability of markets and seek to minimise potential adverse effects on our financial performance.

(i) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Our exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), we minimise credit risk by dealing exclusively with high credit rating counterparties.

Our objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. We trade only with recognised and creditworthy third parties and it is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that our exposure to bad debts is not significant.

For the Financial Periods Under Review, our outstanding trade receivables comprise mainly of petroleum product distribution and trading companies who are our major customers. Please refer to Section 7.9 for further details on our major customers, and Section 12.2.10(i) for further analysis on our trade receivables turnover days.

(ii) Liquidity risk

Liquidity risk is the risk that we will encounter difficulty in meeting financial obligations due to shortage of funds. Our exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. Our objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

(iii) Interest rate risk

All of our borrowings are interest-bearing obligations. Any hike in interest rates would affect our financial performance. Our finance costs mainly comprise interest charges on borrowings which include banking facilities granted by bank and financial institutions. As at 30 June 2025, our total borrowings were RM375.6 million, comprising RM29.5 million in floating rate facilities and the remaining RM346.2 million in fixed rate facilities. For the past 3 financial years, our finance costs have been reducing from RM28.4 million in FYE 2022 to RM24.3 million in FYE 2023 and RM18.2 million in FYE 2024. This was mainly attributed to repayment of term loans and the full settlement of amount owing to corporate shareholder. For the FPE 30 June 2025, our finance costs amounted to RM6.3 million.

Interest coverage ratio indicates the number of times a company's earnings before interest and taxes ("**EBIT**") can cover its interest payments. For the Financial Periods Under Review, the interest coverage ratio is as follows:

	FYE			FPE 30 June
	2022	**2023**	**2024**	**2025**
EBIT[(1)] (RM'000)	56,609	105,068	111,188	50,162
Adjusted EBIT[(2)] (RM'000)	88,954	105,068	106,707	52,897
Finance costs (RM'000)	28,353	24,329	18,203	6,289
Interest coverage ratio (times)[(3)]	2.0	4.3	6.1	8.0
Adjusted interest coverage ratio (times)[(4)]	3.1	4.3	5.9	8.4

***Notes**:*

(1) EBIT is calculated as PBT plus (i) finance costs; less (ii) finance income.
(2) Adjusted EBIT is calculated as EBIT plus/(less) loss/(gain) on disposal of PPE and plus IPO and related Listing expenses.
(3) Computed based on EBIT divided by finance costs for the corresponding financial year.
(4) Computed based on Adjusted EBIT divided by finance costs for the corresponding financial year.

Our interest coverage ratio ranged between 2.0 times and 8.0 times, while our adjusted interest coverage ratio ranged between 3.1 times and 8.4 times for the Financial Periods Under Review, indicating that our Group has been able to generate sufficient EBIT to meet our interest payment obligations.

Any additional drawdown of borrowings or issuance of the Sukuk Wakalah, as well as fluctuations in profit/interest rates, may impact our financial performance. For the Financial Periods Under Review and up to the LPD, we have not defaulted on any payments of either principal sums and/or interests in relation to our borrowings. The Group has not implemented hedging measures against interest rate risk as the majority of its borrowings are on fixed interest rates. For further details on borrowings, please refer to Section 12.2.10(iii) of this Prospectus.

(iv) Foreign currency risk

During the Financial Periods Under Review, we primarily served customers from Malaysia to carry out marine transportation between domestic ports along coastal routes within Malaysia and across some Asian countries. In addition, we also facilitate marine transportation for some foreign customers within Malaysia's coastal areas and across some of the Asian routes.

Our revenue derived from marine transportation operations are transacted in RM and USD. Our business is exposed to the risk of foreign exchange fluctuations, where 18.5%, 20.1%, 16.7%, and 32.7% of our total revenue for the FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 respectively, were transacted in USD. A portion of our voyage and vessel operating costs (excluding depreciation and crew-related costs) were transacted in foreign currencies, which was mainly USD and SGD, accounted for 61.1%, 65.4%, 68.0%, and 70.2% of our total voyage and vessel operating costs for the FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 respectively. The remaining 38.9%, 34.6%, 32.0%, and 29.8% of our total voyage and vessel operating costs for FYE 2022, FYE 2023, FYE 2024, and FPE 30 June 2025 were denominated in RM, mainly comprises spare parts, repairs and maintenance. Any adverse changes in exchange rates between RM, USD and SGD would have an adverse effect on our financial performance.

The table below demonstrates the sensitivity of our PAT to a 10% strengthening of the USD and SGD against the Malaysian Ringgit as at the end of the reporting year, with all other variables, in particular interest rates, held constant:

	FYE			FPE 30 June
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
(Decrease)/Increase in PAT				
USD/RM	(207)	232	(118)	107
SGD/RM	(27)	7	(2)	(63)

Details of our foreign currency exchange gains and losses during the Financial Periods Under Review are as follows:

	FYE			FPE 30 June
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Realised gain/(loss) on foreign exchange	(2,757)	225	687	625
- *Realised gain*	*272*	*632*	*952*	*635*
- *Realised loss*	*(3,029)*	*(407)*	*(265)*	*(10)*
Unrealised gain/(loss) on foreign exchange	(31)	(227)	42	(2)
- *Unrealised gain*	-	*392*	*53*	-
- *Unrealised loss*	*(31)*	*(619)*	*(11)*	*(2)*
Net gain/(loss)	**(2,788)**	**(2)**	**729**	**623**

Our business is subject to risk relating to any unfavourable foreign currency exchange rate fluctuations which could materially affect our financial performance. As at the LPD, we did not utilise any financial instruments for hedging purposes, as the foreign exchange gains and losses recorded during the Financial Periods Under Review were not material to the Group's financial condition or results of operations. Nevertheless, there is no assurance that we may not experience adverse financial impact arising from foreign exchange rate fluctuations.

(v) Fair values

We measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measure is unobservable.

Please refer to Section 13 of this Prospectus for further information on our financial risk management objectives and policies.

12.2.17 Seasonality

We do not experience any material seasonality in our business as our business operations are mainly based on contractual arrangements as disclosed in Section 7.14 of this Prospectus.

12.2.18 Impact of inflation

Our cost of sales primarily comprises bunker costs and other voyage and vessel operating expenses, including port charges, crew costs, insurance, and the purchase of spare parts, repairs and maintenance. These costs are influenced by various operating conditions, such as inflation, fluctuations in global crude oil prices (which directly impact bunker costs), supply and demand dynamics, and governmental and environmental regulations, all of which can affect our marine transportation operations.
While inflation did not materially impact our financial performance during the Financial Periods Under Review, there can be no assurance that future inflationary pressures will not adversely affect our business and financial performance.

12.2.19 Estimated contract value

As at the LPD, we have 18 vessels operating under various charter contracts as follows:

	Time Charters	**CVC**	**COA**	**Total**
Number of vessels as at LPD	8	5	5	18
% of total number of vessels	*44%*	*28%*	*28%*	*100%*

Under a Time Charter contract, we charge the charterer an agreed fixed DCR over the contract period. As at the LPD, 44% of our vessels are operating under Time Charters contracts. The estimated contract value of the Time Charters contracts, comprising both firm periods and extension options, is up to RM614 million and the details of which are set out below:

		Remaining estimated contract value as at the LPD
	Contract end date	**RM'million**
Firm period contract value	Up to July 2027	137.9
Potential contract value assuming extension options are exercised	Up to July 2032	476.3
Total estimated contract value		**614.2**

The above total estimated contract value assumes full utilisation of the remaining contracted charter period and extension options for the respective contracts are fully exercised by our customers. Excluding the period under extension options, the estimated firm period contract value amounts to RM137.9 million. The actual revenue to be recognised under these contracts may vary depending on the number of off-hire days during the contract period, and as such, the actual revenue derived may differ from the estimated contract value above. There can also be no assurance that renewal options will be exercised by our customers.

In addition to Time Charters, we have also entered into CVC and COA contracts. These contract types generally do not specify fixed routes or volumes in advance, as they are contingent upon the customer's scheduling requirements, designated routes, and cargo needs at the time of execution. As such, we are unable to accurately quantify the order book value for these types of contracts. Nevertheless, these arrangements remain an important component of our revenue mix and contribute to our fleet utilisation and earnings. As at the LPD, 56% of our vessels are operating under CVC and COA contracts.

For FYE 2024, revenue contributed by voyage charter contracts (including CVC, COA, and spot contracts) amounted to RM172.5 million, which accounted for 54.5% of our total revenue, while revenue from Time Charter contracts amounted to RM143.5 million, which accounted for 45.3% of our total revenue.

For FPE 30 June 2025, revenue contributed by voyage charter contracts (including CVC, COA, and spot contracts) amounted to RM83.1 million, which accounted for 54.4% of our total revenue, while revenue from Time Charter contracts amounted to RM69.5 million, which accounted for 45.5% of our total revenue.

12.2.20 Trends information

Save as disclosed in this section and in Sections 5, 7, and 8 of this Prospectus, to the best of our Board's knowledge and belief, there are no other known trends, uncertainties, demands, commitments or events and factors that are reasonably likely to have a material effect on our business, financial condition and results of operations.

12.2.21 Significant changes/events

Saved as disclosed elsewhere in this Prospectus, no significant changes have occurred which may have a material effect on our financial position and results of operations since 30 June 2025.

12.2.22 Material litigation

Save as disclosed in Section 14.7 of this Prospectus, neither we nor our subsidiaries are engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability, in the 12 months immediately preceding the date of this Prospectus.

12.2.23 Types of financial instruments used, treasury policies and objectives

As at the LPD, save for the Sukuk Wakalah, our Group does not utilise any other financial instruments.

Our main treasury policy is to maintain sufficient working capital to finance our operations and coupled with adequate credit facilities to meet our operational expenditures and financial liabilities. Our Group's operations are mainly funded through cash generated from our operations and external sources of capital such as issuance of share capital, credit facilities (comprising term loans from financial institutions and the Sukuk Wakalah), and credit terms extended by our trade suppliers. The normal credit term granted by our suppliers ranges from 30 days to 90 days for the FPE 30 June 2025, with the exception of some suppliers which require payment in advance and the current turnover days remain within this range. We review and manage our capital structure to maintain our gearing ratio at an optimal level based on our business requirements and prevailing economic conditions.

12.2.24 Government / economic / fiscal / monetary policies

Our Group is subject to the risks of government, economic, fiscal, or monetary policies, where any unfavourable change may materially affect our business operations, financial performance and prospects.

For the Financial Periods Under Review and up to the LPD, our results were not materially adversely affected by any unfavourable changes relating to government, economic, fiscal or monetary policies.

For information on government, economic, fiscal or monetary policies or factors which could materially affect our Group's operations, see Section 5 of this Prospectus.

12.3 CAPITALISATION AND INDEBTEDNESS

The table below presents our capitalisation and indebtedness as at 30 September 2025 and on the assumption that our IPO, our Listing and the use of proceeds from our Public Issue as set out in Section 4 of this Prospectus had occurred on 30 September 2025.

The pro forma financial information below does not represent our actual capitalisation and indebtedness as at the 30 September 2025 and is provided for illustrative purposes only.

	As at 30 September 2025		After our IPO, Listing and Use of Proceeds
	Unaudited	Adjustments[(1)]	Pro forma
	RM'000	RM'000	RM'000
Indebtedness			
Current			
Secured and guaranteed			
Borrowing	17,655	-	17,655
Unsecured and unguaranteed			
Lease liabilities	335	-	335
Non-current			
Secured and guaranteed			
Borrowing[(2)]	353,655	-	353,655
Total indebtedness	**371,645**	**-**	**371,645**
Total equity / capitalisation	**551,369**	**81,150**	**632,519**[(1)]
Total capitalisation and indebtedness	**923,014**	**81,150**	**1,004,164**

Notes:

(1) Calculated after taking into account, amongst others, the proceeds raised from our Public Issue based on the Retail Price and the estimated listing expenses of approximately RM10.9 million as at 30 September 2025.

(2) After netting off the unamortised transaction cost of approximately RM1.5 million.

12.4 DIVIDEND POLICY

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future. It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group.

The dividend that our Board may recommend or declare in any particular financial year will be subject to the factors outlined below as well as any other factors deemed relevant by our Board. In considering the level of dividend payments, if any, upon recommendation by our Board, we intend to consider various factors, including:

(i) our level of cash, gearing and return on equity and retained earnings;

(ii) our expected financial performance;

(iii) our projected levels of capital expenditure and other investment plans;

(iv) our working capital requirements; and

(v) any contractual restrictions and/or commitments.

We target a payout ratio ranging from 50% to 70% of our PAT attributable to owners of our Company of each financial year on a consolidated basis after taking into account our Group's working capital requirements, subject to any applicable law, licence conditions and contractual obligations and provided that such distribution will not be detrimental to our cash requirements or any plans approved by our Board.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements regarding our future dividends subject to modifications (including non-declaration thereof) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that future dividends declared by our Board, if any, will not differ materially from historical dividend levels. See Section 5 of this Prospectus for factors which may affect or restrict our ability to pay dividends.

As at the LPD, save for any applicable financial covenants and the Act, and subject to the availability of distributable profits and reserves, we or our subsidiary are not subject to dividend restrictions.

The following table sets out the dividends declared and paid for the Financial Periods Under Review, and the corresponding dividend payout ratio:

	FYE			**FPE 30 June**
	2022	**2023**	**2024**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Dividends declared in respect of the respective financial year/period	-	10,000[(1)]	50,000[(2)]	-
Dividends paid	-	-	10,000	50,000
PAT	27,941	81,047	92,906	44,041
Dividend payout ratio[(3)]	-	12.3%	53.8%	-

***Notes**:*

(1) Dividend declared on 19 March 2024 in respect of FYE 2023 and paid in FYE 2024.
(2) Dividend declared on 25 March 2025 in respect of FYE 2024 and paid in FYE 2025.
(3) Computed based on dividends declared divided by PAT.

For the Financial Periods Under Review and up to the LPD, the dividend paid was funded through internally generated funds from operations and is not expected to have any impact on the execution and implementation of our Group's future plans or strategies. As at the LPD, our Group's cash and bank balances is RM37.3 million.

On 22 September 2025, we declared interim dividends of RM18.0 million in respect of FYE 2025. The RM18.0 million dividend was paid on 6 October 2025. On 30 October 2025, we declared interim dividends of RM20.0 million in respect of FYE 2025. The RM20.0 million dividend will be paid in January 2026 to the entitled shareholders as at an entitlement date to be determined after our Listing, which will be announced to Bursa Securities accordingly.

The foregoing dividends has been/will be funded using internally generated funds and does not have any impact on the execution and implementation of our Group's future plans or strategies.

(The rest of this page is intentionally left blank)

12.5 REPORTING ACCOUNTANTS' LETTER ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Shape the future with confidence

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
SST ID: W10-2002-32000062
Chartered Accountants
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur, Malaysia

Tel: +603 7495 8000
Fax: +603 2095 5332 (General line)
+603 2095 9076
+603 2095 9078
ey.com

REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

The Board of Directors
Orkim Berhad
Level 15, Menara TSR,
No.12, Jalan PJU 7/3.
Mutiara Damansara, Petaling Jaya,
47810 Selangor.

Dear Sirs

Orkim Berhad ("Orkim" or "The Company")

Report on the Compilation of Pro Forma Financial Information Included in a Prospectus

We have completed our assurance engagement to report on the compilation of pro forma financial information of the Company and its subsidiaries (collectively known as the "Group") prepared by the Directors. The pro forma financial information consists of the pro forma consolidated statement of financial position as at 30 June 2025 and the related notes as set out in Appendix A, of the Prospectus issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are specified in the Prospectus Guidelines issued by the Securities Commission Malaysia and described in Note 2 in Appendix A of the pro forma financial information.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the event or transaction set out in Notes 2.1 and 2.2 in Appendix A of the pro forma financial information on the Group's financial position as at 30 June 2025. As part of this process, information about the consolidated statement of financial position has been extracted by the Directors from the relevant financial statements for the period ended 30 June 2025, on which audit reports have been published.

The Directors' Responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information on the basis of the applicable criteria.

Shape the future
with confidence

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the By-Laws (on Professional Ethics, Conduct and Practice) issued by the Malaysian Institute of Accountants and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm also applies Malaysia Approved Standard on Quality Management and International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to express an opinion, as required by the Securities Commission Malaysia, about whether the pro forma financial information has been compiled, in all material respects, by the Directors on the basis of the applicable criteria.

We conducted our engagement in accordance with the Malaysian Approved Standard on Assurance Engagements and International Standard on Assurance Engagements, ISAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Malaysian Institute of Accountants and International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the applicable criteria.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted consolidated financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

Shape the future
with confidence

Our Responsibilities (Cont'd.)

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and

- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company and its subsidiaries, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria as set out in Note 2 in Appendix A.

Shape the future
with confidence

Other Matters

This letter is issued for the sole purpose of complying with the Prospectus Guidelines issued by the Securities Commission Malaysia in connection with the Listing. Our work had been carried out in accordance with Malaysian Approved Standard on Assurance Engagements and International Standard on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Listing described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than the Listing.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ng Kim Ling
No. 03236/04/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
4 November 2025

APPENDIX A

ORKIM BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	Audited As at 30 June 2025 RM'000	Subsequent Events RM'000	Pro Forma I RM'000	IPO and related Listing expenses RM'000	Pro Forma II RM'000
Assets						
Non-current assets						
Plant and equipment		756,332		756,332		756,332
Goodwill		518		518		518
Right-of-use asset		407		407		407
Deferred tax asset		170		170		170
		757,427		757,427		757,427
Current assets						
Inventories		16,226		16,226		16,226
Receivables		42,407		42,407		42,407
Contract assets		9,610		9,610		9,610
Tax recoverable		2,717		2,717		2,717
Cash and bank balances	4.1	121,141	(32,785)	88,356	81,150	169,506
		192,101		159,316		240,466
Total assets		949,528		916,743		997,893
Equity and Liabilities						
Equity						
Share capital	4.2	44,335		44,335	89,317	133,652
Retained earnings	4.3	493,712	(38,000)	455,712	(8,167)	447,545
Total equity		538,047		500,047		581,197

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants, Kuala Lumpur.
For identification purpose only.

APPENDIX A

ORKIM BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025 (CONT'D.)

	Note	Audited As at 30 June 2025 RM'000	Subsequent Events RM'000	Pro Forma I RM'000	IPO and related Listing expenses RM'000	Pro Forma II RM'000
Equity and Liabilities (cont'd.)						
Liabilities						
Non-current liabilities						
Borrowings	4.4	357,991	9,587	367,578		367,578
Current liabilities						
Borrowings	4.4	17,655	(4,372)	13,283		13,283
Lease liability		457		457		457
Payables		35,378		35,378		35,378
		53,490		49,118		49,118
Total liabilities		411,481		416,696		416,696
Total equity and liabilities		949,528		916,743		997,893
No. of share in issue ('000)		38,835		38,835	961,165	1,000,000
Net assets (RM'000)		538,047		500,047		581,197
Net assets per share (RM)		13.85		12.88		0.58

APPENDIX A

ORKIM BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

1. INTRODUCTION

The pro forma consolidated statements of financial position as at 30 June 2025 have been prepared for inclusion in the prospectus in connection with the initial public offering of ordinary shares in the Company and the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Listing") and should not be relied upon for any other purposes.

The pro forma consolidated statements of financial position as at 30 June 2025 have been prepared for illustrative purposes only to show the effects of the transactions as set out in notes 2.1 and 2.2 had the transactions been effected on 30 June 2025. The pro forma consolidated statements of financial position may not, because of their nature, give a true picture of the Group's actual financial position. Further, such financial information does not purport to predict the future financial position of the Group.

2. BASIS OF PREPARATION

The pro forma consolidated statements of financial position as at 30 June 2025 have been compiled based on the audited financial statements of the Group as at 30 June 2025 and in a manner consistent with the format of the audited consolidated financial statements and the accounting policies adopted by the Group as set out in the Accountants' Report. The audited consolidated financial statements of the Group as at 30 June 2025 were prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

2.1 Subsequent Events

Subsequent to 30 June 2025 and up to 30 October 2025, the Company had made drawdown of borrowings of RM9,587,000, repayment of borrowings of RM4,372,000 and declarations and payments of dividend of RM38,000,000.

2.2 IPO and Listing

2.2.1 The Subdivision

The subdivision of all existing Ordinary shares in the company ("Shares") in issue of 38,835,000 Shares into 900,000,000 Shares. It involves the subdivision of every 1 existing Share into approximately 23.17 Shares in the Company.

