

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") takes no responsibility for the contents of this Circular, valuation certificate and report, if any, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

You should rely on your own evaluation to assess the merits and risks of the Proposed Disposal (as defined herein).



BARAKAH
OFFSHORE PETROLEUM

BARAKAH OFFSHORE PETROLEUM BERHAD

Registration No.: 201201007022 (980542-H)

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

**PROPOSED DISPOSAL OF KOTA LAKSAMANA 101 BARGE TO PT. WINTERMAR RAJAWALI
ASIA FOR A CASH CONSIDERATION OF USD9.70 MILLION
("PROPOSED DISPOSAL")**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



Since 1963

MALACCA SECURITIES SDN. BHD.

Registration No: 197301002760 (16121-H)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of Barakah Offshore Petroleum Berhad ("**Barakah**" or "**Company**") will be conducted on a fully virtual basis through live streaming from the broadcast venue at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, on Wednesday, 18 December 2024 at 10.30 a.m., or at any adjournment thereof, via the Remote Participation and Electronic Voting Facilities provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online website at <https://web.vote2u.my>. The Notice of EGM together with the Form of Proxy are enclosed herewith in this Circular.

A member entitled to attend, participate, speak and vote remotely at the EGM and is entitled to appoint up to 2 proxies to attend, participate, speak and vote remotely on his/her behalf. If you are unable to attend, participate and vote in the virtual EGM, you may complete and return the Form of Proxy in accordance with the instructions therein and deposit it at the office of Barakah at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time of holding the EGM. The lodging of the Form of Proxy shall not preclude you from attending, participating and voting remotely at the EGM should you subsequently wish to do so, but if you do, your proxy or proxies shall be precluded from attending the EGM.

Last date and time for lodging the Form of Proxy : Monday, 16 December 2024 at 10.30 a.m.

Date and time of the EGM

: Wednesday, 18 December 2024 at 10.30 a.m. or at
any adjournment thereof

This Circular is dated 3 December 2024

DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires, the following definitions shall apply throughout this Circular.

Act	:	Companies Act, 2016 of Malaysia, as amended from time to time including any re-enactment thereof
Adjudication Sum	:	Adjudication sum of RM78,816,700.39 awarded to PBJV pursuant to a civil suit and arbitration involving PBJV and ENQUEST as detailed in Section 2.6 of this Circular
Allseas	:	Allseas Oil & Gas Sdn Bhd (Registration No.: 202101025498 (1425798-K)), a direct wholly-owned subsidiary of Barakah
Barakah Company or the Company	:	Barakah Offshore Petroleum Berhad (Registration No.: 201201007022 (980542-H))
Barakah Group or the Group	:	Barakah and its subsidiaries
Board	:	Board of Directors of Barakah
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
Circular	:	This circular dated 3 December 2024 in relation to the Proposed Disposal
Directors	:	A natural person who holds a directorship in a company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act, 2007, and includes any person who is or was within the preceding 6 months of the date on which the terms of the Proposed Disposal was agreed upon, a director or chief executive of Barakah, its subsidiaries or holding company
Disposal Consideration	:	A cash consideration of USD9.70 million in relation to the Proposed Disposal
EGM	:	Extraordinary general meeting
ENQUEST	:	Enquest Petroleum Production Malaysia Ltd (Registration No. 201402000028 (995518-V))
EPS	:	Earnings per share
EXIM Bank	:	Export-Import Bank of Malaysia Berhad (Registration No.: 199501027992 (357198-K))
External Auditors	:	Messrs HLB Ler Lum Chew PLT, the external auditors of Barakah
FPE	:	Financial period ended/ending, as the case may be
FYE	:	Financial year ended/ending, as the case may be
KL101 Barge or the Barge	:	Kota Laksamana 101, a pipe-lay barge (including the machinery and equipment on board) of the Group, being the asset to be disposed in relation to the Proposed Disposal

DEFINITIONS (CONT'D)