APPENDIX A

ORKIM BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

2. BASIS OF PREPARATION (CONT'D)

2.2 IPO and Listing (cont'd.)

2.2.2 IPO and Listing

The IPO and Listing will involve the following:

(a) The public issue of 100,000,000 new ordinary shares in the Company ("Issue Shares") representing approximately 10.0% of the enlarged issued Shares of the Company, at an issue price of RM0.92 per Issue Share.

(b) Listing of and quotation for the enlarged issued share capital of the Company, comprising 1,000,000,000 shares, on the Main Market of Bursa Malaysia Securities Berhad.

3. PRO FORMA ADJUSTMENTS

The pro forma consolidated statements of financial position as at 30 June 2025 have been prepared solely for illustrative purposes only to show the effects of the following transactions based on the assumptions that they have been effected on 30 June 2025:

3.1 Pro Forma I

After incorporating the effects of the subsequent events as set out in note 2.1 above. The details are as follows:

3.1.1 Drawdown of borrowing

The Group drawdown borrowings amounting to RM9,587,000 for the construction of a vessel.

3.1.2 Repayment of borrowing

The Group repaid existing borrowings in accordance to the repayment terms amounting to RM4,372,000.

3.1.3 Declaration and payment of dividend

Subsequent to 30 June 2025, the Directors declared two interim single-tier dividends: (1) RM18,000,000 on 22 September 2025 and (2) RM20,000,000 on 30 October 2025, respectively.

APPENDIX A

ORKIM BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

3. PRO FORMA ADJUSTMENTS (CONT'D.)

3.2 Pro Forma II

After incorporated the cumulative effects of Pro Forma I and IPO and Listing as set out in note 2.2 above.

The estimated expenses totalling RM10,850,000 comprise professional fees, fees to authorities, underwriting, placement and brokerage fees and miscellaneous expenses. From the estimated expenses of RM10,850,000, RM2,683,000 is assumed to be directly attributable to the issuance of new shares and will be set-off against equity. The remaining RM8,167,000 is assumed to be attributable to the Listing and will be charged out to profit or loss.

The proceeds from the IPO as stated in the prospectus in relation to the IPO, will be utilised as follows:

No	Details of use of proceeds	Estimated timeframe for utilisation upon Listing	RM'000	%
1.	Purchase of vessels	Within 24 months	80,000	87
2.	Working capital	Within 12 months	1,150	1
3.	Estimated listing expenses	Within 3 months	10,850	12
	Total		92,000	100

APPENDIX A

ORKIM BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

4. EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

4.1 Cash and bank balances

	Note	RM'000
As at 30 June 2025		121,141
Add: Drawdown of borrowing	3.1.1	9,587
Less: Repayment of borrowing	3.1.2	(4,372)
Less: Declaration and payment of dividend	3.1.3	(38,000)
As per Pro Forma I		88,356
Add: Proceeds from Public Issuance	2.2.2 (a)	92,000
Less: Utilisation of proceeds:		
- estimated transaction cost to share issuance	3.2	(2,683)
- estimated listing Expenses	3.2	(8,167)
As per Pro Forma II		169,506

4.2 Share capital

	Note	Number of Ordinary Shares ('000)	RM'000
As at 30 June 2025/ As per Pro Forma I		38,835	44,335
Add: The subdivision	2.2.1	861,165	-
Add: Shares issued under the Public Issue	2.2.2 (a)	100,000	92,000
Less: Estimated transaction cost to share issuance	3.2	-	(2,683)
As per Pro Forma II		1,000,000	133,652

APPENDIX A

ORKIM BERHAD
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

4. EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

4.3 Retained profits

	Note	RM'000
As at 30 June 2025		493,712
Less: Declaration and payment of dividend	3.1.3	(38,000)
As per Pro Forma I		455,712
Less: Item expensed off to the statement of profit or loss and other comprehensive income:		
- estimated listing Expenses	3.2	(8,167)
As per Pro Forma II		447,545

4.4 Borrowings

	Note	Non-Current Liabilities RM'000	Current Liabilities RM'000	Total RM'000
As at 30 June 2025		357,991	17,655	375,646
Add: Drawdown of borrowings	3.1.1	9,587	-	9,587
Less: Repayment of borrowings	3.1.2	-	(4,372)	(4,372)
As per Pro Forma I/ As per Pro Forma II		367,578	13,283	380,861

ORKIM BERHAD

200701009090 (767092-X)
(Incorporated in Malaysia)

Consolidated Financial Statements for 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025

Orkim Berhad
(Incorporated in Malaysia)

Contents **Page**

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
SST ID: W10-2002-32000062
Chartered Accountants
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur, Malaysia

Tel: +603 7495 8000
Fax: +603 2095 5332 (General line)
+603 2095 9076
+603 2095 9078
ey.com

Shape the future with confidence

The Board of Directors of
Orkim Berhad
Level 15, Menara TSR
No. 12, Jalan PJU 7/3, Mutiara Damansara
47810 Petaling Jaya
Selangor Darul Ehsan

Reporting Accountants' Opinion on the Consolidated Financial Statements Contained in the Accountants' Report of Orkim Berhad

Opinion

We have audited the consolidated financial statements of Orkim ("the Company") and its subsidiaries (collectively referred to as "Orkim Group" or "the Group") which comprises consolidated statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, consolidated statements of comprehensive income, consolidated statement of changes in equity and consolidated statements of cash flows for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 and for the financial period ended 30 June 2025, and material accounting policy information and other explanatory notes as set out in pages 5 to 62. This historical consolidated financial statements has been prepared for inclusion in the prospectus in connection with the initial public offering ("IPO") and the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad (the "Listing").

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025 and of its financial performance and its cash flows for each of the financial years ended 31 December 2022, 31 December 2023, and 31 December 2024 and for the financial period ended 30 June 2025 in accordance with the MFRS Accounting Standards and IFRS Accounting Standards.

Shape the future with confidence

Basis for opinion

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

Independence and Other Ethical Responsibilities

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

Directors' Responsibilities for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements of the Group that are free from material misstatement, whether due to fraud or error.

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

Reporting Accountants' Responsibilities for the Audit of Consolidated Financial Statements

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

Shape the future
with confidence

Reporting Accountants' Responsibilities for the Audit of Consolidated Financial Statements (cont'd.)

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

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

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Shape the future
with confidence

Other matters

We report that the significant subsequent events identified by the Group since 30 June 2025, the reporting date of the most recent audited consolidated financial statements to the date of this report, are as disclosed in Note 30 to the consolidated financial statements.

The consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial period ended 30 June 2024 and the other explanatory information for the financial period 30 June 2024 (collectively referred to as "Comparative Financial Information") are not audited. We are not required and accordingly were not engaged to report on the unaudited Comparative Financial Information. Our above opinion does not cover the Comparative Financial Information.

Restriction on distribution and use

This report is made solely for inclusion in the prospectus of the Company in connection with the Listing of the Company on the Main Market of Bursa Malaysia Securities Berhad and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT	Ng Kim Ling
202006000003 (LLP0022760-LCA) & AF 0039	No. 03236/04/2026 J
Chartered Accountants	Chartered Accountant

Kuala Lumpur, Malaysia
4 November 2025

Orkim Berhad
(Incorporated in Malaysia)

Consolidated statements of financial position
As at 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022

		Audited as at			
	Note	**30.6.2025 RM'000**	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Assets					
Non-current assets					
Plant and equipment	4	756,332	768,275	771,685	789,855
Goodwill	5	518	518	518	518
Right-of-use asset	10	407	630	1,085	201
Deferred tax asset	13	170	402	626	233
		757,427	769,825	773,914	790,807
Current assets					
Inventories	7	16,226	17,354	17,565	18,685
Receivables	6	42,407	20,629	22,071	17,183
Contract assets	16	9,610	6,093	3,704	2,303
Tax recoverable		2,717	1,280	116	604
Investment	8	-	20,000	-	-
Cash and bank balances	9	121,141	57,835	50,491	81,979
		192,101	123,191	93,947	120,754
Total assets		949,528	893,016	867,861	911,561

Orkim Berhad
(Incorporated in Malaysia)

Consolidated statements of financial position
As at 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022 (cont'd.)

		Audited as at			
	Note	**30.6.2025 RM'000**	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Equity attributable to owners of the parent					
Share capital	11	44,335	44,335	44,335	44,335
Retained earnings		493,712	499,671	416,765	335,718
Total equity		538,047	544,006	461,100	380,053
Liabilities					
Non-current liabilities					
Borrowings	12	357,991	257,149	313,381	363,076
Lease liability	15	-	211	698	-
		357,991	257,360	314,079	363,076
Current liabilities					
Borrowings	12	17,655	53,630	51,053	69,377
Lease liability	15	457	487	462	210
Deferred income	16	-	3,775	10,507	10,006
Payables	14	35,378	33,758	30,660	88,839
		53,490	91,650	92,682	168,432
Total liabilities		411,481	349,010	406,761	531,508
Total equity and liabilities		949,528	893,016	867,861	911,561

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Orkim Berhad
(Incorporated in Malaysia)

Consolidated statements of comprehensive income
For the financial period ended 30 June 2025 and for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022

	Note	Audited 30.6.2025 RM'000	Unaudited 30.6.2024 RM'000	Audited 31.12.2024 RM'000	Audited 31.12.2023 RM'000	Audited 31.12.2022 RM'000
Revenue	17	152,670	160,468	316,589	302,579	315,577
Cost of sales	17	(96,820)	(99,058)	(201,810)	(188,476)	(221,336)
Gross profit		55,850	61,410	114,779	114,103	94,241
Other income		2,236	444	1,456	298	3,158
Administrative expenses		(7,924)	(4,460)	(9,528)	(9,333)	(8,445)
Gain/(loss) on disposal of plant and equipment		-	4,481	4,481	-	(32,345)
Results from operating activities		50,162	61,875	111,188	105,068	56,609
Finance costs		(6,289)	(9,379)	(18,203)	(24,329)	(28,353)
Finance income		637	525	1,027	1,139	353
Profit before tax	18	44,510	53,021	94,012	81,878	28,609
Income tax expense	20	(469)	(1,032)	(1,106)	(831)	(668)
Profit net of tax, representing total comprehensive income for the period/year		44,041	51,989	92,906	81,047	27,941
Total comprehensive income attributable to:						
Owners of the Company		44,041	51,989	92,906	81,047	27,941
Earnings per share attributable to owners of the Company (RM)						
Basic	21	1.13	1.34	2.39	2.09	0.72

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Orkim Berhad
(Incorporated in Malaysia)

Consolidated statements of changes in equity
For the financial period ended 30 June 2025 and for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022

	|--------- Attributable --------- to owners of the Company	|---------	
	Share capital (Note 11) RM'000	**Distributable retained earnings RM'000**	**Total equity RM'000**
Audited			
At 1 January 2022	44,335	307,777	352,112
Total comprehensive income for the year	-	27,941	27,941
At 31 December 2022/at 1 January 2023	44,335	335,718	380,053
Total comprehensive income for the year	-	81,047	81,047
At 31 December 2023/at 1 January 2024	44,335	416,765	461,100
Total comprehensive income for the year	-	92,906	92,906
Transaction with owners:			
Dividend paid (Note 22)	-	(10,000)	(10,000)
At 31 December 2024/at 1 January 2025	44,335	499,671	544,006
Total comprehensive income for the financial period	-	44,041	44,041
Transaction with owners:			
Dividend paid (Note 22)	-	(50,000)	(50,000)
At 30 June 2025	44,335	493,712	538,047
Unaudited			
At 31 December 2023/1 January 2024	44,335	416,765	461,100
Total comprehensive income for the financial period	-	51,989	51,989
Transaction with owners:			
Dividend paid (Note 22)	-	(10,000)	(10,000)
At 30 June 2024	44,335	458,754	503,089

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Orkim Berhad
(Incorporated in Malaysia)

Consolidated statements of cash flows
For the financial period ended 30 June 2025 and for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022

	Audited	Unaudited		Audited	
	30.6.2025 RM'000	30.6.2024 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Cash flows from operating activities					
Profit before tax	44,510	53,021	94,012	81,878	28,609
Adjustments for:					
Depreciation of plant and equipment	31,745	27,481	58,442	50,353	49,647
Depreciation of right-of-use asset	223	223	455	461	267
Finance income	(637)	(525)	(1,027)	(1,139)	(353)
Interest expense on leases	15	40	50	30	14
Interest expense on borrowings	6,274	9,339	18,153	24,299	28,339
Unrealised exchange loss/(gain)	2	(25)	(42)	227	31
Amortisation of issuance expense on borrowings	77	-	-	-	-
(Gain)/loss on disposal of plant and equipment	-	(4,481)	(4,481)	-	32,345
Operating profit before changes in working capital	82,209	85,073	165,562	156,109	138,899
Changes in working capital:					
Inventories	1,128	425	211	1,120	(883)
Receivables	(25,297)	(3,743)	(905)	(6,516)	5,754
Payables	(7,000)	42,821	(3,081)	(27)	(13,057)
Cash generated from operations	51,040	124,576	161,787	150,686	130,713
Interest received	637	525	1,027	1,139	353
Income tax paid	(1,674)	(260)	(2,046)	(736)	(822)
Net cash generated from operating activities	50,003	124,841	160,768	151,089	130,244

Orkim Berhad
(Incorporated in Malaysia)

Consolidated statements of cash flows
For the financial period ended 30 June 2025 and for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022 (cont'd.)

	Audited	Unaudited		Audited	
	30.6.2025 RM'000	30.6.2024 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Cash flows from investing activities					
Purchase of plant and equipment	(17,792)	(67,815)	(79,591)	(32,183)	(17,710)
Proceeds from disposal of plant and equipment	-	28,487	28,487	-	52,978
Withdrawal/(placement) of investment	20,000	-	(20,000)	-	-
Net cash flows generated from/ (used in) investing activities	2,208	(39,328)	(71,104)	(32,183)	35,268
Cash flows from financing activities					
Withdrawal/(placement) of deposits pledged with licensed banks	-	-	-	1,500	(1,500)
Drawdown of borrowings	300,000	-	-	17,758	17,632
Repayment of borrowings	(233,598)	(25,681)	(53,655)	(85,777)	(87,120)
Issuance expense incurred on borrowings	(1,612)	-	-	-	-
Repayment of amount due to corporate shareholder	-	-	-	(57,651)	(5,822)
Repayment of lease liability	(256)	(268)	(512)	(425)	(282)
Interest paid	(3,439)	(9,339)	(18,153)	(24,299)	(28,339)
Dividend paid	(50,000)	(10,000)	(10,000)	-	-
Net cash generated from/ (used in) financing activities	11,095	(45,288)	(82,320)	(148,894)	(105,431)
Net increase/(decrease) in cash and cash equivalents	63,306	40,225	7,344	(29,988)	60,081
Cash and cash equivalents at beginning of period/year	57,835	50,491	50,491	80,479	20,398
Cash and cash equivalents at end of period/year (Note 9)	121,141	90,716	57,835	50,491	80,479

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Orkim Berhad
(Incorporated in Malaysia)

Consolidated statements of cash flows
For the financial period ended 30 June 2025 and for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022 (cont'd.)

(i) Reconciliation of liabilities arising from financing activities:

	Audited as at			
	30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Borrowings:				
As at 1 January	310,779	364,434	432,453	501,815
Cash movement:				
Drawdown of borrowings	300,000	-	17,758	17,632
Repayment of borrowings	(233,598)	(53,655)	(85,777)	(87,120)
Issuance expenses	(1,612)	-	-	-
Finance cost	8,284	18,153	24,299	28,339
Finance cost paid	(3,439)	(18,153)	(24,299)	(28,339)
Purchase of plant and equipment (Note (ii))	-	-	-	126
Amortisation of issuance expense	77	-	-	-
Accrual of interest	(4,845)	-	-	-
As at 30 June/ 31 December (Note 12)	375,646	310,779	364,434	432,453

(ii) Purchase of plant and equipment during the financial period/year were by way of:

	Audited	**Unaudited**	**Audited**		
	30.6.2025	**30.6.2024**	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Cash	17,792	67,815	79,591	32,183	17,710
Hire purchase	-	-	-	-	126
Finance costs capitalised	2,010	-	-	-	-
	19,802	67,815	79,591	32,183	17,836

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Orkim Berhad
(Incorporated in Malaysia)

Notes to the consolidated financial statements
For the financial period ended 30 June 2025 and for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022

1. Corporate information

The Company had converted from a private limited liability company to a public limited liability company and changed its name from Orkim Sdn. Bhd. to Orkim Berhad with effect from 17 July 2025 following the Notice of Conversion from a Private Company to a Public Company issued by the Companies Commission of Malaysia on 17 July 2025, pursuant to Section 41 of the Companies Act 2016. The Company is incorporated and domiciled in Malaysia. The Company is principally engaged in investment holding. There have been no significant changes in the nature of these activities during the financial period/year.

This Accountants' Report comprises the consolidated financial information of Orkim Berhad ("the Company") and its subsidiaries (collectively referred to as "Orkim Group" or "the Group") which includes the consolidated statements of financial position as at 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the financial years ended 31 December 2024, 31 December 2023 and 31 December 2022 for the 6 months financial period ended 30 June 2025 and material accounting policies and other explanatory notes.

Details of the subsidiaries which the principle place of business and incorporated in Malaysia are as follows:

Name of subsidiary	**Principal activities**	**Effective interest (%)**			
		30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
Orkim Merit Sdn. Bhd. ("OMER")	Ship owners	100	100	100	100
Orkim Express Sdn. Bhd. ("OEXP")	Ship owners	100	100	100	100
Orkim Energy Sdn. Bhd. ("OENE")	Ship owners	100	100	100	100
Orkim Marine Sdn. Bhd. ("OMSB")	Shipping brokers, shipping and freight management	100	100	100	100
Orkim Reliance Sdn. Bhd. ("ORSB")	Ship owners	100	100	100	100

Orkim Berhad
(Incorporated in Malaysia)

1. Corporate information (cont'd.)

Details of the subsidiaries which the principle place of business and incorporated in Malaysia are as follows: (cont'd.)

Name of subsidiary	**Principal activities**	**Effective interest (%)**			
		30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
Orkim Ship Management Sdn. Bhd. ("OSMSB")	Shipping brokers, shipping and freight management	100	100	100	100
Delmar Marine Venture Sdn. Bhd. ("DMVSB")	Ship owners	100	100	100	100
Orkim Leader Sdn. Bhd. ("OLSB")	Ship owners	100	100	100	100
Orkim Power Sdn. Bhd. ("OPOW")	Ship owners	100	100	100	100
Orkim Challenger Sdn. Bhd ("OCSB")	Ship owners	100	100	100	100
Orkim Discovery Sdn. Bhd. ("ODIS")	Ship owners	100	100	100	100
Magna Meridian Sdn. Bhd. ("MMSB")	Ship owners	100	100	100	100
Matlamat Emas Sdn. Bhd. ("MESB")	Ship owners	100	100	100	100
Orkim Ambition Sdn. Bhd. ("OASB")	Ship owners, presently dormant	100	100	100	100
Orkim Triumph Sdn. Bhd. ("OTRI")	Ship owners, presently dormant	100	100	100	100
Orkim Inspiration Sdn. Bhd. ("OISB")	Ship owners, presently dormant	100	100	100	100
Orkim Wisdom Sdn. Bhd. ("OWSB")	Ship owners, presently dormant	100	100	100	100

Orkim Berhad
(Incorporated in Malaysia)

1. Corporate information (cont'd.)

Details of the subsidiaries which the principle place of business and incorporated in Malaysia are as follows: (cont'd.)

Name of subsidiary	Principal activities	Effective interest (%) 30.6.2025	31.12.2024	31.12.2023	31.12.2022
Orkim Sapphire Sdn. Bhd. ("OSSB")	Ship owners	100	100	100	100
Orkim Topaz Sdn. Bhd. ("OTOP")	Ship owners	100	100	100	100
Orkim Emerald Sdn. Bhd. ("OEME")	Ship owners	100	100	100	100
Orkim Diamond Sdn. Bhd. ("ODIA")	Ship owners	100	100	100	100
Orkim Pearl Sdn. Bhd. ("OPEA")	Ship owners	100	100	100	100
Orkim Jade Sdn. Bhd. ("OJSB")	Ship owners	100	100	-	-
Orkim Ruby Sdn. Bhd. ("ORUB")	Ship owners	100	100	-	-

The principal place of business is located at Level 15, Menara TSR, No.12, Jalan PJU 7/3, Mutiara Damansara, Petaling Jaya, 47810 Selangor. The address of registered office of the Company is 43-2, Plaza Damansara, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur.

The ultimate and immediate holding companies are E-Cap (Internal) Two Sdn. Bhd. and Tetap Kuasa Sdn. Bhd. respectively, which are incorporated and domiciled in Malaysia.

The consolidated financial statements for the financial years ended 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022 were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 4 November 2025.

2. Material accounting policy information

2.1 Basis of preparation

The Group's consolidated financial statements for the financial period ended 30 June 2025 and financial years ended 31 December 2024, 31 December 2023 and 31 December 2022 have been prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Orkim Berhad
(Incorporated in Malaysia)

2. Material accounting policy information (cont'd.)

2.1 Basis of preparation (contd.)

The consolidated financial statements have also been prepared on historical cost basis except otherwise indicated in the accounting policy section and are presented in Ringgit Malaysia (RM). All values are rounded to the nearest thousand (RM'000 or '000), except when otherwise indicated.

2.2 Standards issued but not yet effective

The standards that are issued but not yet effective up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Description	**Effective for annual periods beginning on or after**
Classification and Measurement of Financial Instruments (Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosure)	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosure)	1 January 2026
Hedge Accounting by First Time Adopter under Exceptions to the Retrospective Application of Other MFRSs (Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards)	1 January 2026
Fair Value Measurements for Gain or Loss on Derecognition included Significant Unobservable Inputs (Amendments to MFRS 7 Financial Instruments: Disclosure)	1 January 2026
Derecognition Requirements of Lease Liabilities and Initial Measurements of Trade Receivables (Amendments to MFRS 9 Financial Instruments)	1 January 2026
Determination of De' Facto Agent when Assessing Control (Amendments to MFRS 10 Consolidated Financial Statements)	1 January 2026
Equity Method or at Cost (Amendments to MFRS 107 Statement of Cash Flows)	1 January 2026
New Presentation and Disclosure Standard (MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
Reduced Disclosures Standards for Eligible Subsidiaries within the Group (MFRS 19 Subsidiaries without Public Accountability: Disclosures)	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures)	Deferred

Orkim Berhad
(Incorporated in Malaysia)

2 Material accounting policy information (cont'd.)

2.2 Standards issued but not yet effective (cont'd.)

The new MFRSs and Amendments to MFRSs above are expected to have no significant impact on the consolidated financial statements of the Group upon their initial application except for the changes in presentation and disclosures of financial information arising from the adoption of these Amendments to MFRSs as discussed below:

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101 Presentation of Financial Statements. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107 Statement of Cash Flows and some requirements of MFRS 101 have been moved to MFRS 108 Basis of Preparation of Financial Statements.

MFRS 18 additional requirements are as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income
MFRS18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged.

Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows
The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature
Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

(iv) Management-defined Performance Measures (MPMs)
The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation
MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

2 Material accounting policy information (cont'd.)

2.2 Standards issued but not yet effective (cont'd.)

MFRS 18 additional requirements are as follows: (cont'd.)

The Group is currently assessing the impact of MFRS 18, particularly with respect to the structure of the consolidated statement of profit or loss, the consolidated statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements.

2.3 Business combination and goodwill

Business combinations are accounted for using the acquisition method. Goodwill arising from business combination is measured at cost less accumulated impairment loss.

2.4 Functional currency

The consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM).

2.5 Plant and equipment

Construction in progress, and plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Dry docking costs which enhance the useful lives of the vessels are capitalised in the year in which they are incurred and amortised over the periods until the next dry docking.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Depreciation of vessels commences from the date of the vessel is ready for intended use, and is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. The estimated useful lives for the current and comparative periods are as follows:

Furniture and fittings	10 years
Office equipment	5 years
Computer equipment	5 years
Renovation	3 years
Vessels	25 years
Motor vehicles	5 years
Dry docking	2.5 years

Orkim Berhad
(Incorporated in Malaysia)

2. Material accounting policy information (cont'd.)

2.6 Goodwill

Goodwill is tested for impairment annually as at 31 December and also when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or groups of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.7 Financial assets

The Group has financial assets measured at amortised cost, which are receivables and cash and bank balances.

The Group also has financial assets measured at financial assets at fair value through profit or loss, which is unit trust fund.

2.8 Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.9 Financial liabilities

The Group only has financial liabilities measured at amortised cost, which are payables and borrowings.

Orkim Berhad
(Incorporated in Malaysia)

2. Material accounting policy information (cont'd.)

2.10 Inventories

Inventories consist of spare parts and bunkers on board for own consumption and are stated at the lower of cost or net realisable value. The costs of spare parts and bunkers are based on first-in-first-out method and include expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

2.11 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits placed with licensed banks. For the purpose of the consolidated statements of cash flows, cash and cash equivalents are presented net of pledged deposits.

2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.13 Revenue recognition

The Group recognises revenue over time for freight and demurrage charged under consecutive voyage contract and spot shipment. Revenue is recognised on percentage of completion basis, calculated on a voyage loading-to-discharge basis. The revenue is recognised evenly over the period from a ship's departure from its cargo loading point to its next discharge point, at time when the revenue is determinable for the specified load and discharge point and collectability is reasonably assured. In addition, brokerage fee will be recognised at point in time while management fee is recognised over time when the services are rendered.

The revenue recognition of other classes of revenue that are not within the scope of MFRS 15 is set out below:

(a) Interest income

For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate method, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included as other income in profit or loss.

Orkim Berhad
(Incorporated in Malaysia)

2. Material accounting policy information (cont'd.)

2.13 Revenue recognition (cont'd.)

The revenue recognition of other classes of revenue that are not within the scope of MFRS 15 is set out below: (cont'd)

(b) Charter income

Time charter is accounted for as a lease income on a straight-line basis over the firm period of the contract, as service is performed.

Non-lease component of the time charter income is not separately disclosed as the pattern of revenue recognition for lease and non-lease components are the same and the lease and non-lease components are treated as a combined unit of account, classified as an operating lease.

2.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief executive officer ("CEO"). The CEO, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Group's Board of Directors that make strategic decisions.

2.15 Leases

Group as a lessee

(i) Right-of-use assets

The Group applies the practical expedient not to separate out non-lease components from lease components and instead account for the lease and non-lease component as a single component.

ROU assets are depreciated on a straight-line basis over the lease contract term according as follows:

Office buildings	3 years

(ii) Lease liabilities

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

Orkim Berhad
(Incorporated in Malaysia)

2. Material accounting policy information (cont'd.)

2.15 Leases (cont'd)

Group as a lessee (cont'd)

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3. Significant accounting judgements and estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Critical judgements made in applying accounting policies

There are no critical judgements made by management in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

Useful life of vessels

Vessels are depreciated on a straight-line basis over the assets' useful life. Management estimates the useful lives of the Group's vessels to be 25 years. These are common life expectancies applied in the shipping industry. Changes in the expected level of usage could impact the economic useful lives and residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of vessels are disclosed in Note 4.

Orkim Berhad
(Incorporated in Malaysia)

4. Plant and equipment

	Furniture and fittings RM'000	Office equipment RM'000	Computer equipment RM'000	Renovation RM'000	Vessels RM'000	Dry docking RM'000	Vessels under construction RM'000	Motor vehicle RM'000	Total RM'000
Cost									
At 1 January 2022	211	352	2,405	330	1,147,269	160,419	-	-	1,310,986
Additions	2	-	87	-	1,589	16,007	-	151	17,836
Disposal	-	(50)	(6)	-	(101,637)	(18,880)	-	-	(120,573)
At 31 December 2022/ at 1 January 2023	213	302	2,486	330	1,047,221	157,546	-	151	1,208,249
Additions	124	-	24	546	106	31,383	-	-	32,183
At 31 December 2023/ at 1 January 2024	337	302	2,510	876	1,047,327	188,929	-	151	1,240,432
Additions	1	5	242	-	1,347	34,288	43,708	-	79,591
Adjustments	-	-	-	(10)	-	(543)	-	-	(553)
Disposal	-	-	(18)	-	(53,305)	(19,160)	-	-	(72,483)
At 31 December 2024/ at 1 January 2025	338	307	2,734	866	995,369	203,514	43,708	151	1,246,987
Additions	-	-	80	87	7,264	10,315	2,056	-	19,802
At 30 June 2025	338	307	2,814	953	1,002,633	213,829	45,764	151	1,266,789

Orkim Berhad
(Incorporated in Malaysia)

4. Plant and equipment (cont'd.)

	Furniture and fittings RM'000	Office equipment RM'000	Computer equipment RM'000	Renovation RM'000	Vessels RM'000	Dry docking RM'000	Vessels under construction RM'000	Motor vehicle RM'000	Total RM'000
Accumulated depreciation									
At 1 January 2022	169	239	1,642	255	213,112	137,080	-	-	352,497
Depreciation for the year	19	29	356	22	31,522	17,674	-	25	49,647
Disposal	-	(18)	(2)	-	(19,284)	(15,946)	-	-	(35,250)
At 31 December 2022/ at 1 January 2023	188	250	1,996	277	225,350	138,808	-	25	366,894
Depreciation for the year	22	24	334	129	33,784	16,025	-	35	50,353
At 31 December 2023/ at 1 January 2024	210	274	2,330	406	259,134	154,833	-	60	417,247
Depreciation for the year	32	11	114	177	33,709	24,370	-	29	58,442
Disposal	-	-	(17)	-	(21,145)	(16,215)	-	-	(37,377)
At 31 December 2024/ at 1 January 2025	242	285	2,427	583	271,698	162,988	-	89	438,312
Depreciation for the period	16	3	59	133	17,001	14,518	-	15	31,745
At 30 June 2025	258	288	2,486	716	288,699	177,506	-	104	470,057

Orkim Berhad
(Incorporated in Malaysia)

4. Plant and equipment (cont'd.)

	Furniture and fittings RM'000	Office equipment RM'000	Computer equipment RM'000	Renovation RM'000	Vessels RM'000	Dry docking RM'000	Vessels under construction RM'000	Motor vehicle RM'000	Total RM'000
Accumulated impairment									
At 1 January 2022/at 31 December 2022/at 31 December 2023/at 1 at 1 January 2024	-	-	-	-	51,500	-	-	-	51,500
Disposal	-	-	-	-	(11,100)	-	-	-	(11,100)
At 31 December 2024/ At 30 June 2025	-	-	-	-	40,400	-	-	-	40,400
Net carrying amount									
At 31 December 2022	25	52	490	53	770,371	18,738	-	126	789,855
At 31 December 2023	127	28	180	470	736,693	34,096	-	91	771,685
At 31 December 2024	96	22	307	283	683,271	40,526	43,708	62	768,275
At 30 June 2025	80	19	328	237	673,534	36,323	45,764	47	756,332

Vessel of the Group with carrying amount of RM147,668,000 (2024: RM460,088,000; 2023: RM551,844,000; 2022: RM770,371,000) has been pledged as security for borrowings granted to the Group as disclosed in Note 12.

Included in additions incurred during the financial period is borrowing costs of RM2,010,000 (2024: Nil; 2023: Nil; 2022: Nil).

Orkim Berhad
(Incorporated in Malaysia)

5. Goodwill

	Audited as at			
	30.6.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
At cost:				
At 1 January/31 December	518	518	518	518

6. Receivables

	Audited as at			
	30.6.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Current				
Trade				
Trade receivables	15,972	17,022	19,620	14,419
Non-trade				
Other receivables	21,717	1,899	156	772
Deposits	195	186	253	53
Prepayments	4,523	1,522	2,042	1,939
	26,435	3,607	2,451	2,764
Total trade and other receivables	42,407	20,629	22,071	17,183
Add: Cash and bank balances (Note 9)	121,141	57,835	50,491	81,979
Less: Prepayments	(4,523)	(1,522)	(2,042)	(1,939)
Total financial assets at amortised cost	159,025	76,942	70,520	97,223

Trade receivables

Trade receivables related to amounts due from charterers. The Group's normal trade credit term is 30 days (2024: 30 days; 2023: 30 days; 2022: 30 days).

Orkim Berhad
(Incorporated in Malaysia)

6. Receivables (cont'd.)

Trade receivables (cont'd.)

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Audited as at			
	30.6.2025 RM'000	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Neither past due nor impaired	522	-	770	499
1 to 30 days past due not impaired	11,136	14,373	14,589	9,634
31 to 90 days past due not impaired	1,973	1,617	3,955	3,180
More than 91 days past due not impaired	2,341	1,032	306	1,106
Past due but not impaired	15,450	17,022	18,850	13,920
	15,972	17,022	19,620	14,419

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are charterers with good payment record with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial period/year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM15,450,000 (2024: RM17,022,000; 2023: RM18,850,000; 2022: RM13,920,000) that are past due at the reporting date but not impaired and are unsecured in nature. These amounts are deemed as collectible as they are customers still in active trade with the Group.

None of the Group's trade receivables that are past due not impaired have been renegotiated during the financial period/year.

Orkim Berhad
(Incorporated in Malaysia)

7. Inventories

	Audited as at			
	30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At cost:				
Spare parts and lubricants	13,175	13,023	13,445	14,615
Bunkers	3,051	4,331	4,120	4,070
	16,226	17,354	17,565	18,685

The Group's cost of inventories recognised as an expense in cost of sales during the financial period/year amounted to RM20,006,000 (2024: RM47,902,000; 2023: RM46,002,000; 2022: RM66,163,000).

8. Investment

	Audited as at			
	30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Unit trust funds				
Financial assets at fair value through profit or loss	-	20,000	-	-

9. Cash and bank balances

	Audited as at			
	30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Deposits placed with licensed banks	30,000	10,000	-	17,565
Cash in hand and at bank	91,141	47,835	50,491	64,414
Cash and bank balances	121,141	57,835	50,491	81,979
Less: Pledged deposits	-	-	-	(1,500)
Cash and cash equivalents	121,141	57,835	50,491	80,479

Deposits placed with licensed banks are made for varying periods of between 1 day to 90 days (2024: 1 day to 90 days; 2023: 1 day to 90 days; 2022: 1 day to 90 days) depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates. The range of interest rates as at 30 June 2025 was 3.80% to 3.85% (2024: 3.6% to 3.85%; 2022: 2.45% to 2.7%) per annum.

Included in the pledged deposits placed with licensed banks is RM1,500,000 pledged for Orkim Marine Sdn Bhd to entitle RM3,000,000 credit limit from charterers in order to purchase petroleum products.

Orkim Berhad
(Incorporated in Malaysia)

10. Right-of-use asset

	Audited as at			
	30.6.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Building				
Cost				
At 1 January	1,345	1,345	803	803
Addition	-	-	1,345	-
Expiration of lease contract	-	-	(803)	-
At 31 December	1,345	1,345	1,345	803
Accumulated depreciation				
At 1 January	715	260	602	335
Charge for the period/year	223	455	461	267
Expiration of lease contract	-	-	(803)	-
At 31 December	938	715	260	602
Net book value	407	630	1,085	201

The Group has entered into a single lease contract for a building to be used as office premises. The lease has a fixed term of three years.

Orkim Berhad
(Incorporated in Malaysia)

11. Share capital

	Audited as at							
	Number of shares				Amount			
	30.6.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000	30.6.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Issued and fully paid, at no par value:								
Ordinary shares								
At 1 January/31 December/ 30 June	38,835	38,835	38,835	38,835	44,335	44,335	44,335	44,335

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Orkim Berhad
(Incorporated in Malaysia)

12. Borrowings

	Audited as at			
	30.6.2025 RM'000	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Non-current				
Secured:				
Sukuk Wakalah	300,000	-	-	-
Term loan I	-	414	2,414	1,716
Term loan II	-	4,735	7,894	11,052
Term loan III	39,612	44,656	51,537	58,987
Term loan at COF + 1.4% p.a. VII	-	182,619	217,195	246,603
Term loan at COF + 1.5% p.a. VIII	19,864	24,664	34,264	-
Term loan X at 10.15% fixed rate	-	-	-	2,789
Term loan XI at 5.75% fixed rate	-	-	-	41,832
Hire purchase	50	61	77	97
	359,526	257,149	313,381	363,076
Less: Unamortised issuance expenses	(1,535)	-	-	-
	357,991	257,149	313,381	363,076
Current				
Secured:				
Term loan I	-	2,000	2,000	2,317
Term loan II	-	3,158	3,158	3,158
Term loan III	8,039	6,871	6,871	7,187
Term loan at COF + 1.5% p.a. III	-	-	-	1,245
Term loan at COF + 1.4% p.a. VII	-	31,985	29,408	31,998
Term loan at COF + 1.5% p.a. VIII	9,600	9,600	9,600	-
Term loan IX at 8% fixed rate	-	-	-	15,440
Term loan X at 10.15% fixed rate	-	-	-	426
Term loan XI at 5.75% fixed rate	-	-	-	7,590
Hire purchase	16	16	16	16
	17,655	53,630	51,053	69,377
Total borrowings	375,646	310,779	364,434	432,453
Unamortised issuance expenses:				
At the beginning of financial period/year	-	-	-	-
Add: Issuance expenses incurred during the financial period	1,612	-	-	-
Less: Amortisation for the period	(77)	-	-	-
At the end of financial period/year	1,535	-	-	-

Orkim Berhad
(Incorporated in Malaysia)

12. Borrowings (cont'd.)

Terms and debt repayment schedule

	Audited as at			
	30.6.2025 RM'000	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Secured:				
Within 1 year	17,655	53,630	51,053	69,377
1-5 years	155,937	194,096	208,910	210,376
Over 5 years	203,589	63,053	104,471	152,700
	377,181	310,779	364,434	432,453
Years of maturity	2025 - 2032	2025 - 2030	2024 - 2030	2023 - 2030

On 24 January 2025, the Group fully settled one of the borrowing amounting to RM7,893,000, which has an initial contractual remaining payment term of 29 months from the date of settlement.

On 28 February 2025, the Company completed the issuance of RM300 million nominal value Rated Sukuk ("Sukuk Wakalah") under its Sukuk Wakalah Programme of up to RM1.0 billion, based on the Shariah principle of Wakalah Bi Al-Istithmar. Part of the proceeds was used to fully redeem Term Loan I and Term loan at COF + 1.4% p.a. VII.

Tranche	**Issuance Date**	**RM'000**	**Tenure**	**Profit distribution rate (per annum)**
1	28 February 2025	100,000	5 Years	4.32%
2	28 February 2025	200,000	7 Years	4.48%
		300,000		

The principal amount will be repaid at the end of the tenure, while the related finance costs will be repaid on a semi-annual basis and is secured by the Assignment and Charge over bank accounts maintained with the issuer.

Orkim Berhad
(Incorporated in Malaysia)

12. Borrowings (cont'd.)

Term loan I of the Group was granted to its subsidiaries in prior years, to part finance the construction of the vessels which bears interest at the rate ranging from 5.0% to 5.1% (2024: 5.25% to 5.54%; 2023: 4.72% to 5.14%; 2022: 3.93% to 4.27%) per annum, is repayable monthly and is secured by the following:

(i) First statutory mortgage on the vessels;

(ii) Debenture by way of legal charge over the vessels;

(iii) A proportionate corporate guarantee from the Company; and

(iv) Deed of assignment on future contract proceeds.

Term loan II was obtained by the Company, to finance its general working capital which bears interest at the rate of 3.8% (2024: 5.09% to 5.54%; 2023: 5.13% to 5.19%; 2022: 4.07% to 4.49%) per annum, is repayable monthly and is secured by the following:

(i) Facility agreement;

(ii) First statutory mortgage over MT Orkim Express;

(iii) Specific debenture over the MT Orkim Express;

(iv) Legal assignment over DCA;

(v) Legal assignment of insurances;

(vi) Supplemental assignments of contract proceeds from all vessels charged to the bank.

Term loan III was granted to OENE during the financial year, to part finance the construction of the vessels which bears interest at fixed rate of 4.5%, is repayable monthly and is secured by the following:

(i) Facilities agreement;

(ii) First statutory mortgage on the vessels;

(iii) Specific debenture over the vessels;

(iv) Assignment of shipbuilding contract;

(v) Assignment of irrevocable advance payment bank guarantee;

(vi) Assignment of proceeds account;

(vii) Assignment on contract proceeds;

(viii) Assignment of insurance policies; and

(ix) Corporate guarantee by the Company.

Orkim Berhad
(Incorporated in Malaysia)

12. Borrowings (cont'd.)

Term loan at COF + 1.5% p.a. III is relating to the facility granted to OMSB, to part finance the construction of its vessel which bears interest at the rate ranging from (2023: 2.36% to 3.43%; 2022: 3.66% to 3.96%) per annum, is repayable monthly and is secured by the following:

(i) All monies under Master Security Agreement comprising:

- An assignment and a fixed charge over receivables;
- A fixed charge over the designated collection account;
- A charge over goods (as defined in the Master Security Agreement) for all monies owing or payable under the facilities;

(ii) Corporate guarantee by the Company;

(iii) A specific debenture incorporating fixed and floating charge for all monies owing or payable under the facilities; and

(iv) Assignment of insurance policies.