KL101 Ltd or the Vendor	:	Kota Laksamana 101 Ltd (Company No. LL09077), an indirect wholly-owned subsidiary of the Company
LAT	:	Loss after tax
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	20 November 2024, being the latest practicable date prior to the printing of this Circular
Major Shareholder(s)	:	A person who has an interest or interests in one or more voting shares in Barakah and the aggregate number of those shares, is: (i) 10% or more of the total number of voting shares in Barakah; or (ii) 5% or more of the total number of voting shares in Barakah where such person is the largest shareholder of Barakah. For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act and a major shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the Proposed Disposal were agreed upon, a major shareholder of Barakah or any other corporation which is its subsidiaries or holding company
Malacca Securities or the Principal Adviser	:	Malacca Securities Sdn. Bhd. (Registration No.: 197301002760 (16121- H))
MOA	:	The conditional memorandum of agreement dated 28 October 2024 and the addendum to the memorandum of agreement dated 29 November 2024, entered into between KL101 Ltd and PT. WRA in relation to the Proposed Disposal
NA	:	Net assets
NBV	:	Net book value
NL	:	Net liabilities
PAT	:	Profit after tax
PBJV	:	PBJV Group Sdn Bhd (Registration No.: 200001021929 (524536-A)), a direct wholly-owned subsidiary of the Company
PBT	:	Profit before tax
PN17	:	Practice Note 17 of the Listing Requirements
Proposed Disposal	:	Proposed disposal of the KL101 Barge to PT. WRA for the Disposal Consideration
PT. RPM	:	PT. Rajawali Perak Mulia (Registration No. AHU-0047664.AH.01.02.Tahun 2024)
PT. WL	:	PT. Wintermarjaya Lestari (Registration No. AHU-90641.AH.01.02.Tahun 2008)
PT. WRA or the Purchaser	:	PT. Wintermar Rajawali Asia (Registration No: AHU-0050525.AH.01.02.Tahun 2024)

DEFINITIONS (CONT'D)

PT. WINS	:	PT. Wintermar Offshore Marine Tbk (Registration No. AHU-0069642.AH.01.02.Tahun 2020)
RM and sen	:	Ringgit Malaysia and sen respectively, being the lawful currency of Malaysia
Settlement Sum	:	The agreed aggregated settlement sum of USD11,385,000 (inclusive of interest payment), which shall be paid by the Group to EXIM Bank. As at LPD, the balance Settlement Sum owing to EXIM Bank is USD11.00 million.
USD	:	United States Dollar

In this Circular, any reference to “we”, “us”, “our” and “ourselves” are to the Company, and where the context otherwise requires, our subsidiaries. All references to “you” are to the shareholders of the Company. Words incorporating the singular shall, where applicable, include the plural and vice versa.

Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any statutes, rules, regulations or rules of the stock exchange is a reference to such statutes, rules, regulations or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time or date in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Unless otherwise stated, all USD/RM amounts stated in this Circular are converted at the middle rate of USD1.00 : RM4.4675 as at LPD (source: Bank Negara Malaysia).

LETTER FROM THE BOARD TO THE SHAREHOLDERS OF BARAKAH IN RELATION TO THE PROPOSED DISPOSAL:

EXECUTIVE SUMMARY.....	v
1. INTRODUCTION	1
2. PROPOSED DISPOSAL.....	2
3. UTILISATION OF PROCEEDS.....	7
4. RATIONALE AND BENEFITS OF THE PROPOSED DISPOSAL	11
5. OVERVIEW AND PROSPECTS OF BARAKAH GROUP	11
6. RISK FACTORS.....	15
7. EFFECTS OF THE PROPOSED DISPOSAL	16
8. APPROVALS REQUIRED AND INTER-CONDITIONALITY	18
9. PERCENTAGE RATIO	18
10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED	18
11. DIRECTORS' STATEMENT AND RECOMMENDATION	18
12. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION.....	19
13. TENTATIVE TIMELINE.....	20
14. EGM	20
15. FURTHER INFORMATION	20

APPENDICES

APPENDIX I	SALIENT TERMS OF THE MOA	21
APPENDIX II	REPORT ON THE COMPILATION OF THE PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF BARAKAH FOR THE FYE 30 JUNE 2024	27
APPENDIX III	FURTHER INFORMATION	36
NOTICE OF EGM		ENCLOSED
FORM OF PROXY		ENCLOSED

EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed Disposal. You are advised to read this Circular in its entirety for further details and not to rely solely on this Executive Summary in arriving at a decision on the Proposed Disposal before voting at the forthcoming EGM.

Key information	Description
Summary of the Proposed Disposal (Section 2 of this Circular)	<p>The Proposed Disposal entails the disposal of the KL101 Barge at the Disposal Consideration of USD9.70 million (equivalent to approximately RM43.33 million) to PT. WRA, subject to the terms and conditions of the MOA.</p> <p>On 12 December 2023, Malacca Securities had on behalf of the Board, announced that Barakah proposed to undertake the disposal of the KL101 Barge for a minimum disposal consideration of USD11.40 million to a third-party purchaser to be identified later. On 25 March 2024, Barakah's shareholders had at the EGM, approved the resolution for Barakah Group to dispose the KL101 Barge for a minimum disposal consideration of USD11.40 million (excluding any ancillary expenses incurred for the disposal) within 6 months from the date of EGM.</p> <p>On 28 October 2024, the Vendor and the Purchaser had executed the MOA. In view that the Disposal Consideration of USD9.70 million is below the minimum disposal consideration of USD11.40 million and the 6-month timeframe to complete the disposal had lapsed as approved by Barakah's shareholders at the EGM held on 25 March 2024, Barakah wishes to re-seek the approval from the Company's shareholders for the Proposed Disposal.</p>
Basis and justification of determining the Disposal Consideration (Section 2.6 of this Circular)	<p>The Disposal Consideration of USD9.70 million (equivalent to approximately RM43.33 million) was arrived at, on a willing-buyer-willing-seller basis, after taking into consideration, amongst others, the following:-</p> <ul style="list-style-type: none">(i) the Disposal Consideration is the only offer received by Barakah Group since classifying the KL101 Barge as an asset available for sale on 30 June 2022;(ii) the outstanding Settlement Sum of USD11.06 million (equivalent to approximately RM49.41 million) owing to EXIM Bank at the material time; and(iii) the availability of funds to settle the balance Settlement Sum in excess of the Disposal Consideration.
Utilisation of proceeds (Section 3 of this Circular)	<p>The Disposal Consideration of USD9.70 million (equivalent to approximately RM43.33 million) will be primarily utilised for the partial repayment of the Settlement Sum within 1 month from the receipt of the proceeds.</p>

Key information	Description
Rationale and benefits for the Proposed Disposal (Section 4 of this Circular)	<p>The Proposed Disposal presents an opportunity for Barakah Group to dispose of a non-revenue/profit generating asset. Despite the final Disposal Consideration of USD9.70 million being lower than the minimum disposal consideration approved by Barakah's shareholders at the EGM held on 25 March 2024, the final Disposal Consideration represents the only offer received by Barakah Group after conducting an auction and a private tender.</p> <p>The Proposed Disposal is also part of the Group's cost cutting initiative to realise the value of the idle KL101 Barge.</p>
Risk factors (Section 6 of this Circular)	<p>The risk factors relating to the Proposed Disposal include, but are not limited to, the risk that the Proposed Disposal cannot be completed within the time period permitted under the MOA, the risk of PT. WRA defaulting/ delaying on its payment obligations and the potential loss of future revenue opportunities that could arise from utilising the KL101 Barge for future projects.</p>
Effects of the Proposed Disposal (Section 7 of this Circular)	<p>The effects of the Proposed Disposal are as follows:-</p> <ul style="list-style-type: none">(i) the Proposed Disposal will not have any effect on the issued share capital and substantial shareholders' shareholdings of the Company as the Proposed Disposal does not involve issuance of new ordinary shares in Barakah;(ii) the Proposed Disposal will increase the Group's NA for the FYE 30 June 2024 by RM8.00 million to RM32.73 million;(iii) the Group's borrowings will be reduced as a result of the repayment of EXIM Bank's borrowings via the utilisation of proceeds from the Proposed Disposal and the Group's cash and bank balances; and(iv) based on the audited PAT as at 30 June 2024 of RM42.80 million, the Proposed Disposal will record a proforma PAT of RM58.18 million, after taking into consideration, amongst others, the gain on the Proposed Disposal, estimated expenses for the Proposed Disposal and tax expenses in relation to the gain on Proposed Disposal, as well as savings on finance cost, maintenance cost and depreciation of the KL101 Barge.
Approvals required and inter-conditional (Section 8 of this Circular)	<p>The Proposed Disposal is subject to the following approvals being obtained:-</p> <ul style="list-style-type: none">(i) the shareholders of Barakah at an EGM to be convened; and(ii) any other relevant authority, if any. <p>The Proposed Disposal is not conditional upon any other corporate exercises/schemes or proposals undertaken or to be undertaken by Barakah.</p>

EXECUTIVE SUMMARY (CONT'D)

Key information	Description
Interests of directors, Major Shareholders and/or persons connected (Section 10 of this Circular)	None of the Directors, Major Shareholder and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Disposal.
Directors' statement and recommendation (Section 11 of this Circular)	<p>The Board, having considered and deliberated on all aspects of the Proposed Disposal, including but not limited to the proposed utilisation of proceeds from the Proposed Disposal, the rationale and benefits of the Proposed Disposal, and the effects of the Proposed Disposal, is of the opinion that the Proposed Disposal is in the best interest of the Company.</p> <p>Accordingly, the Board recommends that shareholders vote in favour of the resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM.</p>