Term loan at COF + 1.4% p.a. VII is a joint term loan and revolving credit between Affin and RHB taken in the prior years. It relates to the facility granted to OPEA, OSSB, OEME, ODIA and OTOP to refinance 85% of the construction of respective vessel which bears interest at the rate ranging from 4.9% to 5.5% (2024: 4.67% to 6.15%; 2023: 4.77% to 5.72%; 2022: 3.41% to 5.58%) per annum, is repayable monthly and is secured by the following:

(i) Facilities agreement;

(ii) Letter of undertaking for loan shortfall;

(iii) Specific debenture over the Vessel;

(iv) Legal assignment of contract proceeds into Designated Collection Account (DCA);

(v) Legal assignment over DCA;

(vi) Legal assignment of insurances;

(vii) Corporate guarantee by the Company;

(viii) Security Sharing Agreement and Coordinating Agent Agreement between Bank and Company

Orkim Berhad
(Incorporated in Malaysia)

12. Borrowings (cont'd.)

Term loan at COF + 1.5% p.a VIII relates to term loan facility granted to DMVSB for the purpose of refinancing the acquisition of the "MR2 Tanker" (Orkim Fortitude) from Affin which bears interest at the rate ranging from 5.90% to 5.95% (2024: 5.92% to 6.20%). The borrowing is secured by the following:

(i) Facilities agreement;

(ii) Specific debenture over the Vessel;

(iii) Legal assignment of contract proceeds into Designated Collection Account (DCA);

(iv) Legal assignment over DCA;

(v) Legal assignment of insurances;

(vi) Letter of undertaking for loan shortfall; and

(vii) Corporate guarantee by the Company;

Term loan IX at a fixed rate of 8% relates to facility granted to OMER or the purpose of financing 10% of the construction of OPEA, OSSB, OEME, ODIA, OTOP and is secured by the following:

(i) A 3rd party 2nd preferred ship mortgage in favour of the Bank on the vessels bearing the following name ("Mortgaged CPP Tankers")

a) MT Orkim Challenger

b) MT Orkim Discovery

c) MT Orkim Reliance

ii) A charge by way of an assignment in favour of the Bank on a deposit account to be opened by Orkim with the Bank

Orkim Berhad
(Incorporated in Malaysia)

12. Borrowings (cont'd.)

Term loan X at a fixed rate of 10.15% relates to facility of RM11,424,000 granted to OMER for the purpose of financing 80% of the partial total cost of RM14,280,000 for the acquisition of a "MR2 Tanker" known as Orkim Fortitude by its subsidiary, DMVSB and is secured by the following:

(i) Facilities agreement;

(ii) A 3rd party 1st preferred ship mortgage in favour of the Bank on the vessels bearing the following name ("Mortgaged CPP Tankers")

a) MT Orkim Merit

(iii) Legal charge over the shares of Delmar Marine Venture Sdn Bhd;

(iv) Legal assignment over all the First Party DCA;

(v) Legal assignment of contract proceeds into Designated Collection Account (DCA);

(vi) Legal assignment over DCA; and

(vii) Legal assignment of insurance policies for the vessel.

Term loan XI at a fixed rate of 5.75% relates to facility granted to DMVSB or the purpose of financing the acquisition of "MR2 Tanker" known as Orkim Fortitude and is secured by the following:

(i) Facilities agreement;

(ii) First preferred mortgage on the proposed vessels finance by BPMB;

(iii) Third party legal charge over the shares of the Company

(iv) Debenture for fixed and floating, present and future assets;

(v) Assignment of proceeds account;

(vi) Specific debenture over the vessels;

(vii) Assignment of insurance policies;

(viii) Legal assignment over DCA;

(ix) Corporate guarantee by the Company; and

Hire purchase at term charges of 4.15% relates to facility granted to OSMSB to finance the purchase of a vehicle.

Orkim Berhad
(Incorporated in Malaysia)

13. Deferred tax asset/(liability)

	Audited as at			
	30.6.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
At 1 January	402	626	233	264
Recognised in profit or loss (Note 20)	(232)	(224)	393	(31)
At 31 December	170	402	626	233

The components and movements of deferred tax liabilities and assets during the financial period/year prior to offsetting are as follows:

Deferred tax assets:

	Payables RM '000
At 1 January 2022	309
Recognised in profit or loss	(25)
At 31 December 2022/at 1 January 2023	284
Recognised in profit or loss	416
At 31 December 2023/at 1 January 2024	700
Recognised in profit or loss	(234)
At 31 December 2024/at 1 January 2025	466
Recognised in profit or loss	(239)
At 30 June 2025	227

Deferred tax liabilities:

	Accelerated capital allowance RM '000
At 1 January 2022	(45)
Recognised in profit or loss	(6)
At 31 December 2022/at 1 January 2023	(51)
Recognised in profit or loss	(23)
At 31 December 2023/at 1 January 2024	(74)
Recognised in profit or loss	10
At 31 December 2024/at 1 January 2025	(64)
Recognised in profit or loss	7
At 30 June 2025	(57)
Net deferred tax assets as at 31 December 2022	233
Net deferred tax assets as at 31 December 2023	626
Net deferred tax assets as at 31 December 2024	402
Net deferred tax assets as at 30 June 2025	170

Orkim Berhad
(Incorporated in Malaysia)

14. Payables

	Audited as at			
	30.6.2025 RM'000	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Current				
Trade				
Third parties	6,539	5,284	5,887	8,182
Non-trade				
Other payables	1,483	842	312	172
Accrued expenses	27,356	27,632	24,461	22,834
Amount due to corporate shareholder [(a)]	-	-	-	57,651
	28,839	28,474	24,773	80,657
Total payables and accruals	35,378	33,758	30,660	88,839
Add: Borrowings (Note 12)	375,646	310,779	364,434	432,453
Add: Lease liability (Note 15)	457	698	1,160	210
Total financial liabilities at amortised cost	411,481	345,235	396,254	521,502

Trade and other payables are non-interest bearing and are normally settled on 30 to 90 (2024: 30 to 90; 2023: 30 to 90; 2022: 30 to 90) days terms.

(a) Amount due to corporate shareholder

In prior years, amount due to corporate shareholder is unsecured and bears interest at 8%-15% per annum. It has been fully settled during financial year 2023.

Orkim Berhad
(Incorporated in Malaysia)

15. Lease liability

	Audited as at			
	30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Building				
At 1 January	698	1,160	210	478
Addition	-	-	1,345	-
Accretion of interest	15	50	30	14
Lease payments	(256)	(512)	(425)	(282)
At 31 December	457	698	1,160	210
Maturity Analysis:				
Within 1 year	457	487	462	210
Within 2 - 3 years	-	211	698	-
	457	698	1,160	210

The Group has entered into a single lease contract for a building to be used as office premises, with fixed lease payments throughout the lease term.

The Group's single lease contract includes an extension option. This option is negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether this extension option is reasonably certain to be exercised. Set out below is the undiscounted potential future rental payments relating to periods following the exercise date of extension that is not included in the lease term:

	Within five years RM'000	Total RM'000
As at 31 December 2022		
Extension option expected not to be exercised	848	848
As at 31 December 2023		
Extension option expected not to be exercised	1,689	1,689
As at 31 December 2024		
Extension option expected not to be exercised	1,689	1,689
As at 30 June 2025		
Extension option expected not to be exercised	1,689	1,689

Orkim Berhad
(Incorporated in Malaysia)

16. Contract asset and deferred income

	Audited as at			
	30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current				
Contract assets (a)	(9,610)	(6,093)	(3,704)	(2,303)
Deferred income (b)	-	3,775	10,507	10,006

(a) Contract assets

	Audited as at			
	30.6.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At beginning of the financial period/year	(6,093)	(3,704)	(2,303)	(6,607)
Revenue recognised during the financial period/year	(83,060)	(172,534)	(146,989)	(184,561)
Progress billings raised during the financial period/year	79,543	170,145	145,588	188,865
At end of the financial period/year	(9,610)	(6,093)	(3,704)	(2,303)
Revenue recognised from performance obligations satisfied in the previous periods but billed in current financial period/year	6,093	3,704	2,303	6,607

The above contract assets are the excess of cumulative revenue earned over cumulative billings to-date. It mainly arises from demurrage charged to the voyages that had been completed in current financial period/year but yet to bill as at financial period/year end.

(b) Deferred income

Deferred income mainly relates to time charter income paid in advance by customers.

Orkim Berhad
(Incorporated in Malaysia)

17. Revenue and cost of sales

	Audited	Unaudited		Audited	
	30.6.2025	**30.6.2024**	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Freight and Demurrage	152,544	160,166	316,013	301,157	314,679
Brokerage fee	126	302	576	1,422	898
Total Revenue	152,670	160,468	316,589	302,579	315,577
Revenue from contracts with customers	83,186	86,765	173,110	148,411	185,459
Revenue from other sources of income					
- charter income	69,484	73,703	143,479	154,168	130,118
	152,670	160,468	316,589	302,579	315,577
Timing of revenue recognition:					
Point in time	126	302	576	1,422	898
Over time	83,060	86,463	172,534	146,989	184,561
	83,186	86,765	173,110	148,411	185,459

Cost of sales consist of cost of services provided and the related direct cost and overheads.

Orkim Berhad
(Incorporated in Malaysia)

18. Profit before tax

The following amounts have been included in arriving at profit

	Audited	Unaudited	Audited		
	30.6.2025	**30.6.2024**	**31.12.2024**	**31.12.2023**	**31.12.2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Auditors' remuneration:					
- Statutory audit	305	305	609	609	464
- Other services	1,074	-	-	-	-
Amortisation of issuance expense on borrowings	77	-	-	-	-
Depreciation of plant and equipment	31,745	27,481	58,442	50,353	49,647
Depreciation of right of use of asset	223	223	455	461	267
Finance income	(637)	(525)	(1,027)	(1,139)	(353)
Finance costs:					
Interest expense on borrowings	6,274	9,339	18,153	24,299	28,339
Interest expense on lease	15	40	50	30	14
Personnel expenses (including key management personnel) (Note 19):					
Wages and salaries	23,038	23,852	47,260	44,046	49,438
Social security costs	94	70	167	235	355
Defined contribution plans	1,162	1,033	2,207	1,856	1,993
Other benefits	2,478	3,283	6,398	8,011	8,347
Consultancy fees paid to directors	200	600	1,200	1,200	1,200
Unrealised exchange loss/ (gain)	2	(25)	(42)	227	31
Realised exchange (gain)/ loss	(625)	(385)	(687)	(225)	2,757
(Gain)/loss on disposal of plant and equipment	-	(4,481)	(4,481)	-	32,345

Orkim Berhad
(Incorporated in Malaysia)

19. Key management personnel compensation

The key management personnel compensation is as follows:

	Audited	Unaudited		Audited	
	30.6.2025 RM'000	30.6.2024 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Key management personnel:					
Salaries and other emoluments	834	482	964	820	596
Defined contribution plans	120	72	144	119	89
Insurance effected to indemnify directors	12	12	24	25	25
	966	566	1,132	964	710
Non-executive directors:					
Consultancy fees	200	600	1,200	1,200	1,200

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

Orkim Berhad
(Incorporated in Malaysia)

20. Income tax expense

	Audited	Unaudited	Audited		
	30.6.2025 RM'000	30.6.2024 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Statements of comprehensive income:					
Current tax expense:					
Malaysian income tax	237	1,134	984	1,224	637
Overprovision in prior year	-	(102)	(102)	-	-
	237	1,032	882	1,224	637
Deferred tax (Note 13):					
Relating to origination and reversal of temporary differences	381	-	226	-	-
(Over)/Underprovision in prior years	(149)	-	(2)	(393)	31
	232	-	224	(393)	31
	469	1,032	1,106	831	668

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%; 2023: 24%; 2022: 24%) of the estimated assessable profit for the period/year.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	Audited	Unaudited	Audited		
	30.6.2025 RM'000	30.6.2024 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Profit before tax	44,510	53,021	94,012	81,878	28,609
Malaysian income tax	10,682	12,725	22,563	19,651	6,866
Non-deductible expenses	26,547	26,849	54,628	54,192	69,509
Income not subject to tax	(36,611)	(38,440)	(75,981)	(72,619)	(75,738)
Overprovision of income tax in prior year	-	(102)	(102)	-	-
(Over)/Underprovision of deferred tax in prior years	(149)	-	(2)	(393)	31
	469	1,032	1,106	831	668

Orkim Berhad
(Incorporated in Malaysia)

20. Income tax expense (cont'd.)

Section 54A of the Malaysian Income Tax Act, 1967 was amended effective from Year of Assessment ("YA") 2012, in which the tax exemption on shipping profits was reduced from 100% to 70%. The implementation of the amended Section 54A, however, has previously been deferred up to YA2023 via several gazette orders issued by the Ministry of Finance ("MOF").

On 5 July 2024, MOF issued another Gazette Order (i.e. Income Tax (Exemption for Malaysian Ship) Order 2024 (P.U. (A) 184) granting a further extension of the 100% shipping tax exemption from YA2024 to YA2026. The exemption is granted subject to the Malaysian shipping companies comply with the minimum substance requirements in terms of annual operating expenditure and minimum number of full-time Malaysian employees for each Malaysian ship for both shore employees and ship personnel.

Based on the Gazette Order, the Group would be able to continue to enjoy the 100% shipping tax exemption up to YA 2026 on the basis that the substance requirements as per Gazette Order are duly met.

The taxation charge in the accounts is attributable to tax in respect of other activities of the Group.

21. Earnings per share

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the financial period/year. The Group does not have any financial instrument which may dilute its basic earnings per share.

	Audited	**Unaudited**	**Audited**		
	30.6.2025	**30.6.2024**	**31.12.2024**	**31.12.2023**	**31.12.2022**
Profit for the financial period/year attributable to owners of the Company (RM'000)	44,041	51,989	92,906	81,047	27,941
Weighted average number of ordinary shares in issue ('000)	38,835	38,835	38,835	38,835	38,835
Basic earnings per ordinary share (RM)	1.13	1.34	2.39	2.09	0.72

Orkim Berhad
(Incorporated in Malaysia)

22. Dividends

	Audited	Unaudited	Audited		
	30.6.2025 RM'000	30.6.2024 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
In respect of the financial year ended 31 December 2024:					
Dividends on 38,835,000 ordinary shares:					
- Tax exempt (single-tier) dividend of RM1.29 per ordinary share	50,000	-	-	-	-
In respect of the financial year ended 31 December 2023					
Dividends on 38,835,000 ordinary shares:					
- Tax exempt (single-tier) dividend of 25.75 sen per ordinary share	-	10,000	10,000	-	-

23. Segment reporting

(i) Reportable segment

The Orkim Group's business model is mainly in the transportation of Clean Petroleum Product ("CPP") and Liquefied Petroleum Gas ("LPG") using marine vessels. It owns, manages and operates its marine vessels of 15 (2024: 15; 2023: 16; 2022: 16) CPP tankers and 2 (2024: 2; 2023: 2; 2022: 2) LPG carriers.

The Group's segment comprises:

(a) CPP segment - the CPP business model involves chartering and freighting with clients which are mainly oil majors or product owners. The CPP tankers can carry various CPP, such as, gasoline, naphtha, jet fuel, kerosene, diesel, pygas, base oil etc. This segment also includes the provision of ship broking services.

(b) LPG segment - LPG segment business model involves chartering and freighting with clients which are mainly oil majors or product owners. The vessels are pressurised gas carriers sized at 3 kilotons and can carry up to 3.5 kilo cubic metre of LPG, such as, Butadiene, Propane, Butane or C4 raffinate.

Orkim Berhad
(Incorporated in Malaysia)

23. Segment reporting (cont'd.)

(i) Reportable segment (cont'd.)

In making decisions about resource allocation and performance assessment, the CEO regularly review the financial result of the Group as a whole. Hence, the information that is regularly provided to the CEO is consistent with that presented in the financial statements.

	Audited			**Unaudited**		
	30.6.2025			**30.6.2024**		
	CPP RM'000	**LPG RM'000**	**Group RM'000**	**CPP RM'000**	**LPG RM'000**	**Group RM'000**
Revenue	140,097	12,573	152,670	148,866	11,602	160,468
Result						
Profit from operations	46,020	4,142	50,162	58,833	3,042	61,875
Finance income	624	13	637	511	14	525
Finance costs	(5,189)	(1,100)	(6,289)	(8,106)	(1,273)	(9,379)
Taxation	(476)	7	(469)	(1,029)	(3)	(1,032)
Segment profit	40,979	3,062	44,041	50,209	1,780	51,989
Other segment items						
Capital expenditures	(19,738)	(64)	(19,802)	(64,519)	(3,296)	(67,815)
Depreciation and amortisation	(29,110)	(2,858)	(31,968)	(25,244)	(2,460)	(27,704)
Gain on disposal of plant and equipment	-	-	-	4,481	-	4,481

Orkim Berhad
(Incorporated in Malaysia)

23. Segment reporting (cont'd.)

(i) Reportable segment (cont'd.)

	Audited					
	31.12.2024			31.12.2023		
	CPP RM'000	LPG RM'000	Group RM'000	CPP RM'000	LPG RM'000	Group RM'000
Revenue	291,982	24,607	316,589	279,826	22,753	302,579
Result						
Profit from operations	104,565	6,623	111,188	97,785	7,283	105,068
Finance income	997	30	1,027	1,117	22	1,139
Finance costs	(15,703)	(2,500)	(18,203)	(21,450)	(2,879)	(24,329)
Taxation	(1,099)	(7)	(1,106)	(815)	(16)	(831)
Segment profit	88,760	4,146	92,906	76,637	4,410	81,047
Other segment items						
Capital expenditures	(75,275)	(4,316)	(79,591)	(29,189)	(2,994)	(32,183)
Depreciation and amortisation	(53,638)	(5,259)	(58,897)	(46,498)	(4,316)	(50,814)
Gain on disposal of plant and equipment	4,481	-	4,481	-	-	-

Orkim Berhad
(Incorporated in Malaysia)

23. Segment reporting (cont'd.)

(i) Reportable segment (cont'd.)

	Audited		
	31.12.2022		
	CPP	**LPG**	**Group**
	RM'000	**RM'000**	**RM'000**
Revenue	292,619	22,958	315,577
Result			
Profit from operations	50,518	6,091	56,609
Finance income	325	28	353
Finance costs	(25,232)	(3,121)	(28,353)
Taxation	(652)	(16)	(668)
Segment profit	24,959	2,982	27,941
Other segment items			
Capital expenditures	(17,692)	(144)	(17,836)
Depreciation and amortisation	(44,994)	(4,920)	(49,914)
Loss on disposal of plant and equipment	(32,345)	-	(32,345)

Orkim Berhad
(Incorporated in Malaysia)

23. Segment reporting (cont'd.)

(i) Reportable segment (cont'd.)

	Audited					
	30.6.2025			31.12.2024		
	CPP RM'000	LPG RM'000	Group RM'000	CPP RM'000	LPG RM'000	Group RM'000
Segmental assets						
Plant and equipment	672,590	83,742	756,332	681,738	86,537	768,275
Other segment assets	187,911	5,285	193,196	119,815	4,926	124,741
Total	860,501	89,027	949,528	801,553	91,463	893,016
Segmental liabilities						
Borrowings	327,995	47,651	375,646	259,252	51,527	310,779
Other segment liabilities	34,385	1,450	35,835	36,687	1,544	38,231
Total	362,380	49,101	411,481	295,939	53,071	349,010

Orkim Berhad
(Incorporated in Malaysia)

23. Segment reporting (cont'd.)

(i) Reportable segment (cont'd.)

	Audited					
	31.12.2023			31.12.2022		
	CPP RM'000	LPG RM'000	Group RM'000	CPP RM'000	LPG RM'000	Group RM'000
Segmental assets						
Plant and equipment	684,205	87,480	771,685	700,666	89,189	789,855
Other segment assets	93,422	2,754	96,176	119,690	2,016	121,706
Total	777,627	90,234	867,861	820,356	91,205	911,561
Segmental liabilities						
Borrowings	306,026	58,408	364,434	366,279	66,174	432,453
Other segment liabilities	39,635	2,692	42,327	97,599	1,456	99,055
Total	345,661	61,100	406,761	463,878	67,630	531,508

Orkim Berhad
(Incorporated in Malaysia)

23. Segment reporting (cont'd.)

(ii) Geographical information

The Group's vessels operate on an international platform with individual vessels calling at various ports across the globe. The Group does not consider the domicile of its customers as a relevant decision-making guideline, and hence does not consider it meaningful to allocate vessels and revenue to specific geographical locations. As of the reporting date, all vessels are registered in Malaysia.