BARAKAH OFFSHORE PETROLEUM BERHAD
Registration No.: 201201007022 (980542-H)
(Incorporated in Malaysia)

Registered Office:

Level 5, Tower 8, Avenue 5, Horizon 2
Bangsar South City
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Malaysia

3 December 2024

Board of Directors:

Dato' Sri Nik Hamdan Bin Daud (*Executive Chairman*)
Dato' Sri Azman Shah Bin Mohd Zakaria (*Group President & Chief Executive Officer*)
Dato' Rasdee Bin Abdullah (*Non-Independent Executive Director*)
Tengku Ngah Putra Bin Tengku Ahmad Tajuddin (*Independent Non-Executive Director*)
Azaman Bin Sharif (*Independent Non-Executive Director*)
Khairiah Binti HJ Othman (*Independent Non-Executive Director*)

To: The Shareholders of Barakah Offshore Petroleum Berhad

Dear Sir/Madam,

PROPOSED DISPOSAL

1. INTRODUCTION

On 28 October 2024, Malacca Securities had on behalf of the Board, announced that KL101 Ltd, had on even date entered into the MOA with PT. WRA for the proposed disposal of the KL101 Barge to PT. WRA at a cash consideration of USD9.70 million (equivalent to approximately RM43.33 million).

Progress update on the disposal of KL101 Barge

On 12 December 2023, Malacca Securities had on behalf of the Board, announced that Barakah proposed to undertake the disposal of the KL101 Barge for a minimum disposal consideration of USD11.40 million to a third-party purchaser to be identified later.

On 25 March 2024, Barakah's shareholders had at the EGM approved the resolution for Barakah Group to dispose the KL101 Barge for a minimum disposal consideration of USD11.40 million (excluding any ancillary expenses incurred for the disposal) within 6 months from the date of EGM.

On 26 April 2024, Barakah Group appointed TS Maritime Sdn Bhd as technical advisor to liaise with Zhejiang Shipping Exchange Co., LTD and Zhoushan Yi Ge Ship Auction Co., LTD (the Auctioneers) to undertake an auction for the said disposal ("**1st Auction**").

In view that Barakah did not receive any official offer during the 1st Auction, Barakah had subsequently on 9 July 2024, appointed Eggar Forrester Shipbroking Ltd as the broker for the marketing for the disposal of the KL101 Barge via a private tender.

On 28 October 2024, the Vendor and the Purchaser had executed the MOA.

In view that the Disposal Consideration of USD9.70 million is below the minimum disposal consideration of USD11.40 million and the 6-month timeframe to complete the disposal had lapsed as approved by Barakah's shareholders at the EGM held on 25 March 2024, Barakah wishes to re-seek the approval from the Company's shareholders for the Proposed Disposal.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE THE SHAREHOLDERS OF THE COMPANY WITH THE DETAILS OF THE PROPOSED DISPOSAL AND TO SEEK SHAREHOLDERS' APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL TO BE TABLED AT THE COMPANY'S FORTHCOMING EGM. THE NOTICE OF THE EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL TO BE TABLED AT THE COMPANY'S FORTHCOMING EGM.

2. PROPOSED DISPOSAL

The Proposed Disposal entails the disposal of the KL101 Barge at the Disposal Consideration of USD9.70 million (equivalent to approximately RM43.33 million) to PT. WRA, subject to the terms and conditions of the MOA.

The salient terms of the MOA are set out in Appendix I of this Circular.

2.1 Information on PT. WRA (Purchaser)

PT. WRA was incorporated in Indonesia on 18 February 2013 as a limited liability company under the laws of the Republic of Indonesia and have its registered office at Jl. Kebayoran Lama No. 155, Jakarta Barat 11560, Indonesia.

PT. WRA principally involved in the shipping offshore industry.

As at LPD, PT. WRA has an issued share capital of Rp10,000,000,000 comprising 10,000 ordinary shares.

As at LPD, the directors of PT. WRA are as follows:-

<u>Name of Directors</u>	<u>Nationality</u>	<u>Designation</u>
Janto Lili	Indonesian	President Director
Philip Albert Tirtamarta	Indonesian	Director

As at LPD, the shareholders of PT. WRA are as follows:-

<u>Shareholders</u>	<u>Country of incorporation</u>	<u>Direct</u>		<u>Indirect</u>	
		<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
PT. WINS	Indonesia	5,000	50.00	-	-
PT. RPM	Indonesia	5,000	50.00	-	-
		10,000	100.00		

2.2 Information on PT. WINS

PT. WINS was incorporated in Indonesia on 18 December 1995 as a public limited company under the laws of the Republic of Indonesia and have its registered office at Jl. Kebayoran Lama No. 155, Jakarta Barat 11560, Indonesia.