(iii) Major customers

The Group has 2 customers (2024: 2 customers; 2023: 2 customers; 2022: 2 customers) which generated revenue amounting to 10% or more of the Group's total revenue. These two major customers collectively account for a substantial 83% (2024: 81%; 2023: 79%; 2022: 81%) of the Group's total revenue.

Orkim Berhad
(Incorporated in Malaysia)

24. Financial instruments

Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Receivables	6
Cash and bank balances	9
Borrowings	12
Payables	14

The carrying amounts of these receivables, cash and bank balances, payables and borrowings are reasonable approximation of fair values due to their short-term nature or that they are floating rate instruments that are repriced to market interest rates on or near the reporting date.

The fair values of borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

25. Financial risk management objectives and policies

The Group is exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Group's key management personnel.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group minimise credit risk by dealing exclusively with high credit rating counterparties.

Orkim Berhad
(Incorporated in Malaysia)

25. Financial risk management objectives and policies (cont'd.)

(a) Credit risk (cont'd.)

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position, with positive fair values.

Credit risk concentration profile

At the reporting date, approximately:

- 91% (2024: 93%; 2023: 94%; 2022: 70%) of the Group's trade receivables were due from 3 (2024: 3; 2023: 3; 2022: 1) major customers.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

Orkim Berhad
(Incorporated in Malaysia)

25. Financial risk management objectives and policies (cont'd.)

(b) Liquidity risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
At 30 June 2025				
Payables	35,378	-	-	35,378
Lease liability	469	-	-	469
Borrowings	34,354	223,385	212,572	470,311
Total undiscounted financial liabilities	70,201	223,385	212,572	506,158
At 31 December 2024				
Payables	33,758	-	-	33,758
Lease liability	512	213	-	725
Borrowings	68,848	227,182	66,107	362,137
Total undiscounted financial liabilities	103,118	227,395	66,107	396,620
At 31 December 2023				
Payables	30,660	-	-	30,660
Lease liability	512	725	-	1,237
Borrowings	66,666	244,890	110,403	421,959
Total undiscounted financial liabilities	97,838	245,615	110,403	453,856
At 31 December 2022				
Payables	88,839	-	-	88,839
Lease liability	212	-	-	212
Borrowings	87,655	256,000	164,053	507,708
Total undiscounted financial liabilities	176,706	256,000	164,053	596,759

Orkim Berhad
(Incorporated in Malaysia)

25. Financial risk management objectives and policies (cont'd.)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from their loans and borrowings.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM295,000 (2024: RM2,592,000; 2023: RM3,059,000; 2022: RM2,981,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate bank borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Orkim Berhad
(Incorporated in Malaysia)

25. Financial risk management objectives and policies (cont'd.)

(d) Foreign currency risk

The Group is exposed to foreign currency risk as a result of its normal operating activities, where the currency denomination differs from the local currency, RM. The Group's policy is to minimise the exposure of foreign currency risk by monitoring and approving requisitions which involve foreign currencies.

The net unhedged financial liabilities/(assets) of the Group that are not denominated in its functional currency are as follows:

Functional currency of the Group	Net financial liabilities/(assets) held in non-functional currency Ringgit Malaysia RM'000
30.6.2025	
Singapore Dollar ("SGD")	629
United States Dollar ("USD")	(1,067)
Japanese Yen ("JPY")	44
	(394)
31.12.2024	
SGD	17
USD	1,182
JPY	(12)
	1,187
31.12.2023	
SGD	(69)
USD	(2,317)
Chinese Yuan ("CNY")	5
	(2,381)
31.12.2022	
SGD	270
USD	2,070
JPY	1,263
CNY	5
	3,608

Orkim Berhad
(Incorporated in Malaysia)

25. Financial risk management objectives and policies (cont'd.)

(d) Foreign currency risk (cont'd.)

<u>Sensitivity analysis for foreign currency risk</u>

The following table demonstrates the sensitivity of the Group's profit for the financial period/year to a reasonably possible change in the RM exchange rates against the functional currency of the Group, with all other variables held constant.

	30.6.2025 RM'000 Profit for the financial period (decrease)/ increase	31.12.2024 RM'000 Profit for the financial year increase/ (decrease)	31.12.2023 RM'000 Profit for the financial year (decrease)/ increase	31.12.2022 RM'000 Profit for the financial year (decrease)/ increase
SGD/RM				
- strengthened 10%	(63)	(2)	7	(27)
- weakened 10%	63	2	(7)	27
USD/RM				
- strengthened 10%	107	(118)	232	(207)
- weakened 10%	(107)	118	(232)	207
JPY/RM				
- strengthened 10%	(4)	1	-	(126)
- weakened 10%	4	(1)	-	126
CNY/RM				
- strengthened 10%	-	-	(1)	(1)
- weakened 10%	-	-	1	1

(e) Fair values

The Group measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Orkim Berhad
(Incorporated in Malaysia)

25. Financial risk management objectives and policies (cont'd.)

(e) Fair values (cont'd.)

The table below analyses the financial instruments measured at fair value at the reporting date, according to the level in the fair value hierarchy:

	Group			
	Level 1 RM'000	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
31.12.2024				
Financial assets				
Investment	20,000	-	-	20,000

26. Related party disclosures

In addition to the related party information disclosed elsewhere in the financial statements, set out below are other significant related party transactions. The related party transactions described below were carried out on terms and conditions agreed with related parties.

<u>Summary of related party transactions</u>

	Audited as at			
	30.6.2025 RM'000	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Repayment of advance from holding company	-	-	(57,651)	(5,822)
Interest on amount due to holding company	-	-	(3,560)	(4,633)

The directors of the Group is of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms that are no more favourable to the related parties than those arranged with independent third parties.

The outstanding balances arising from the above transactions have been disclosed in Notes 6 and 14.

The key management personnel compensation has been disclosed in Note 19.

Orkim Berhad
(Incorporated in Malaysia)

27. Capital commitments

Capital expenditure as at the reporting date is as follows:

	Audited as at			
	30.6.2025 RM'000	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Capital expenditure				
Approved and contracted for:				
Plant and equipment	158,862	167,267	-	-

The Group has entered into 2 shipbuilding contracts on 27 March 2024 for 2 units of 14,500 MT vessels amounting to USD23,570,000 each.

The total of invoices received are RM43,708,000 (2024: RM43,708,000).

28. Operating lease arrangements

The Group as lessor

The Group has entered into non-cancellable operating lease agreements on its vessels. These leases have remaining non-cancellable lease term of 3 years.

The future lease payments receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	Audited as at			
	30.6.2025 RM'000	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Not later than 1 year	118,741	127,000	143,276	27,651
Later than 1 year and not later than 3 years	51,476	98,216	218,445	53,383
	170,217	225,216	361,721	81,034

Charter hire revenue earned from chartering the Group's vessels are recognised as revenue during the financial period/year as disclosed in Note 17.

The above total estimated contract value assumes full utilisation of the remaining contracted charter period. The actual revenue to be recognised under these contracts may vary depending on the number of off-hire days during the contract period, and as such, the actual revenue derived may differ from the estimated contract value above.

Orkim Berhad
(Incorporated in Malaysia)

29. Capital management

The primary objective of the Group's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholders' value.

The Group manages their capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the period/years ended 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022.

The Group monitors capital using gearing ratio, which is total loans and borrowings divided by total capital. Capital includes equity attributable to the owners of the parent.

		Audited as at			
	Note	**30.6.2025 RM'000**	**31.12.2024 RM'000**	**31.12.2023 RM'000**	**31.12.2022 RM'000**
Borrowings	12	375,646	310,779	364,434	432,453
Equity attributable to owners of the parent		538,047	544,006	461,100	380,053
Gearing ratio		70%	57%	79%	114%

The gearing ratio is not governed by the MFRS Accounting Standards and its definition and calculation may vary from one group/company to another.

Orkim Berhad
(Incorporated in Malaysia)

30. Events subsequent to financial period end

The following are the significant events of the Group subsequent to the financial period ended 30 June 2025:

(a) On 6 August 2025, the subsidiary of the Company, OMER, has entered into a memorandum of agreement for sale and purchase of one chemical tanker vessel ("Orkim Citrine"), with consideration of USD20,100,000. The vessel was officially handed over to OMER on 8 October 2025.

(b) On 22 September 2025, the Directors have declared an interim single tier dividend of RM0.46 on 38,835,000 ordinary shares amounting to RM18,000,000. This dividend will be accounted for in the financial year ending 31 December 2025.

(c) On 10 October 2025, the subsidiary of the Company, ORUBSB, has completed a loan drawdown amounting to RM9.6 million for the construction of a vessel.

(d) On 30 October 2025, the Directors have declared an interim single tier dividend of RM0.52 on 38,835,000 ordinary shares amounting to RM20,000,000. This dividend will be accounted for in the financial year ending 31 December 2025.

(e) Material litigation - Azsat Global Sdn Bhd ("AGSB") v Charles Selvakumar A/L Joshua, Kanapathi A/L Rajenthiran, Aquasat Sdn Bhd ("Aquasat"), Mohd Fahmi Reza Bin Shariffuddin, OSMSB, Speedcast Singapore Pte Ltd and Precision Infocomm Private Limited

The subsidiary of the Company, OSMSB, had engaged AGSB for the provision of satellite communications services for the vessels ("Services") since December 2018. Subsequently in July 2024, OSMSB terminated the Services provided by AGSB.

On 14 August 2025, AGSB filed a writ of summons and statement of claims against OSMSB as the fifth defendant, together with the other 6 defendants.

AGSB alleged, amongst others, that the defendants had committed torts of conspiracy, inducement to breach of contract and unlawful interference with contract. AGSB further alleged that OSMSB conspired with the other defendants to divert AGSB's business in respect of the provision of the Services to Aquasat (being a competitor of AGSB), which caused AGSB to suffer losses as a result of the termination of the Services by OSMSB.

Orkim Berhad
(Incorporated in Malaysia)

30. Events subsequent to financial period end (cont'd.)

The following are the significant events of the Group subsequent to the financial period ended 30 June 2025: (cont'd.)

(e) Material litigation - Azsat Global Sdn Bhd ("AGSB") v Charles Selvakumar A/L Joshua, Kanapathi A/L Rajenthiran, Aquasat Sdn Bhd ("Aquasat"), Mohd Fahmi Reza Bin Shariffuddin, OSMSB, Speedcast Singapore Pte Ltd and Precision Infocomm Private Limited (cont'd.)

AGSB is seeking to claim against OSMSB, together with the other defendants, jointly and severally, and/or each and every one of them, for an aggregate claim amounting to approximately RM7.00 million comprising of:

(i) a sum of USD217,035.00 being the losses of revenue from AGSB's business for the Group's vessels until March 2025, together with interest at the rate of 5% per amount from the respective dates of the termination and/or diversion of each of the vessels until the date of full settlement;

(ii) general damages of RM1.00 million arising from the alleged conspiracy to be assessed, together with interest at the rate of 5% on the sums ordered payable from June 2024 until date of full realisation;

(iii) general damages of RM5.00 million for loss of revenue for the vessels, together with interest at the rate of 5% per annum from April 2025 onwards; and

(iv) general damages to be assessed for tort of inducement of breach of contract and/or for unlawful interference of trade, together with interest at the rate of 5% on the amount awarded from the date of termination and/or diversion of each of the vessels until the date of full settlement, (collectively, the "Claims").

On 6 October 2025, OSMSB entered an appearance in the proceedings. During the case management on 15 October 2025, the Court instructed OSMSB to file a statement of defence on or before 14 November 2025.

Based on the facts and evidence made available, the solicitors are of the view that the Claims do not appear to have sufficient factual or legal basis and that OSMSB has strong and credible defences in respect of each allegation.

Taking into consideration the nature of the Claims and the view of the solicitors, the Board is of the view that this legal proceeding will not have any material impact on the Group's business operations or financial condition.

In addition to the above, OSMSB also have an ongoing litigation with AGSB in relation to the Services in the Sessions Court whereby AGSB is seeking payment for, amongst others, outstanding invoice balances and late payment interest. The claims amount is small and similarly, will not have any material impact on the Group's business operations or financial condition.

14. ADDITIONAL INFORMATION

14.1 SHARE CAPITAL

(i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 6 months after the date of issue of this Prospectus.

(ii) As at the LPD, we have only 1 class of shares in our Company, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.

(iii) Save as disclosed in Section 6.1.4 of this Prospectus, no shares, stocks, or debentures of our Company have been issued or proposed to be issued as fully or partly paid-up in cash or otherwise, within the Financial Periods Under Review and up to the LPD.

(iv) We have not agreed, conditionally or unconditionally, to put the share capital of our Company or any of our subsidiaries under option.

(v) As at the date of this Prospectus, save for our Issue Shares reserved for subscription by the Eligible Persons as disclosed in Section 4.2.2 of this Prospectus, there is currently no other scheme involving our Directors and employees in the share capital of our Company or any of our Subsidiaries.

(vi) As at the date of this Prospectus, save for the RCCPS issued by OISB and OTRI as disclosed in Sections 6.3.11 and 6.3.23 of this Prospectus respectively, neither we nor our subsidiaries have any outstanding warrants, options, convertible securities or uncalled capital.

(vii) Save as disclosed in Sections 2.2 and 12.4 of this Prospectus and save as provided for under our Constitution as reproduced in Section 14.2 below and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in any of our Company or our Subsidiaries or upon the declaration or payment of any dividend or distribution thereon.

14.2 EXTRACTS OF OUR CONSTITUTION

The following provisions are extracted from our Constitution and are qualified in its entirety by reference to our Constitution and by applicable law. The words, terms and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless otherwise defined or the context otherwise requires:

Words		Meaning
Chairman	:	The chairman of the Board for the time being.
Deposited Security	:	A Security standing to the credit of a Securities Account and includes a Security in a Securities Account that is in suspense, subject to the provisions of the SICDA.
Listed Deposited Security	:	A Deposited Security quoted on the Official List.
Member	:	Any person for the time being holding shares in the Company and whose name appears in the Register of Members (with the exception of Bursa Depository or its nominee company in whose name the Deposited Security is registered) and shall include any depositor whose name appears in the Record of Depositors.

Official List	:	A list specifying all securities which have been admitted for listing and have not been removed from Bursa Securities.
Ordinary Resolution	:	A resolution passed by a simple majority of more than 50% of members or a class of members of the Company who are entitled to vote and do vote in person, or where proxies are allowed, by proxy at a meeting of members or who are entitled to vote on a written resolution.
Security/Securities	:	Shall have the meaning given in Section 2(1) of the CMSA.
Special Resolution	:	A resolution passed by a majority of not less than 75% of members or a class of members of the Company who are entitled to vote and do vote in person, or where proxies are allowed, by proxy at a meeting of members or who are entitled to vote on a written resolution.

14.2.1 Remuneration of directors

Clause 106 – Remuneration

"The fees and any benefits payable to the Directors shall be such fixed sum as shall from time to time be determined by an Ordinary Resolution of the Company at a general meeting of the Members and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office provided always that:

(i) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;

(ii) salaries payable to executive Directors may not include a commission on or percentage of turnover;

(iii) fees of directors, and any benefits payable to Directors shall be subject to annual shareholder approval at a general meeting and not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and

(iv) any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter."

14.2.2 Voting and borrowing powers of Directors

Clause 126 – Declaration of interest and restriction of voting

"A Director who is in any way, whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company, shall declare the nature of his interest in accordance with the provisions of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest and if he should do so, his vote should not be counted, but this prohibition shall not apply to:

(i) any arrangement for giving any Director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or any of its subsidiaries; or

(ii) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of a security."

Clause 127 – Directors restrained from voting in interested transactions

"Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company."

Clause 111 – Directors' borrowing powers

(i) The Directors may, subject to the Act and the Listing Requirements, exercise all the powers of the Company to borrow money, raised funds and/or accept credit facilities and to mortgage or charge its undertakings, property (both present and future), and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any related third party provided always that nothing contained in this Constitution shall authorise the Directors to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

(ii) The Directors shall cause a proper register to be kept in accordance with Section 362 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified or otherwise.

(iii) If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability."

14.2.3 Changes to share capital

Clause 54 – Increase of share capital

"The Company may from time to time, whether all the shares for the time being issued shall have been fully paid up or not, by Ordinary Resolution passed at the general meeting increase its share capital, such new capital to be of such amount and to be divided into shares of such rights to or be subject to such conditions or restriction in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs, and if no direction to be given, as the Directors shall determine and in particular, but without prejudice to the rights attached to any preference shares that may have been issued, such new shares may be issued with a preferential or qualified right to dividends, and in the distribution of the assets of the Company and with a special or restricted or without any right of voting."

Clause 57 – Alteration of capital

"Subject to the provisions of the Act and the Listing Requirements, the Company may by Ordinary Resolution:

(i) consolidate and divide all or any of its share capital, such that the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;

(ii) subdivide its shares or any of its shares, such that whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived. Any resolution whereby any share is subdivided may determine that, as between the holders of shares resulting from such subdivision, one or more of such shares may have such preferred or other special rights over, or may be given any preference or advantage as regards distributions, including dividends, return of capital voting or otherwise over the other or others of such shares; and

(iii) subject to the provisions of this Constitution and the Act, convert and/or reclassify any class of shares into another class of shares.

The Company shall lodge with the Share Registrar the notice of any alteration referred to under this Clause 59 in the form and manner as may be determined by the Share Registrar within 14 days from the date of the alteration."

14.2.4 Transfer of securities

Clause 44 – Transfer of securities

"The transfer of any Listed Deposited Security or class of Listed Deposited Security of the Company, shall be by way of book entry by Bursa Depository in accordance with the Rules of Bursa Depository and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Listed Deposited Security."

14.2.5 Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any rights

<u>Clause 7 – Authority of Directors to allot shares</u>

"Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of this Constitution, the Listing Requirements, the Act and the Central Depositories Act and the relevant Members' approval being obtained, the Directors may issue and allot shares in the Company (including rights or options over subscription of such shares) to any persons in such numbers and proportions with such preferred, deferred or other special rights or such restrictions (whether with regard to dividend, voting, return of capital or otherwise) and for such consideration as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:

(i) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the Members in a general meeting;

(ii) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution;

(iii) except in the case of an issue of shares or option on a pro-rata basis to all Members, every issue of shares or options to employees and/or Directors shall be approved by the Members in a general meeting and:

   (a) such approval shall specifically detail the amount of shares or options to be issued to such employees and/or Directors; and

   (b) a Director not holding office in an executive capacity may so participate in an issue of shares pursuant to a share option scheme;

(iv) the Company must ensure that all new issue of Securities for which listing is sought shall be made by way of crediting the Securities Accounts of the allottees or entitled persons in Bursa Depository with such securities save and except where the Company is specifically exempted from doing so. The Company shall notify Bursa Depository of the names of the allottees or the entitled persons together with all such particulars as may be required by Bursa Depository to enable it to make the appropriate entries in the Securities Accounts of such allottees or entitled persons. Notwithstanding this Constitution, the Company shall comply with the provisions of the Central Depositories Act and the Rules of Bursa Depository in all matters relating to the prescribed Securities; and

(v) the Company must allot and issue Securities, dispatch notices of allotment to the allottees and make an application for the listing of and quotation for such securities within such periods as may be prescribed by the Bursa Securities and deliver to Bursa Depository the appropriate certificates in such denominations as may be specified by the Depository registered in the name of Bursa Depository or its nominee company subject to the regulation of Bursa Depository."

Clause 17 – Alteration of class rights

"Subject to Sections 71 and 91 of the Act, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may subject to the provisions of this Constitution (unless otherwise provided by the terms of issue of the shares of the class), either with the consent in writing of the holders of 75% of the total voting rights of the holders of that class of shares, or with the sanction of any Special Resolution passed at a separate general meeting of such holders (but not otherwise), be modified or abrogated, and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, and such writing or resolution shall be binding upon all the holders of shares of the class. To every such separate general meeting all the provisions of this Constitution relating to general meetings or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons present at least holding or representing by proxy holding at least one-third of the number of issued shares of such class, excluding any shares of that class held as treasury shares (but so that if an adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum), that any holder of shares in the class present in person or by proxy may demand a poll and that the holders of shares of the class or group shall, on a poll, have one vote in respect of every share of the class or group held by them respectively. To every such Special Resolution, the provisions of Section 292 of the Act shall, with such adaptations as are necessary, apply."