PT. WINS is principally involved in the shipping offshore industry.

As at LPD, PT. WINS has an issued share capital of Rp436,433,705,700 comprising 4,364,337,057 ordinary shares.

As at LPD, the directors of PT. WINS are as follows:-

<u>Name of Directors</u>	<u>Nationality</u>	<u>Designation</u>
Sugiman Layanto	Indonesian	Managing Director
Nely Layanto	Indonesian	Director
Janto Lili	Indonesian	Director
Muhamad Shanie Mubarak	Indonesian	Director

As at LPD, the substantial shareholders of PT. WINS are as follows:-

<u>Substantial shareholders</u>	<u>Country of incorporation/ Nationality</u>	<u>Direct</u>		<u>Indirect</u>	
		<u>No. of shares</u>	<u>(a) %</u>	<u>No. of shares</u>	<u>%</u>
PT. WL *	Indonesia	1,484,926,248	34.02	-	-
Sugiman Layanto	Indonesian	327,568,364	7.51	-	-

Note:-

* PT. WL is the ultimate parent entity of PT. WINS.

(a) Based on 4,364,337,057 ordinary shares in PT. WINS.

2.3 Information on PT. RPM

PT. RPM was incorporated in Indonesia on 9 June 2021 as a limited liability company under the laws of the Republic of Indonesia and have its registered office at Jl Tambak 21 A-B, Menteng Pegangsaan, Jakarta Barat 10320, Indonesia.

PT. RPM is principally involved in the offshore shipping sector.

As at LPD, PT. RPM has an issued share capital of Rp2,550,000,000 comprising 2,550 ordinary shares.

As at LPD, Philip Albert Tirtamarta is the sole director of PT. RPM.

As at LPD, the shareholders of PT. RPM are as follows:-

<u>Shareholders</u>	<u>Nationality</u>	<u>Direct</u>		<u>Indirect</u>	
		<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
Philip Albert Tirtamarta	Indonesian	2,499	98.00	-	-
Matthew Adrian Tirtamarta	Indonesian	51	2.00	-	-
		2,550	100.00		

2.4 Information on PT. WL

(Information on PT. WL below are obtained from independent searches conducted by a local counsel in Indonesia)

PT. WL was incorporated as a private limited liability company under the laws of the Republic of Indonesia prior to the enactment of Indonesia's Company Law, 2007. For information, no information regarding the exact incorporation date of PT. WL is available. However, searches indicated that the initial injection of capital into PT. WL took place on 14 February 2003.

PT. WL registered office is located at Jalan Gadang 1/3, Sub-District Sungai Bambu, Jakarta Utara, Kota Administrasi Jakarta Utara, DKI Jakarta, Indonesia.

PT. WL is principally involved in the development, trade, industry, mining, agriculture, and service sectors.

As at LPD, PT. WL has an issued share capital of Rp9,333,000,000 comprising 9,333 ordinary shares.

As at LPD, Nely Layanto is the sole director of PT. WL.

As at LPD, the shareholders of PT. WL are as follows:-

Shareholders	Country of incorporation/ Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Sugiman Layanto	Indonesian	3,169	33.95	-	-
Nely Layanto	Indonesian	2,082	22.31	-	-
Darmawan Layanto	Indonesian	2,082	22.31	-	-
PT Dwiprimajaya Lestari	Indonesia	2,000	21.43	-	-
		9,333	100.00		

[The remainder of this page is intentionally left blank]

2.5 Information on the KL101 Barge



Name of vessel	:	Kota Laksamana 101
Registered owner	:	KL101 Ltd
Type	:	Accommodation and pipelay barge for shallow and medium water
Flag	:	Malaysia
Port of register	:	Port Klang
Year of built	:	2011
Age	:	13
Builder's name	:	Grade One Marine Shipyard Sdn Bhd
Gross tonnage	:	19,760.00 tonne
Net tonnage	:	5,928.00 tonne
Full load tonnage	:	21,947.00 metric tonne
Light ship tonnage	:	11,580.00 metric tonne
Dead weight tonnage	:	10,367.00 metric tonne
Overall dimensions	:	Length overall: 137.25 metres Depth moulded: 9.00 metres Breadth moulded: 37.82 metres
Other facilities, machineries and equipment on board	:	Life-saving equipment, fire-fighting equipment, communication and navigation equipment, auxiliary equipment, pipelay system, crane, helicopter deck, mooring and tow system and storm anchor
Current use	:	Idle since September 2019
Encumbrance	:	Charged to EXIM Bank registered on 25 July 2014 (as detailed in Section 3 of this Circular)
Year of delivery	:	2012
Original cost of investment	:	RM334.61 million ^(a)
NBV as at 30 June 2024	:	USD7.84 million (equivalent to approximately RM37.00 million based on the exchange rate USD1.00 : RM4.7195 as at 30 June 2024) ^(b)