Clause 151 – Payment of Dividends

"The profits of the Company available for dividend and determined to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in a general meeting may declare dividends accordingly."

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his/her Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer his/her Shares to the Minister of Finance and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a depositor by means of entries in the securities account of that depositor.

A depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHT TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Section 14.3 above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares, which is imposed by Malaysian law or by our Constitution.

14.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

As at the LPD, we do not have any foreign subsidiary or associate and are not subject to governmental laws, decrees, regulations and/or other requirements which may affect the repatriation of capital and remittance of profits by or to our Group.

All corporations in Malaysia are required to adopt a single-tier dividend. All dividends distributed by Malaysian resident companies under a single tier dividend are not taxable. Further, the Malaysian government does not levy withholding tax on dividend payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian resident companies. There is no Malaysian capital gain tax arising from the disposal of listed shares.

14.6 MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) that have been entered into by our Group during the Financial Periods Under Review and up to the date of this Prospectus:

14.6.1 Retail Underwriting Agreement dated 4 November 2025

Retail Underwriting Agreement dated 4 November 2025 entered into between our Company, the Managing Underwriter and the Joint Underwriters for the underwriting of 28,000,000 Issue Shares under the Retail Offering at an underwriting commission of 1.25% (exclusive of applicable tax) of the Retail Price, multiplied by the total number of Shares underwritten under the Retail Offering, upon the terms and subject to the conditions contained in the Retail Underwriting Agreement.

14.6.2 Lock-up Agreement dated 5 November 2025 in relation to our IPO and Listing

Lock-up agreement dated 5 November 2025 entered into between our Company and the Joint Bookrunners in relation to the lock-up arrangement for our IPO and Listing.

14.7 MATERIAL LITIGATION

Save as disclosed below and as at the LPD, our Group is not engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had material or significant effects on our financial position or profitability in the 12 months immediately preceding the date of this Prospectus:

Kuala Lumpur High Court Civil Suit No.: WA-22NCVC-491-08/2025
Azsat Global Sdn Bhd ("AGSB") v Charles Selvakumar A/L Joshua, Kanapathi A/L Rajenthiran, Aquasat Sdn Bhd ("Aquasat"), Mohd Fahmi Reza Bin Shariffuddin, OSMSB, Speedcast Singapore Pte Ltd and Precision Infocomm Private Limited

OSMSB, our wholly-owned subsidiary, had engaged AGSB for the provision of satellite communications services for our vessels ("**Services**") since December 2018. Subsequently in July 2024, OSMSB terminated the Services provided by AGSB.

On 14 August 2025, AGSB filed a writ of summons and statement of claims against OSMSB as the fifth defendant, together with the other 6 defendants.

AGSB alleged, amongst others, that the defendants had committed torts of conspiracy, inducement to breach of contract and unlawful interference with contract. AGSB further alleged that OSMSB conspired with the other defendants to divert AGSB's business in respect of the provision of the Services to Aquasat (being a competitor of AGSB), which caused AGSB to suffer losses as a result of the termination of the Services by OSMSB.

AGSB is seeking to claim against OSMSB, together with the other defendants, jointly and severally, and/or each and every one of them, for an aggregate claim amounting to approximately RM7.00 million comprising of –

(i) a sum of USD217,035.00 being the losses of revenue from AGSB's business for our Group's vessels until March 2025, together with interest at the rate of 5% per amount from the respective dates of the termination and/or diversion of each of our vessels until the date of full settlement;

(ii) general damages of RM1.00 million arising from the alleged conspiracy to be assessed, together with interest at the rate of 5% on the sums ordered payable from June 2024 until date of full realisation;

(iii) general damages of RM5.00 million for loss of revenue for our vessels, together with interest at the rate of 5% per annum from April 2025 onwards; and

(iv) general damages to be assessed for tort of inducement of breach of contract and/or for unlawful interference of trade, together with interest at the rate of 5% on the amount awarded from the date of termination and/or diversion of each of our vessels until the date of full settlement,

(collectively, the "**Claims**").

On 6 October 2025, OSMSB entered an appearance in the proceedings. During the case management on 15 October 2025, the Court instructed OSMSB to file a statement of defence on or before 14 November 2025.

Based on the facts and evidence made available, our solicitors are of the view that the Claims do not appear to have sufficient factual or legal basis and that OSMSB has strong and credible defences in respect of each allegation.

Taking into consideration the nature of the Claims and the view of our solicitors, our Board is of the view that this legal proceeding will not have any material impact on our Group's business operations or financial condition.

For information purpose, AGSB has instituted another legal suit against OSMSB in relation to the Services at the Sessions Court, claiming for, amongst others, outstanding invoices and late payment interest from OSMSB. The amount of such claim is not material, and similarly, it will not have any material impact on our Group's business operations or financial condition.

14.8 CONSENTS

The written consents of our Principal Adviser, Joint Bookrunners, Managing Underwriter, Joint Underwriters, Company Secretaries, Legal Advisers, Issuing House, and Share Registrar as listed in the Corporate Directory of this Prospectus, for the inclusion of their names and all references thereto in the form and context in which such names appear in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

The written consent of EY for the inclusion of its name, Accountants' Report and Reporting Accountants' Report on the Pro Forma Consolidated Statements of Financial Position, and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

The written consent of Vital Factor for the inclusion of its name, the IMR Report, and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

14.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of 6 months from the date of this Prospectus:

(i) our Constitution;

(ii) the IMR Report as set out in Section 8 of this Prospectus;

(iii) the Reporting Accountants' Report on the Pro Forma Consolidated Statements of Financial Position as referred to in Section 12.5 of this Prospectus;

(iv) the Accountants' Report as referred to in Section 13 of this Prospectus;

(v) our material contracts as referred to Section 14.6 of this Prospectus;

(vi) the relevant cause papers in respect of the material litigation as disclosed in Section 14.7 of this Prospectus;

(vii) the letters of consent as referred to in Section 14.8 of this Prospectus;

(viii) our audited consolidated financial statements for the Financial Periods Under Review; and

(ix) audited financial statements of each of our subsidiaries for the FYE 2022, FYE 2023 and FYE 2024.

14.10 RESPONSIBILITY STATEMENTS

Our Directors, our Promoters and the Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

CIMB, being the Principal Adviser, Joint Bookrunner for the Institutional Offering, and the Managing Underwriter and Joint Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, the Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

15. PROCEDURES FOR APPLICATION

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR ISSUE SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE "DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE" ACCOMPANYING THE ELECTRONIC COPY OF THIS PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT OUR ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used in this Section shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

15.1 OPENING AND CLOSING OF APPLICATION

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 19 NOVEMBER 2025

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 26 NOVEMBER 2025

In the event there is any changes to the dates or times stated above, we will advertise the notice of changes in widely circulated daily English and Bahasa Malaysia newspaper within Malaysia and make an announcement on the website of Bursa Securities.

Late Applications will not be accepted.

15.2 METHODS OF APPLICATION

15.2.1 Application of our Issue Shares under the Retail Offering

All Applications must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application method
Applications by Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(i) Individuals	• White Application Form; • Electronic Share Application; or • Internet Share Application
(ii) Non-Individuals	White Application Form only

15.2.2 Application of our IPO Shares under the Institutional Offering

Malaysian institutional and selected investors being allocated our IPO Shares under the Institutional Offering (other than Bumiputera investors approved by the MITI) will be contacted directly by the respective Joint Bookrunners and will follow the instructions as communicated by the respective Joint Bookrunners.

Bumiputera investors approved by the MITI who have been allocated our Issue Shares will be contacted directly by the MITI and should follow the instructions as communicated through the MITI.

Eligible persons, Malaysian institutional and selected investors and Bumiputera investors approved by the MITI may still apply for our Issue Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

15.3 ELIGIBILITY

15.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in the list of ADAs accompanying the electronic copy of this Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 ISSUE SHARES OR MULTIPLES OF 100 ISSUE SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMISES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

15.3.2 Application by the Malaysian Public

You can only apply for our Issue Shares if you fulfil all of the following:

(i) you must be one of the following:

- (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares; or
- (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
- (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;

(ii) you must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

(iii) you must submit Applications by using only one of the following methods:

(a) White Application Form;

(b) Electronic Share Application; or

(c) Internet Share Application.

15.3.3 Application by Eligible Persons

The Eligible Persons (including any entities, wherever established) will be provided with Pink Application Forms and letters from us detailing their respective allocation. The applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Human Resources or Finance Department.

15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORM

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM 0.92 for each Issue Share.

Payment must be made out in favour of "**MIH SHARE ISSUE ACCOUNT NO. 687**" and crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address.

Method below is relevant for White Form Application Form only whereas for Pink Application Form, kindly direct the submission of the form to our Human Resources or Finance Department.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

(ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, so as to arrive not later than 5.00 p.m. on 26 November 2025 or such other time and date as our Directors and the Joint Underwriters may, in their absolute discretion, mutually decide as the date or time for closing.

We, together with our Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Forms to the Issuing House.

Please refer to the detailed procedures and terms and conditions of the Application Forms set out in the '**Detailed Procedures for Application and Acceptance**' accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the Issuing House for further enquiries.

15.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for the Issue Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

Please refer to the detailed procedures and terms and conditions of Electronic Share Application set out in the '**Detailed Procedures for Application and Acceptance**' accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institutions for further enquiries.

15.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn. Bhd., Hong Leong Investment Bank Berhad, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn. Bhd., Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

Please refer to the detailed procedures and terms and conditions of Internet Share Application set out in the '**Detailed Procedures for Application and Acceptance**' accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Internet Participating Financial Institutions or Participating Securities Firms for further enquiries.

15.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board, reserves the right to:

(i) reject Applications which:

(a) do not conform to the instructions of this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

(b) are illegible, incomplete or inaccurate; or

(c) are accompanied by an improperly drawn up, or improper form of, remittance; or

(ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription for the Retail Offering, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allotment of Shares and the balloting results in connection therewith will be furnished by the Issuing House to the SC, Bursa Securities, all major English and Bahasa Malaysia newspapers as well as posted on the Issuing House's website (www.mih.com.my) within one business day after the balloting event.

Pursuant to the Listing Requirements, we are required to have at least 25% of our Company's issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon our Listing. We expect to achieve this at the point of our Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest of any share or revenue or benefit arising therefrom).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of our Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriters based on the terms of the Retail Underwriting Agreement.

15.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:

15.9.1 For applications by way of Application Forms

(i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

(ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).

(iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

15.9.2 For applications by way of Electronic Share Application and Internet Share Application

(i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the fifth Market Day from the balloting date.

(iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date.

The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

15.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

(i) Our Shares allotted to you will be credited into your CDS account.

(ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our Shares issued/offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

(iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

(v) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to you without any interest thereon. The refund will be credited into your bank account for purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to your address maintained with Bursa Directory if you have not provided such bank account information to Bursa Depository, or by crediting into your account with the Participating Financial Institutions for applications made via the Electronic Share Application or by crediting into your account with the Internet Participating Financial Institutions or Participating Securities Firms for applications made via the Internet Share Application, within 10 Market Days from the date of final ballot of application, at your own risk.

15.11 ENQUIRIES

Enquiries in respect of the Applications may be directed as follows:

Mode of Application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at +603 7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 PM. Alternatively, you may contact any of the ADAs set out in the '**Detailed Procedures for Application and Acceptance**' accompanying the Electronic Prospectus on the website of Bursa Securities.

ANNEXURE A – SALIENT TERMS OF OUR MATERIAL DEPENDENT CONTRACTS

The following are the salient terms of the material dependent contracts entered into by our subsidiaries who are the respective disponent owners of the vessels and ship-owning companies ("**Shipowner**") with the major customers who we are materially dependent on ("**Charterer**"), as set out in Section 7.23 of this Prospectus:

Vessel requirements : Vessel to be provided under the charter period shall:

(i) be classed by a classification society which is a member of the International Association of Classification Societies;
(ii) fit to carry clean petroleum or LPG and/or its products;
(iii) in good order and condition and in every way fit for the service;
(iv) be ensured that the tanks, valves and pipelines are oil-tight/gas-tight;
(v) be fitted for burning fuel oil for main propulsion (at sea) and marine gas oil/marine diesel oil for auxiliaries (at sea or in port) or otherwise as specified under the contract;
(vi) be registered as Malaysian ship;
(vii) have on board all certificates, documents and equipment required for the charter service;
(viii) have no changes to the ownership structure, flag, registry, class and management company without approval of the charterer;
(ix) comply with relevant terminal rules; and
(x) eligible for service under all applicable conventions, laws and regulations.

Termination : Charterer shall have the right to terminate the contract by written notice to the Shipowner if:

(i) the Shipowner commits a breach in relation to its obligations under the provisions of the contract and failed to remedy within the reasonable timeframe stipulated in the contract; or
(ii) the Shipowner makes an assignment for the benefits of creditors, a petition is presented against the Shipowner for an order for bankrupt or winding-up or for corporate re-organisation, or the appointment of a receivership for the Shipowner or the properties of the Shipowner, or become insolvent or suspends payment or is unable to pay its debt or an order is made or a resolution is passed for the winding-up, liquidation and/or dissolution of the Shipowner; or
(iii) there is a change in the control structure and/or ownership of the Shipowner; or
(iv) the Shipowner has breached the business principles of the Charterer or being a party to any dishonest, fraudulent or wrongful conduct in relation to the contract.

The contract can also be terminated by either party due to a force majeure event, loss of vessel or upon war outbreak.

Insurance : The Shipowner to ensure that the vessel has the required insurance as specified by the Charterer including but not limited to insurance cover for oil pollution with minimum cover of USD1,000,000,000 and Hull and Machinery insurance.

Licences : The Shipowner shall ensure that at all necessary times, the vessel is suitably flagged and shall have on board all class and trading certificates, record and documents required for the services, including the DSL.

Indemnity : In considering of the Shipowner complying with the Charterer's request, the Charterer agreed to indemnify the Shipowner as follows:

(i) to hold the Shipowner, its servants and agents harmless in respect of any liability, loss, damage or expense of whatsoever nature and which they may sustain in connection with complying with the Charterer's request, including loss or damage caused by an inspector appointed by the Charterer, except to the extent that such liability, loss, damage or expense could have been avoided by the exercise of due diligence by the Shipowner;

(ii) to provide sufficient funds on demand to defend any proceeding being commenced against the Shipowner or any of its servants or agents in connection with complying with the Charterer's request; and

(iii) to indemnify the Shipowner in respect of any liability, loss, damage or expense reasonably caused by the arrest or detention of vessel or threatened arrest or detention or any interference in the use or trading of the vessel in connection with complying with the Charterer's request.

The indemnity shall be limited in value to 200.0% of the cost, insurance and freight value of the total cargo on board and shall terminate on the day falling 36 calendar months after the date of discharge unless before that time the Charterer has received from the Shipowner a written notice of a claim pursuant to the indemnity.

Governing law : Laws of Malaysia (save for the Time Charter contract for Orkim Gas Brilliance which is governed by Laws of England)

In addition to the foregoing provisions, the following are the terms contained in a Time Charter contract:

Owner to provide : Shipowner undertakes to:

(i) provide and pay for all provisions, wages, shipping and discharging fees of the vessel's crews;

(ii) provide and pay for all required insurance, stores, water, maintenance and repairs of the vessel; or

(iii) extend liabilities for customs or import duties arising at any time during the performance of the contract in relation to the personal effects of the vessel's officers and crews.

Charterer to provide : Charterer shall provide and pay for all fuel, towage and pilotage and shall pay agency fees, port charges, commissions, cargo loading/unloading expenses, canal dues and all other charges not payable by the Shipowner.

ANNEXURE B – OUR MAJOR LICENCES, PERMITS AND APPROVALS

Details of our major licences, permits and approvals as at the LPD, together with the major conditions imposed and status of compliance are as follows:

(i) DSL issued by the Domestic Shipping Licensing Board

No.	Company / Vessel	Licence No.	Validity period	Major conditions imposed	Status of compliance
1.	OCSB / Orkim Challenger	A131171/eDSL4763/2025	1 December 2025 to 30 November 2026	1. No licence shall be transferable. 2. The licence or a certified true copy shall always be kept and displayed on board the ship it is issued to.	Complied for all 18 DSLs
2.	ODIA / Orkim Diamond	A128592/eDSL1690/2025	25 May 2025 to 24 May 2026		
3.	ODIS / Orkim Discovery	A127068/eDSL0039/2025	21 January 2025 to 20 January 2026		
4.	OEME / Orkim Emerald	A130072/eDSL3466/2025	23 August 2025 to 22 August 2026		
5.	OEXP / Orkim Express	A129430/eDSL2686/2025	19 July 2025 to 18 July 2026		
6.	DMVSB / Orkim Fortitude	A131203/eDSL4669/2025	18 November 2025 to 17 November 2026		
7.	MESB / Orkim Fortune	A130414/eDSL3777/2025	22 September 2025 to 21 September 2026		
8.	OMSB / Orkim Glory	A129680/eDSL2689/2025	1 August 2025 to 31 July 2026		
9.	MMSB / Orkim Harmony	A130930/eDSL4474/2025	27 October 2025 to 26 October 2026		
10.	OLSB / Orkim Leader	A128481/eDSL1684/2025	13 May 2025 to 12 May 2026		
11.	OPEA / Orkim Pearl	A127591/eDSL0094/2025	1 March 2025 to 28 February 2026		
12.	OPOW / Orkim Power	A127625/eDSL0096/2025	3 March 2025 to 2 March 2026		
13.	ORSB / Orkim Reliance	A127874/eDSL0737/2025	29 March 2025 to 28 March 2026		

No.	Company / Vessel	Licence No.	Validity period	Major conditions imposed	Status of compliance
14.	OSSB / Orkim Sapphire	A128357/eDSL1111/2025	30 April 2025 to 29 April 2026		
15.	OTOP / Orkim Topaz	A131107/eDSL4667/2025	11 November 2025 to 10 November 2026		
16.	OENE / Orkim Gas Brilliance	A126698/eDSL5215/2024	16 January 2025 to 15 January 2026		
17.	OENE / Orkim Gas Success	A128445/eDSL1643/2025	6 May 2025 to 5 May 2026		
18.	OMER / Orkim Citrine	A131139/eDSL4821/2025	17 October 2025 to 13 February 2026		

(ii) Certificate of Malaysian Registry issued by the Registrar of Malaysian Ships, Port Kelang

No.	Company / Vessel	Certificate No.	Date of issuance[(1)] / Validity period	Major conditions imposed	Status of compliance
1.	OCSB / Orkim Challenger	334260	21 October 2010	None for all 18 certificates	Not applicable
2.	ODIA / Orkim Diamond	337093	3 May 2021		
3.	ODIS / Orkim Discovery	334270	16 December 2010		
4.	OEME / Orkim Emerald	337630	13 July 2021		
5.	OEXP / Orkim Express	334325	16 June 2011		
6.	DMVSB / Orkim Fortitude	337653	14 September 2021		
7.	MESB / Orkim Fortune	333876	23 June 2009		
8.	OMSB / Orkim Glory	334529	10 July 2013		
9.	MMSB / Orkim Harmony	334084	14 August 2009		
10.	OLSB / Orkim Leader	334117	3 March 2010		
11.	OPEA / Orkim Pearl	337072	15 February 2021		
12.	OPOW / Orkim Power	334116	21 January 2010		
13.	ORSB / Orkim Reliance	334271	18 January 2011		
14.	OSSB / Orkim Sapphire	337071	2 April 2021		

No.	Company / Vessel	Certificate No.	Date of issuance[(1)] / Validity period	Major conditions imposed	Status of compliance
15.	OTOP / Orkim Topaz	337657	15 October 2021		
16.	OENE / Orkim Gas Brilliance	335718	4 December 2015		
17.	OENE / Orkim Gas Success	335753	9 March 2016		
18.	OMER / Orkim Citrine	337973	14 August 2025 to 13 February 2026[(2)]		

Notes:

(1) The Certificates of Malaysian Registry will remain valid until:

(a) the registered ship is either actually or constructively lost, taken by the enemy, burnt, broken up, or ceases to be a registered Malaysian ship by reason of a transfer to persons not qualified to be owners of Malaysian ships; or

(b) the certificate is cancelled by the Registrar of Malaysian Ships on the grounds of failure to comply with any requirements contained in or made under the MSO or any rules or regulations made thereunder, or on the grounds of failure to comply with the requirements of any international convention applicable to Malaysia.