Notes:-

- (a) The cost of investment for the KL101 Barge incurred between September 2012* to April 2016 is as follows:-

	Cost of commissioning / construction
	<u>RM'000</u>
KL101 Barge and pipelay equipment	314,943
Machinery and equipment	19,664
Total	<u>334,607</u>

* Month of commission of the KL101 Barge

- (b) For information, the NBV of the KL101 Barge had decreased by USD3.43 million (equivalent to RM15.32 million), from USD11.27 million (equivalent to RM52.57 million based on the exchange rate USD1.00 : RM4.6650 as at 30 June 2023) as at 30 June 2023 to USD7.84 million (equivalent to RM37.00 million based on the exchange rate USD1.00 : RM4.7195 as at 30 June 2024) as at 30 June 2024. This reduction was mainly attributable to the recognition of an additional impairment loss of RM16.12 million for the KL101 Barge based on the reassessment on the recoverable amount based on last offer price by a potential bidder from the auction, following the unsuccessful auction during the FYE 30 June 2024. Premised on the above, no valuation exercise was conducted for the KL101 Barge.

For purpose of the Proposed Disposal, Barakah had not conducted a valuation on the KL101 Barge as the Board had considered that the Disposal Consideration was the only offer received by the Group after conducting an auction and a private tender by a licensed auctioneer, i.e. Eggar Forrester Shipbroking Ltd and as such should approximate the market value of the KL101 Barge.

2.6 Basis and justification of determining the Disposal Consideration

The Disposal Consideration of USD9.70 million (equivalent to approximately RM43.33 million) was arrived at, on a willing-buyer-willing-seller basis, after taking into consideration, amongst others, the following:-

- (i) the Disposal Consideration is the only offer received by Barakah Group since classifying the KL101 Barge as an asset available for sale on 30 June 2022.

The Board is of the opinion that the Disposal Consideration is reasonable despite the Disposal Consideration being substantially lower than the forced sale value of USD11.40 million ascribed by TS Maritime Sdn Bhd via its report dated 25 September 2023 considering this is the only offer received by Barakah Group after conducting an auction and a private tender over a period of 2 months;

- (ii) the outstanding Settlement Sum of USD11.06 million (equivalent to approximately RM49.41 million) owing to EXIM Bank.

EXIM Bank had vide its letter dated 26 September 2024, indicated that subject to the bank's approving authority, EXIM Bank is supportive of a repayment of USD9,546,500 (net of transaction costs) to be repaid using proceeds from the Proposed Disposal and the balance USD1,453,500 to be settled via a repayment schedule to be determined.

As at LPD, the Group is still in the midst of discussion with EXIM Bank regarding the rescheduling of the balance settlement sum; and

- (iii) the availability of funds to settle the balance Settlement Sum in excess of the Disposal Consideration.

For information, based on the decision of Court of Appeal dated 20 August 2024 in relation to the civil suit and arbitration involving PBJV and ENQUEST, the Court of Appeal has decided in favour of PBJV and had ordered for the Adjudication Sum of RM78,816,700.39 (plus interest) to be released to PBJV. The Adjudication Sum was released to PBJV's solicitors, Messrs. Fairuz Ali & Co. on 29 August 2024, to hold as stakeholders.

On 23 August 2024, ENQUEST applied for leave from the Federal Court against the said Court of Appeal Order ("**Leave Motion**"). The hearing for the Leave Motion was set on 4 November 2024. Prior to the hearing, ENQUEST had filed a Notice of Discontinuance and the hearing date had since been vacated. The Adjudication Sum had been released to PBJV on 4 November 2024.

Based on the audited consolidated statement of financial position of Barakah as at 30 June 2024, the Company's cash and cash equivalents amounts to RM54.56 million and has no bank borrowings other than the outstanding Settlement Sum of USD11.26 million at the material time (as at LPD, the balance Settlement Sum stands at USD11.00 million). In view of the above, Barakah is capable of paying the shortfall of USD1.45 million (equivalent to approximately RM6.48 million) based on the current offer.

2.7 Mode of settlement of the Disposal Consideration

The Disposal Consideration shall be fully satisfied via cash.

2.8 Liabilities to remain with Barakah Group

Save for the balance Settlement Sum payable to EXIM Bank, there are no liabilities, including contingent liabilities, in relation to the KL101 Barge which will remain with or to be assumed by Barakah Group and/or guarantees given by Barakah Group to PT. WRA, upon the completion of the Proposed Disposal.

3. UTILISATION OF PROCEEDS

The Disposal Consideration of USD9.70 million (equivalent to approximately RM43.33 million) is intended to be utilised for the partial repayment of the Settlement Sum and estimated expenses related to the Proposed Disposal within 1 month from the receipt of the proceeds. For information, the proceeds of USD9.70 million to be received from the Purchaser will be paid to an escrow agent/stakeholder jointly appointed by KL101 Ltd and the Purchaser, and thereafter, directly to EXIM Bank (i.e. Barakah will not be receiving the Disposal Consideration directly).

The difference between the net Disposal Consideration of USD9.55 million (net transaction cost) and outstanding Settlement Sum owed to EXIM Bank of USD11.00 million amounts to USD1.45 million (equivalent to approximately RM6.48 million) is expected to be settled using the Group's existing cash and bank balances. For information, the Company's cash and cash equivalents stood at RM54.56 million based on the audited consolidated statement of financial position of Barakah as at 30 June 2024 and increased to RM133.38 million after the receipt of Adjudication Sum of RM78.82 million.

For information, the estimated expenses in relation to the Proposed Disposal are illustrated as below:-

	<u>RM'000</u>
Professional fees for the Proposed Disposal ^(a)	112
Broker/stakeholder's commission ^(b)	686
Printing, despatch, EGM expenses and miscellaneous expenses	87
	<u>885</u>

Notes:-

- (a) Comprise of the estimated professional fees payable to the principal adviser, company secretary, share registrar and solicitors for the Proposed Disposal.
- (b) Computed based on estimated broker/stakeholder's commission of USD153,500 converted at the USD/RM exchange rate of 4.4675 as at LPD.

Any shortfall required for estimated expenses for the Proposed Disposal will be paid via the Group's cash and bank balances.

Details of amount owing to EXIM Bank

For information, KL101 Ltd received an Islamic financing facility for a maximum aggregate sum of USD59.00 million from EXIM Bank, with Barakah and PBJV, a direct wholly-owned subsidiary of Barakah as corporate guarantors.

Barakah had on 5 April 2021 held a creditors' court convened meeting pursuant to Section 366 of the Act for its debt settlement scheme which was approved by the creditors on even date. On 30 August 2021, Barakah Group completed the debt settlement scheme with EXIM Bank.

As part of the debt settlement scheme, EXIM Bank agreed to a settlement of PBJV's outstanding debt of RM38,410,874.00 (USD9,385,674.77) and waived the sum of RM95,498,450.00 (USD23,334,990.84) in the settlement.

In relation to the remaining debt, on 26 July 2021, Barakah, KL101 Ltd and EXIM Bank had entered into a settlement agreement whereby KL101 Ltd and/or Barakah shall pay or cause to be paid the settlement sum of USD12,650,000.00 to EXIM Bank by way of trimonthly instalments starting from 30 July 2021 until 30 April 2024 in the following manner:-

- (i) payment of USD137,500.00 for the first eleven instalments; and
- (ii) payment of USD11,137,500.00 for the last instalment.

On 26 March 2024, Barakah had announced that EXIM Bank had through its letters dated 13 March 2024 and 25 March 2024, agreed to grant an extension of time until 31 October 2024 for the purpose of payment of the settlement sum by the Company and/or KL101 Ltd in the following manner:-

- (i) Barakah and/or KL101 Ltd shall pay a partial settlement sum of USD137,500.00 to EXIM Bank on/before 30 April 2024; and
- (ii) A total sum of USD11,385,000.00 (including profits at the rate of 7.0% per annum on monthly basis for the sum of USD11,000,000.00) being the new balance of settlement sum shall be paid to EXIM Bank on/before 31 October 2024, as scheduled and particularised as follows:

New instalment number	payment Due date for monthly payments	Payment amount USD
1	31 May 2024	64,166.67
2	30 June 2024	64,166.67
3	31 July 2024	64,166.67
4	31 August 2024	64,166.67
5	30 September 2024	64,166.67
6	31 October 2024	11,064,166.65
		11,385,000.00

(collectively referred to as the “**Settlement Sum**”).