(2) Orkim Citrine was issued with a provisional Certificate of Malaysian Registry with a validity period of 6 months by the Registrar of Malaysian Ships, Port Kelang to facilitate the transfer of ownership process. Our Company will proceed to apply for a permanent Certificate of Malaysian Registry upon obtaining the requisite documentation and completing the requisite procedures.

(iii) Licence to provide services to PETRONAS

No.	Company / Vessel	Licence No.	Validity period	Major conditions imposed	Status of compliance
1.	OMSB	**Licence No.:** 200301026087 **Approved licence categories:** (i) 21121715S for the provision of LPG tankers; and	9 May 2024 to 19 July 2027	1. OMSB shall inform PETRONAS on any changes related to OMSB's position such as equity ownership, board of directors and management staff within 14 days of such changes. Failure to do so can result in the revocation of the licence. 2. OMSB shall comply with a minimum 30% Bumiputera	Complied

No.	Company / Vessel	Licence No.	Validity period	Major conditions imposed	Status of compliance
		(ii) 21121716S for the provision of petroleum product tankers.		participation in equity ownership, board of directors, management and employment force.	

(iv) Permission under Section 6(3) of the PDA to carry out the business of providing transportation services for petroleum gasoline, diesel, jet A1 and naphtha issued by KPDN ("PDA Licences")

No.	Company / Vessel	Licence No.	Validity period	Major conditions imposed	Status of compliance
1.	MESB	043638 / 22293	24 February 2023 to 23 February 2026	Subject to conditions stipulated in '*Garis Panduan Permohonan Kebenaran PDA 3 Perkhidmatan Pengangkutan Bahan Petroleum*'[(1)]	Complied
2.	ODIS	043637 / 22386	29 March 2023 to 28 March 2026		
3.	OMSB	043640 / 22292	24 February 2023 to 23 February 2026		
4.	OLSB	043616 / 18703	26 January 2023 to 25 January 2026		
5.	OPOW	043615 / 18704	26 January 2023 to 25 January 2026		
6.	ORSB	043639 / 22385	29 March 2023 to 28 March 2026		

Note:

(1) The following conditions are stipulated in 'Garis Panduan Permohonan Kebenaran PDA 3 Perkhidmatan Pengangkutan Bahan Petroleum' issued by KPDN:
- *(i) The general conditions for new applications are as follows:*
  - *(a) Minimum paid-up capital for private limited companies: RM100,000.*
  - *(b) Minimum working capital for sole proprietorships and partnerships (as reflected in the amount stated in the company's bank account statement): RM50,000.*
  - *(c) Type of ownership for partnership and private limited company: A minimum of 30% Bumiputera equity holding.*
  - *(d) Foreign equity: Not permitted.*
  - *(e) Maximum approval period: 3 years, subject to KPDN's discretion.*
- *(ii) The licence is non-transferable without approval from KPDN.*

(iii) The licence must be clearly displayed at the approved business premise.
(iv) The licence holder must obtain approval from KPDN before making any amendments to any part or changes in the company's structure, including equity, board of directors, ownership, suppliers, etc.
(v) The licence holder must submit renewal application for the licence at least 3 months before its expiry date.
(vi) The licence holder must accurately and completely provide any clarification or information requested by KPDN.
(vii) The licence holder shall not take any legal action or claim compensation from any party in the event the licence is not renewed or extended due to the licence holder's own negligence or failure.
(viii) The licence holder must comply with all stipulated conditions and must obtain written approval from KPDN before conducting any promotional activities related to goods at the station specified in the licence.
(ix) The licence holder is required to comply with all licence conditions set by KPDN from time to time, abide by all laws in Malaysia, and refrain from engaging in any activities that contravene any such laws.
(x) The licence will be revoked in the event of any breach of the above conditions or any provisions under the Petroleum Development Act, 1974, its subsidiary legislation, or any other applicable laws in force in Malaysia.

Our Group had on 3 October 2025 obtained a letter from KPDN confirming that it has no objection to the proposed change in our Group's shareholding in connection with our Listing, subject to (i) the completion of our Listing within two (2) years from the date of the letter and our compliance with the Bumiputera equity conditions, and (ii) KPDN will take into consideration our post-Listing foreign and non-Bumiputera equity exposure when evaluating future renewal or new application of PDA licences, in alignment with the relevant equity requirements under the applicable PDA guidelines issued by KPDN. For further discussion on our PDA licenses, please refer to Section 5.1.2 of this Prospectus.

(v) Class Certificates / Certificates of Classification issued by International Classification Societies

No.	Company / Vessel	Approving authority / Issuer	Certificate No.	Validity Period	Major conditions imposed	Status of compliance
1.	OCSB / Orkim Challenger	ABS	10228726-7134952-010	Valid until 14 September 2030	Subject to periodical surveys in accordance with the rules and standards of ABS and terms and conditions attached to the certificate.	Complied for all 17 class certificates
2.	ODIA / Orkim Diamond		21279338-4773670-001	Valid until 19 April 2026		
3.	ODIS / Orkim Discovery		10228727-7208957-010	Valid until 14 October 2030		
4.	OEME / Orkim Emerald		21279339-4897706-003	Valid until 11 July 2026		
5.	OEXP / Orkim Express		11198631-4722429-001	Valid until 27 April 2026		

ANNEXURE B – OUR MAJOR LICENCES, PERMITS AND APPROVALS *(Cont'd)*

No.	Company / Vessel	Approving authority / Issuer	Certificate No.	Validity Period	Major conditions imposed	Status of compliance
6.	DMVSB / Orkim Fortitude		10210182-7127475-032	Valid until 2 September 2030		
7.	MESB / Orkim Fortune		10210182-5529370-047	Valid until 25 May 2029		
8.	OMSB / Orkim Glory		13236727-5860357-001	Valid until 17 June 2028		
9.	MMSB / Orkim Harmony		09184568-6408644-003	Valid until 23 July 2029		
10.	OLSB / Orkim Leader		10197369-6808450-008	Valid until 4 February 2030		
11.	OPEA / Orkim Pearl		21279335-4656687-001	Valid until 17 January 2026		
12.	OPOW / Orkim Power		09197368-6696659-008	Valid until 25 December 2029		
13.	ORSB / Orkim Reliance		10228728-6964866-025	Valid until 29 November 2025		
14.	OSSB / Orkim Sapphire		21279336-4731051-003	Valid until 14 March 2026		
15.	OTOP / Orkim Topaz		21279337-5021743-001	Valid until 14 October 2026		
16.	OENE / Orkim Gas Brilliance	ClassNK	25SP164100-CLS	Valid until 13 September 2030	Subject to periodical surveys in accordance with the rules and standards of the conditions of service for classification of ships and registration of instalments of ClassNK.	
17.	OENE / Orkim Gas Success		21JB0008-CLS	Valid until 24 February 2026		
18.	OMER / Orkim Citrine		ST-25SP188900-CLS	Valid until 14 March 2026[(1)]	1. Subject to the continued compliance with the rules	Complied

No.	Company / Vessel	Approving authority / Issuer	Certificate No.	Validity Period	Major conditions imposed	Status of compliance
					and regulations of ClassNK. 2. This provisional certificate shall become invalid upon issuance of the certificate of classification.	

Note:

(1) Orkim Citrine was issued with a provisional Certificate of Classification with a validity period of 6 months by ClassNK to facilitate the transfer of ownership process. A full term Certificate of Classification will be issued by ClassNK upon completion of the requisite survey and verification of the relevant certificates.

All vessels in our fleet are classed by ABS or ClassNK, both are members of the International Association of Classification Societies. Our vessels hold valid Class Certificates or Certificates of Classification issued by ABS or ClassNK respectively, confirming that our vessels have been constructed and maintained in accordance with the applicable rules and standards of ABS or ClassNK as well as the applicable statutory requirements.

In order to maintain a valid Class Certificates or Certificate of Classification, each of our vessel is subject to a comprehensive programme of regular surveys and inspections carried out by ABS or ClassNK. These include annual, intermediate, and special surveys, as well as periodic dry-docking inspections, which ensure continued compliance with the classification societies' technical standards.

In addition to classification requirements, ABS and ClassNK are authorised by various flag states to act as a recognised organisation and to issue statutory certificates on their behalf. Accordingly, our vessels are also certified for compliance with the relevant international maritime conventions, including those under the IMO. These statutory certificates include:

(i) International Load Line Certificate;

(ii) International Tonnage Certificate (1969);

(iii) Cargo Ship Safety Construction Certificate;

(iv) Cargo Ship Safety Equipment Certificate;

(v) Cargo Ship Safety Equipment Exemption Certificate;

(vi) Cargo Ship Safety Radio Certificate;

(vii) International Oil Pollution Prevention Certificate;

(viii) International Air Pollution Prevention Certificate;

(ix) International Sewage Pollution Prevention Certificate;

(x) International Ballast Water Management Certificate;

(xi) International Energy Efficiency Certificate;

(xii) Maritime Labour Certificate;

(xiii) Safety Management (ISM) Certificate; and

(xiv) International Ship Security Certificate (ISSC).

The continued validity of the Class Certificates or Certificates of Classification is contingent upon the vessel's compliance with the applicable rules and standards of ABS or ClassNK as well as the applicable statutory requirements. Any lapse or failure to conduct the required surveys or maintain the certifications may result in the suspension or withdrawal of the vessel's class status and statutory certification, which could adversely affect our vessels ability to operate commercially.

(vi) Certificate of insurance or other financial security in respect of civil liability for bunker oil pollution damage issued by the MDM

No.	Company / Vessel	Certificate No.	Validity period	Major conditions imposed	Status of compliance
1.	OCSB / Orkim Challenger	BCC-25-00016	20 February 2025 to 20 February 2026	None for all 18 certificates	Not applicable
2.	ODIA / Orkim Diamond	BCC-25-00034	20 February 2025 to 20 February 2026		
3.	ODIS / Orkim Discovery	BCC-25-00017	20 February 2025 to 20 February 2026		
4.	OEME / Orkim Emerald	BCC-25-00033	20 February 2025 to 20 February 2026		

ANNEXURE B – OUR MAJOR LICENCES, PERMITS AND APPROVALS *(Cont'd)*

No.	Company / Vessel	Certificate No.	Validity period	Major conditions imposed	Status of compliance
5.	OEXP / Orkim Express	BCC-25-00019	20 February 2025 to 20 February 2026		
6.	DMVSB / Orkim Fortitude	BCC-25-00032	20 February 2025 to 20 February 2026		
7.	MESB / Orkim Fortune	BCC-25-00012	20 February 2025 to 20 February 2026		
8.	OMSB / Orkim Glory	BCC-25-00038	20 February 2025 to 20 February 2026		
9.	MMSB / Orkim Harmony	BCC-25-00013	20 February 2025 to 20 February 2026		
10.	OLSB / Orkim Leader	BCC-25-00015	20 February 2025 to 20 February 2026		
11.	OPEA / Orkim Pearl	BCC-25-00037	20 February 2025 to 20 February 2026		
12.	OPOW / Orkim Power	BCC-25-00014	20 February 2025 to 20 February 2026		
13.	ORSB / Orkim Reliance	BCC-25-00018	20 February 2025 to 20 February 2026		
14.	OSSB / Orkim Sapphire	BCC-25-00036	20 February 2025 to 20 February 2026		
15.	OTOP / Orkim Topaz	BCC-25-00035	20 February 2025 to 20 February 2026		
16.	OENE / Orkim Gas Brilliance	BCC-25-00020	20 February 2025 to 20 February 2026		
17.	OENE / Orkim Gas Success	BCC-25-00021	20 February 2025 to 20 February 2026		
18.	OMER / Orkim Citrine	BCC/2025/00001	29 September 2025 to 13 February 2026		

(vii) Certificate of insurance or other financial security in respect of civil liability for oil pollution damage issued by the MDM[(1)]

No.	Company / Vessel	Certificate No.	Validity period	Major conditions imposed	Status of compliance
1.	OCSB / Orkim Challenger	CLC-25-00014	20 February 2025 to 20 February 2026	None for all 16 certificates	Not applicable
2.	ODIA / Orkim Diamond	CLC-25-00022	20 February 2025 to 20 February 2026		
3.	ODIS / Orkim Discovery	CLC-25-00015	20 February 2025 to 20 February 2026		
4.	OEME / Orkim Emerald	CLC-25-00021	20 February 2025 to 20 February 2026		
5.	OEXP / Orkim Express	CLC-25-00017	20 February 2025 to 20 February 2026		
6.	DMVSB / Orkim Fortitude	CLC-25-00020	20 February 2025 to 20 February 2026		
7.	MESB / Orkim Fortune	CLC-25-00010	20 February 2025 to 20 February 2026		
8.	OMSB / Orkim Glory	CLC-25-00018	20 February 2025 to 20 February 2026		
9.	MMSB / Orkim Harmony	CLC-25-00011	20 February 2025 to 20 February 2026		
10.	OLSB / Orkim Leader	CLC-25-00013	20 February 2025 to 20 February 2026		
11.	OPEA / Orkim Pearl	CLC-25-00019	20 February 2025 to 20 February 2026		
12.	OPOW / Orkim Power	CLC-25-00012	20 February 2025 to 20 February 2026		
13.	ORSB / Orkim Reliance	CLC-25-00016	20 February 2025 to 20 February 2026		
14.	OSSB / Orkim Sapphire	CLC-25-00024	20 February 2025 to 20 February 2026		

No.	Company / Vessel	Certificate No.	Validity period	Major conditions imposed	Status of compliance
15.	OTOP / Orkim Topaz	CLC-25-00023	20 February 2025 to 20 February 2026		
16.	OMER / Orkim Citrine	CLC/2025/00002	29 September 2025 to 13 February 2026		

Note*:*

(1) Orkim Gas Brilliance and Orkim Gas Success do not require certificate of insurance or other financial security in respect of civil liability for oil pollution damage issued by the MDM due to the nature of cargo carried (LPG) which is unable to cause oil spill.

(viii) Certificate of insurance or other financial security in respect of civil liability for wreck removal issued by the MDM

No.	Company / Vessel	Certificate No.	Validity period	Major conditions imposed	Status of compliance
1.	OCSB / Orkim Challenger	WRC-25-00017	20 February 2025 to 20 February 2026	None for all 18 certificates	Not applicable
2.	ODIA / Orkim Diamond	WRC-25-00044	20 February 2025 to 20 February 2026		
3.	ODIS / Orkim Discovery	WRC-25-00018	20 February 2025 to 20 February 2026		
4.	OEME / Orkim Emerald	WRC-25-00043	20 February 2025 to 20 February 2026		
5.	OEXP / Orkim Express	WRC-25-00020	20 February 2025 to 20 February 2026		
6.	DMVSB / Orkim Fortitude	WRC-25-00042	20 February 2025 to 20 February 2026		
7.	MESB / Orkim Fortune	WRC-25-00013	20 February 2025 to 20 February 2026		
8.	OMSB / Orkim Glory	WRC-25-00021	20 February 2025 to 20 February 2026		
9.	MMSB / Orkim Harmony	WRC-25-00014	20 February 2025 to 20 February 2026		

ANNEXURE B – OUR MAJOR LICENCES, PERMITS AND APPROVALS *(Cont'd)*

No.	Company / Vessel	Certificate No.	Validity period	Major conditions imposed	Status of compliance
10.	OLSB / Orkim Leader	WRC-25-00016	20 February 2025 to 20 February 2026		
11.	OPEA / Orkim Pearl	WRC-25-00024	20 February 2025 to 20 February 2026		
12.	OPOW / Orkim Power	WRC-25-00015	20 February 2025 to 20 February 2026		
13.	ORSB / Orkim Reliance	WRC-25-00019	20 February 2025 to 20 February 2026		
14.	OSSB / Orkim Sapphire	WRC-25-00046	20 February 2025 to 20 February 2026		
15.	OTOP / Orkim Topaz	WRC-25-00045	20 February 2025 to 20 February 2026		
16.	OENE / Orkim Gas Brilliance	WRC-25-00022	20 February 2025 to 20 February 2026		
17.	OENE / Orkim Gas Success	WRC-25-00023	20 February 2025 to 20 February 2026		
18.	OMER / Orkim Citrine	WRC/2025/00003	29 September 2025 to 13 February 2026		

ANNEXURE C: MATERIAL GOVERNING LAWS AND REGULATIONS

Our business is regulated by, and in some instances, we are required to be licensed under specific laws of Malaysia. The relevant laws and regulations governing us and which are material to our operations are summarised below. The following does not purport to be an exhaustive description of all relevant laws and regulations of which our business is subject to. Non-compliance with the relevant laws and regulations below may result in monetary and/or custodial penalties and/or any other orders being made including those that may disrupt the operations of our Group.

Governing laws and regulations relating to the industry

(i) <u>MSO</u>

The MSO is the principal legislation governing merchant shipping in Malaysia. The MSO provides for two types of ship registries, namely the Malaysia Ship Register and the Malaysia International Ship Register. In order to be registered as a Malaysian ship under the Malaysia Ship Register, a ship needs to be wholly-owned by either Malaysian citizens or a corporation incorporated in Malaysia in which the majority of directors and shareholders are Malaysians with principal office in Malaysia and management of the corporation is carried out mainly in Malaysia. Prior to the registration, the shipowner shall obtain a certificate of measurement issued by the ship surveyor specifying the ship's tonnage and build and such other particulars descriptive of the identity of the ship. Upon being registered, the ship shall be issued with a certificate of registry. The registrar may issue in respect of any ship a provisional certificate of registry that shall be valid for a maximum period of one year from the date of its issue.

If a ship is owned by a corporation which is incorporated in Malaysia and the principal office of such corporation is established in Malaysia, but the majority of the shareholding, including voting shares of such corporation are not held by Malaysians, the ship can still be registered as a Malaysian ship under the Malaysia International Ship Register irrespective of where the ship was built. This is subject to the requirement that the ship is self-propelled (mechanically propelled), has gross tonnage of not less than 1,600 tonnage and does not exceed the maximum age limit as may be prescribed by the Director of Marine.

The Domestic Shipping Licensing Board was established pursuant to the MSO to regulate and control the licensing of ships engaged in domestic shipping. Under the MSO, domestic shipping refers to the use of ship to provide services, other than fishing, in Malaysian waters or the exclusive economic zone, or for the shipment of goods or the carriage of passengers from or to any port or place in Malaysia or from any port or place in Malaysia to any place in the exclusive economic zone or vice versa. The MSO also provides that no ship, other than a Malaysian ship, may engage in domestic shipping, and that a ship must have a licence to do so unless exempted under the MSO. A Malaysian ship of less than 15 net tonnage, among others, is exempted from having such DSL.

The MSO provides several types of domestic shipping licences, each governed by different requirements and conditions which, among others, include:

(a) **Unconditional licence**: Applicable to Malaysian registered vessels that (i) meet at least 30% Bumiputera participation in directorship, equity ownership and office staff; (ii) employ at least 75% Malaysian crew; and (iii) the vessel's age is not more than 20 years; and

(b) **Conditional licence**: Applicable to Malaysian registered vessels that do not meet any of the requirements imposed for the unconditional licence or to Malaysian-registered vessels that meet all the requirements of the unconditional licence but are more than 20 years old.

(Source: User Guide – e-Domestic Shipping Licence by MDM)

The control of licensing of ships engaged in domestic shipping serves to implement the cabotage policy that was introduced in 1980. The cabotage policy aims to develop Malaysian ownership and local shipping by, among others, minimising dependence on foreign vessels. Foreign vessels are not allowed to carry out domestic shipping activities in Malaysia, unless exempted. Notwithstanding the foregoing provisions, cabotage policy has gone through several partial liberalisations. Pursuant to the Exemption Order under Section 65U of MSO ("**Exemption Order 2017**"), with effect from 1 June 2017, both Malaysian and non-Malaysian ships may provide transport of cargo services from any one port in Peninsular Malaysia to any one port in Sabah, Sarawak and Federal Territory of Labuan (and vice versa), from any port in Sabah to another port in Sabah, and from any port in Sarawak to another port in Sarawak, without a domestic shipping licence.

However, on 30 May 2024, several subsidiary legislations were gazetted under MSO, including the Revocation of Exemption Under Section 65U of MSO, which revoked the Exemption Order 2017 with effect from 1 June 2024 by the Ministry of Transport ("**Revocation of Exemption Order 2017**"). Following the Revocation of Exemption Order 2017, both Malaysian and non-Malaysian ships are required to obtain a DSL to provide transport of relevant cargo services.

(Source: Merchant Shipping Ordinance 1952 (Exemption Under Section 65U) [P.U. (B) 274/2017], Merchant Shipping Ordinance 1952 (Exemption Under Section 65U) [P.U. (B) 275/2017], Merchant Shipping Ordinance 1952 (Revocation of Exemption Under Section 65U) [P.U. (B) 197/2024] and Merchant Shipping Ordinance 1952 (Revocation of Exemption Under Section 65U) [P.U. (B) 198/2024])

The MSO further prescribes that Malaysian ships registered under the MSO shall be issued with, among others, the following certificates:

(a) International Ship Security Certificate;

(b) Safety Management Certificate;

(c) Cargo Ship Safety Equipment Certificate;

(d) Cargo Ship Safety Radio Certificate;

(e) Cargo Ship Safety Construction Certificate;

(f) International Load Line Certificate; and

(g) Maritime Labour Certificate.

Generally, these certificates shall remain in force for five years or such shorter period as may be specified therein. A Malaysian ship is prohibited from proceeding to sea without the relevant certificates prescribed under the MSO.

As at the LPD, all of our vessels hold valid conditional domestic shipping licences, certificate of registry and various certificates issued pursuant to the MSO. Please refer to Annexure B for details of the major licences and certificates held by each of our vessels pursuant to the provisions of the MSO.

(ii) <u>International conventions adopted by Statutes</u>

International conventions relating to maritime law have been incorporated into Malaysian law in 2 ways, either by way of legislations embodying, in its own words, provisions having the effect of the convention or by legislations embodying the original text of the convention itself, usually in a schedule with separate changes to be made under Malaysian law for the satisfactory operation of the convention. Examples of some of these conventions are set out below:

(a) International conventions adopted by MSO

The following international conventions are the conventions which have been incorporated into Malaysian law by the MSO:

(1) SOLAS

SOLAS specifies among others, minimum safety standards for the construction, equipment and operation of ships. The convention includes regulations governing the survey of various types of ships and the issuing of documents signifying that the ships' compliance with the convention. SOLAS also stipulates requirements for stowage and securing of cargo or cargo units and structural requirements for bulk carriers. The International Ship and Port Facility Security Code ("**ISPS Code**") came into force under Chapter XI-2/3 of SOLAS. The ISPS Code constitutes the basis for a comprehensive mandatory security regime for international shipping. Mandatory Part A of the ISPS Code outlines detailed maritime and port security related requirements that SOLAS contracting governments, port authorities and shipping companies must adhere to. Part B of the ISPS Code provides a series of recommendatory guidelines on how to meet the requirements and obligations set out within the provisions of Part A.

The International Safety Management Code ("**ISM Code**") came into force under Chapter IX of SOLAS. The ISM Code sets out an international standard for the safe management and operation of ships and for pollution prevention. The ISM Code requires that companies responsible for ship operations to establish safety management systems and implement policies for achieving safety-management objectives under the ISM Code. The procedures required by the ISM Code should be documented and compiled in a Safety Management Manual, a copy of which should be kept on board.

The International Code of the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk ("**IGC Code**"), came into force under Chapter VII, Part C of SOLAS. The IGC Code provides an international standard for the safe transport by sea in bulk of liquefied gases and certain other substances, by prescribing the design and construction standards of ships involved in such carriage and the equipment they should carry so as to minimise the risk to the ship, its crew and the environment, having regard to the nature of the products involved. An International Certificate of Fitness for the Carriage of Liquefied Gases in Bulk which ensure compliance of IGC Code should be available on board for all times.

(*Source: SOLAS, the IMO*)

(2) Convention on the International Regulations for Preventing Collisions at Sea 1972 ("COLREG")

COLREG has been adopted by Malaysia as a schedule to the Merchant Shipping (Collisions Regulations) Order 1984 issued pursuant to the MSO. COLREG sets out the rules for safe navigation and other requirements for safe conduct as well as the requirements for vessels operating in restricted visibility to prevent any collision involving a vessel. The regulations shall be complied with by all vessels on the high seas and in all waters connected therewith and navigable by sea-going vessels.

(*Source: COLREG, the IMO*)

(3) MARPOL

MARPOL is the main international convention covering prevention of pollution of the marine environment by ships from operational or accidental causes. Among others, MARPOL renders it mandatory for new oil tankers to have double hulls. MARPOL also sets out certain requirements to control pollution of the sea by sewage, wherein discharge of sewage into the sea is prohibited unless the ship has in operation an approved sewage treatment plant. The convention also sets limits on sulphur oxide and nitrogen oxide emissions from ship exhausts and prohibits deliberate emissions of ozone depleting substances.

All vessels owned by our Group has obtained the following certificates issued pursuant to MARPOL for international shipping operations:

(A) International Oil Pollution Prevention Certificate;

(B) International Air Pollution Prevention Certificate;

(C) International Sewage Pollution Prevention Certificate; and

(D) International Energy Efficiency Certificate.

(*Source: MARPOL, the IMO*)

(4) International Convention on Tonnage Measurement of Ships 1969 ("TONNAGE")

TONNAGE prescribes, among others, the standards wherein ships are to be surveyed and measured in relation to its gross and net tonnages.

(Source: TONNAGE, the IMO)

(5) International Convention on Load Lines 1966 ("ICLL")

ICLL prescribes the standards at which freeboards of ships are to be assigned and the load lines of ships are to be marked in accordance with the convention.

(Source: ICLL, the IMO)

(6) Convention on Limitation of Liability for Maritime Claims 1976 ("LLMC")

LLMC prescribes that shipowners and salvors may limit their liability in respect of maritime claims in accordance with the rules of LLMC.

The limit of liability for claims is calculated based on the tonnage of the ship. LLMC segregates the types of claims into two categories, (A) claims for loss of life or personal injury; and (B) property claims (such as damage to other ships, property or harbour works). The limitation amount for claims for loss of life or personal injury is twice the limitation amount for property claims. However, shipowners and salvors are not entitled to limit their liability if it is proven that the loss resulted from their personal act or omission, committed with the intent to cause such a loss or recklessly and with knowledge that such loss would probably result.

(7) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers 1978 ("STCW")

The STCW has been adopted by Malaysia pursuant to the Merchant Shipping (Training and Certification) Rules 1999 issued under the MSO. The STCW prescribes minimum standards relating to training, certification and watchkeeping for seafarers which countries are obliged to meet.

(*Source: STCW, the IMO*)

(8) International Convention on Oil Pollution Preparedness, Response and Co-operation ("OPRC")

Parties to the OPRC are required to establish measures for dealing with pollution incidents. Ships are required to carry a shipboard oil pollution emergency plan and are required to report incidents of oil pollution to coastal authorities.

(9) Maritime Labour Convention 2006 ("MLC")

The MLC requires all ships of 500 gross tonnage or more plying internationally to hold a valid Maritime Labour Certificate. The MLC sets out the minimum requirements for working and living conditions for seafarers, including recruitment practices, conditions of employment, hours of work and rest, repatriation, annual leave, payment of wages, accommodation, health protection, occupational safety and health and medical care.

(10) Nairobi International Convention on the Removal of Wrecks 2007 ("WRC")

The WRC provides for the removal of wrecks which pose a hazard to the safety of navigation or to the marine and coastal environments. Wreck is defined as: (A) a sunken or stranded ship; (B) any part of or an object on a sunken or stranded ship; (C) any object that is lost at sea from a ship and is stranded, sunken or adrift; or (D) a ship that is about, or may reasonably be expected, to sink or to strand where effective measures to assist the ship or any property in danger are not already being taken. .

The WRC places the onus to remove the wreck on the shipowners and renders shipowners financially liable for the costs of wreck removal. The shipowners are also required to maintain compulsory insurance or other financial security, such as a guarantee of a bank or similar institution to cover liability under the WRC.

(11) BWM Convention

The BWM Convention provides that ships must manage their ballast water so that aquatic organisms and pathogens are removed and rendered harmless before the ballast water is released into a new location so as to prevent the spread of potentially harmful aquatic organisms and pathogens.

Ships in international traffic are required to manage their ballast water and sediments to a certain standard which is in accordance with the ship-specific ballast water management plan. The ships will have to carry a ballast water management plan, a ballast water record book and an international ballast water management certificate.

(12) International Convention on the Control of Harmful Anti-Fouling Systems on Ships 2001 ("AFS")

The AFS prohibits the use of harmful anti-fouling systems on ships, particularly those containing organotin compounds such as organotin tributyltin, as they may slowly 'leach' into the sea, killing barnacles and other marine life and harming the environment.

(b) International conventions adopted by the Carriage of Goods by Sea Act 1950 ("CGSA") and the Merchant Shipping Ordinance 1960 (Sabah) and the Merchant Shipping Ordinance 1960 (Sarawak) (collectively, the "MSO Sabah and Sarawak")

The International Convention for the Unification of Certain Rules of Law relating to Bills of Lading, Brussels, 1924 (''**Hague Rules**'') have been adopted by Malaysia through the CGSA and the MSO Sabah and Sarawak. The provisions govern carriage of goods by sea in ships carrying goods from any port in Malaysia to any other port whether in or outside Malaysia. Every sea carriage document issued in Malaysia which contains or is evidence of any contract to which the Hague Rules apply shall contain an express statement that it is to have effect subject to the Hague Rules.

The provisions of CGSA and MSO Sabah and Sarawak also provide, among others, rules relating to bills of lading and the rights, responsibilities and liabilities of a carrier and a shipper under a contract of carriage of goods by sea.

(c) International conventions adopted by the Merchant Shipping (Liability and Compensation for Oil and Bunker Oil Pollution) Act 1994 ("MSLCA")

The International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 ("**Bunkers Convention**"), International Convention on Civil Liability for Oil Pollution Damage 1992 ("**Liability Convention**") and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1992 ("**Fund Convention**") have been adopted by the MSLCA.

The MSLCA provides for the civil liability for oil and bunker oil pollution by merchant ships in Malaysian waters and for matters connected therewith. There are provisions under the MSLCA for compulsory insurance against liability for oil pollution and compulsory insurance against liability for bunker oil pollution. If the ships are registered in Malaysia, the Director of Marine will issue certificates confirming the existence of valid contracts of insurance or other financial security which fulfil the requirements of Article 7 of the Bunkers Convention and Article 7 of the Liability Convention.

Under the MSLCA, the owner of a ship at the time of an incident, or where the incident consists of a series of occurrences having the same origin, at the time of the first occurrence, shall, except as otherwise provided for by the MSLCA, be liable for any pollution damage caused by the ship as a result of the incident in any area of Malaysia. The MSLCA also contains provisions in relation to the International Oil Pollution Compensation Fund established by the Fund Convention ("**Fund**"). The Fund will be used to compensate individuals or entities that suffered losses from oil pollution damage but are not able to obtain full compensation from the shipowner.

As at the LPD, our vessels hold various certificates issued pursuant to the respective regulations under the abovementioned international conventions. Please refer to Annexure B for the certificates held by each of our vessels pursuant to the provisions of the respective regulations under the international convention.

(iii) <u>PDA and Petroleum Regulations 1974 ("Petroleum Regulations")</u>

The PDA is the main legislation that governs the oil and gas industry in Malaysia. Under the PDA, PETRONAS is vested with full ownership in, and the exclusive rights, powers, liberties and privileges for the exploration and exploitation of petroleum resources, both onshore or offshore of Malaysia, as well as the authority to control the downstream activities and development relating to petroleum and its products.

To engage in Malaysia's oil and gas sector, companies must obtain the relevant licences from PETRONAS. Under the Petroleum Regulations, PETRONAS grants 2 primary types of licences, namely:

(a) licence for exploration, exploitation, winning and obtaining of petroleum; and

(b) licence for supply of equipment and facilities and services required in connection with the exploration, exploitation, winning and obtaining of petroleum. ("**Licence to Supply**").

Under the Licence to Supply framework, there are 2 types of licensing requirements for companies intending to provide products and/or services to PETRONAS:

(a) **Licence**: It is required for companies that intend to supply products and/or services to both the upstream (for PETRONAS Group and Petroleum Arrangement Contractors) and downstream sector (for PETRONAS group of companies).

(b) **Registration**: Companies intend to participate in the supply of products and/or services to downstream sector (for PETRONAS Group) are required to register with PETRONAS before participating in tenders for supplying products and/or services.

The general requirements to be fulfilled to obtain the Licence to Supply includes, among others, the following:

(a) the company must be locally incorporated and is registered with the Companies Commission of Malaysia or with relevant professional bodies;

(b) the company must meet the minimum paid-up capital requirement of RM100,000 for application of licence and RM10,000 for application of registration;

(c) the latest net worth of the company must be positive; and

(d) the company needs to be licensed or registered in at least one approved Standardised Work and Equipment Categories ("**SWEC**") for the license or registration to be valid or effective.

SWEC is a product or service category relating to both upstream and downstream sectors' requirements in the oil and gas industry in Malaysia. Under the SWEC, the company must meet the minimum Bumiputera requirements at four levels (equity, board of directors, management and employment) and must meet the requirements which are stated in the respective SWEC, among others, the fulfilling the minimum technical requirement.

(*Source: General Guidelines – PETRONAS License and Registration*)

Section 6(3) of the PDA provides that no business of marketing or distributing of petroleum or petro-chemical products may be carried out by any person other than PETRONAS unless permission for such business is granted by the Government.

Pursuant to Section 7 of the PDA and Regulation 3A of the Petroleum Regulations, any application for permission to commence any business of marketing or distributing of petroleum or petrochemical products under Section 6(3) of the PDA ("**PDA Licences**") shall be made to the Secretary-General of KPDN.

The application for and renewal of the PDA Licences to carry out the business of providing transportation services for petroleum or petrochemical products will be approved and issued by the Petroleum Regulatory Division of KPDN, provided that the applicant has satisfied the requirements and conditions set out in the "*Garis Panduan Permohonan Kebenaran PDA 3 Perkhidmatan Pengangkutan Bahan Petroleum*" issued by KPDN ("**PDA Guidelines**").

As at the LPD, OMSB holds the Licence to Supply granted by PETRONAS and 6 of our subsidiaries, namely MESB, OMSB, ODIS, OLSB, OPOW and ORSB hold the PDA Licences issued by KPDN for the provision of transportation services for petroleum gasoline, diesel, jet A1, and naphtha via oil tankers throughout Malaysia. Please refer to Annexure B for details of the Licence to Supply and the PDA Licences held by our Group.

(iv) Petroleum (Safety Measures) Act 1984 ("PSMA") and Petroleum (Safety Measures) (Transportation of Petroleum by Water) Regulations 1985 ("PSM Regulations").

The PSMA is the legislation that provides for the safety in transportation, storage and handling, and utilisation of equipment in relation to petroleum. The PSMA prescribes different modes of transportation of petroleum, namely by road, railway, water and pipelines. Under the PSMA, petroleum shall be loaded or unloaded or discharged at a port or at such other place as appointed for such purposes by the Minister charged with the responsibility for petroleum. The vessels that carry petroleum of certain classes on board for the purposes of transportation or storage are prohibited to remain in any port, except at a petroleum anchorage, for a longer time than is necessary for the purposes of loading, unloading or discharging of petroleum unless prior written consent from the port officer has been obtained.

The PSM Regulations provides for the safe transportation of petroleum via water and it specifies the areas for dangerous petroleum anchorages, prohibited areas, dangerous areas and non-dangerous areas of the ports.

As at the LPD, our Group is in compliance with the relevant laws and regulations above.

Other relevant Malaysian laws and regulations

(i) ITA

Under Section 54A of the ITA, 70% of the statutory income of a resident person who carries on the business of transporting passengers or cargo by sea on a Malaysian ship or letting out on charter a Malaysian ship owned by him on a voyage or time charter basis shall be exempted from tax. Under the ITA, a Malaysian ship means a sea-going ship registered as such under the MSO, other than a ferry, barge, tug-boat, supply vessel, crew boat, lighter, dredger, fishing boat or other similar vessel.

The Ministry of Finance has subsequently via the Income Tax (Exemption) (No. 7) Order 2022, granted 100% income tax exemption on the statutory income derived from the shipping profits of a Malaysian ship for YAs 2021 to 2023, subject to certain conditions, among others, the resident person shall obtain annual verification from the Ministry of Transport that each Malaysian ship has incurred an annual operating expenditure of at least RM250,000 and each Malaysian ship has an adequate number of full-time employees ("**Shipping Income Tax Exemption**"). The Shipping Income Tax Exemption has been extended for YAs 2024 to 2026 under the Income Tax (Exemption for Malaysian Ship) Order 2024 which was gazetted on 5 July 2024.

(Source: Income Tax (Exemption) (No. 7) Order 2022 [P.U.(A) 312/2022] and Income Tax (Exemption for Malaysian Ship) Order 2024 [P.U.(A) 184/2024])

(ii) <u>Competition Act 2010 ("CA")</u>

The CA prohibits anti-competitive agreements and the abuse of dominant position in the market.

A horizontal or vertical agreement between enterprises is prohibited insofar as the agreement has the object or effect of significantly preventing, restricting or distorting competition in any market for goods or services.

A horizontal agreement between enterprises which has the object to:

(a) fix, directly or indirectly, a purchase or selling price or any other trading conditions;

(b) share market or sources of supply;

(c) limit or control production, market outlets or market access, technical or technological development, or investment; or

(d) perform an act of bid rigging,

is deemed to have the object of significantly preventing, restricting, or distorting competition in any market for goods or services. Any enterprise which is a party to an agreement which is prohibited under the foregoing provisions shall be liable for infringement of the prohibition.

In the event the Malaysian Competition Commission ("**MyCC**") determines that there is an infringement of a prohibition under the CA, it:

(a) shall require that the infringement to be ceased immediately;

(b) may specify steps which are required to be taken by the infringing enterprise, which appear to MyCC to be appropriate for bringing the infringement to an end;

(c) may impose a financial penalty; or

(d) may give any other direction as it deems appropriate.

(iii) <u>EQA</u>

The EQA sets out provisions in respect of prevention, abatement, control of pollution and enhancement of the environment.

It is an offence under the EQA for any person, unless licensed to do so, to, among others:

(a) emit or discharge wastes into the atmosphere;

(b) emit or cause or permit to be emitted any noise greater in volume, intensity or quality; or

(c) emit, discharge or deposit any wastes into any inland waters,

in contravention of the acceptable conditions specified in the EQA.

It is prohibited under the EQA to discharge or spill any oil or mixture containing oil into Malaysian waters in contravention of certain conditions. There is also a prohibition on the discharge of environmentally hazardous substances, pollutants or wastes into the Malaysian waters. A licence granted by the Director General of Environmental Quality would be required for the discharge of such substances into Malaysian waters.

The EQA further provides for the prohibition against placing, deposit or disposition of any scheduled wastes on land or into Malaysian waters unless there is a prior written approval of the Director General of Environmental Quality.

The Department of Environment has the power under the EQA to specify the conditions for the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes or the emission of noise into any area, segment or element of the environment or set aside any area, segment or element of the environment whereby the emission, discharge or deposit is restricted. Among others, the regulations which have been issued includes the Environmental Quality (Scheduled Wastes) Regulations 2005 ("**Scheduled Wastes Regulations**").

Pursuant to the Scheduled Wastes Regulations, every scheduled waste generator shall notify the Director General of Environmental Quality of the new categories and quantities of scheduled wastes which are generated within 30 days of its generation.

Scheduled wastes shall only be disposed of at prescribed premises and be treated at prescribed premises or on-site treatment facilities. In addition, scheduled wastes shall be properly stored in containers which are clearly labelled and marked for identification and warning purposes, delivered to and received at prescribed premises for treatment and disposal.

(iv) OSHA

The OSHA sets out provisions for securing the safety, health and welfare of persons at work and for protecting others against risks to safety or health arising from work-related activities. Under the OSHA, our Group, as the employer, has a duty to ensure, so far as is practicable, the safety, health and welfare at work of all its employees. This duty includes, among others:

(a) the provision and maintenance of plants and systems of work that are, so far as is practicable, safe and without risks to health;

(b) the provision of such information, instruction, training and supervision as is necessary to ensure, so far as is practicable, the safety and health at work of all its employees;

(c) so far as is practicable, the maintenance of a place of work under the control of the employer, that is in a safe condition and without risks to health; and

(d) the provision of adequate facilities with regards to the welfare of all its employees at work.

Our Group has a duty to formulate a general safety and health policy for our employees at work and to bring the policy, including any revisions, to the notice of all of our employees. Our Group is also under a duty to conduct our undertakings in such a manner as to ensure, so far as is practicable, that it and other persons, not being our employees, who may be affected are not exposed to risks to their safety or health from the conduct of their undertakings.

OSHA is applicable to all places of work throughout Malaysia. However, it does not apply to work carried out on board ships governed by the MSO and the MSO Sabah and Sarawak.