As at LPD, Barakah Group had made a total payment of USD0.39 million (equivalent to approximately RM1.74 million) to EXIM Bank and with the balance of Settlement Sum of USD11.00 million as at LPD (equivalent to approximately RM49.14 million). EXIM Bank had vide its letter dated 26 September 2024, indicated that subject to the bank’s approving authority, EXIM Bank is supportive of a repayment of USD9,546,500 (net of transaction costs) to be repaid using proceeds from the Proposed Disposal and the balance USD1,453,500 to be settled via a repayment schedule (including any interest) to be determined.

For information, the repayment of the balance of the Settlement Sum will not result in any savings in the interest expenses as the total Settlement Sum agreed with EXIM Bank had included the interest expense. Nevertheless, the repayment of the balance of the Settlement Sum is expected to improve the financial position of the Group.

Details of the utilisation of Adjudication Sum

For information, the Group intends to utilise the Adjudication Sum for working capital purposes as follows:-

<u>Details of utilisation</u>	<u>Notes</u>	<u>Estimated timeframe for utilisation from the receipt of proceeds</u>	<u>Amount</u> RM'000
Funding of existing and/or future projects	(a)	Within 36 months	71,000
General working capital	(b)	Within 12 months	7,817
			<u>78,817</u>

Notes:-

(a) Funding of existing and/or future projects

The Group proposes to utilise up to RM71.00 million of the Adjudication Sum to fund its existing and/or future projects. As at LPD, the Group has yet to identify the specified projects and the amount required to fund such projects as it is dependent on the timing in which the projects are secured and the overall cashflow requirements of the Group at the material time.

Nonetheless, the Group anticipates that such funds will be utilised for amongst others, payment of performance guarantees for its projects, expenses incurred for contracts such as hiring of consultants for pre and post tender assessments (such as feasibility and environmental studies), mobilisation costs, procurement of necessary equipment to carry out the works.

(b) General working capital

The Group proposes to utilise up to RM7.82 million of the Adjudication Sum for the Group's following general working capital purposes:-

- staff costs which include staff salaries, Directors' remuneration and other statutory payments which includes contributions to the Employees Provident Fund Board and the Social Security Organisation, and deductions to be paid to the Inland Revenue Board; and
- general administrative expenses such as rental, utilities, office maintenance, maintenance of property, plant and equipment, printing costs, postages, marketing expenses and compliance expenses such as audit (internal & external), company secretarial and share registrar expenses

Notwithstanding the Group's aforementioned intention to utilise the Adjudication Sum, depending on the circumstances and/or opportunities present to the Group at the material time, the Group may adjust the utilisation of the aforementioned funds to/from general working capital.

4. RATIONALE AND BENEFITS OF THE PROPOSED DISPOSAL

The Proposed Disposal presents an opportunity for Barakah Group to dispose of a non-revenue/profit generating asset. Despite the final Disposal Consideration of USD9.70 million is lower than the minimum disposal consideration approved by Barakah's shareholders at the EGM held on 25 March 2024, the final Disposal Consideration represents the only offer received by Barakah Group after conducting an auction and a private tender.

As detailed in Section 3 of this Circular, the proceeds from the Proposed Disposal will be primarily utilised for the partial repayment of the outstanding Settlement Sum of USD11.00 million as at LPD. For information, EXIM Bank had vide its letter dated 26 September 2024, indicated that subject to the bank's approving authority, EXIM Bank is supportive of a repayment of USD9,546,500 (net of transaction costs) to be repaid using proceeds from the Proposed Disposal and the balance USD1,453,500 to be settled via a repayment schedule to be determined. The Group intends to utilise its cash and bank balances for the settlement of the balance USD1,453,500.

The Proposed Disposal is also part of the Group's cost cutting initiative to realise the value of the idle KL101 Barge. For the FYE 30 June 2024, the Group recorded an additional impairment loss of RM16.12 million for the KL101 Barge from the reassessment on the recoverable amount based on last offer price by a potential bidder from the auction, following the unsuccessful auction during the FYE 30 June 2024.

The Board takes cognisance that the current offer is timely and is being considered by the Board as at this juncture, the Group has sufficient funds without straining its working capital requirements to make up the difference between the Disposal Consideration and the balance Settlement Sum owed to EXIM Bank.

Upon completion of the Proposed Disposal and the repayment of the Settlement Sum, the Group is expected to be in a better position to regularise its financial position as annual expenses for the KL101 Barge of approximately RM2.10 million for maintenance expenses and RM3.54 million for depreciation will no longer be incurred.

5. OVERVIEW AND PROSPECTS OF BARAKAH GROUP

Overview of Barakah Group

Barakah Group is primarily an offshore and onshore oil and gas support service provider for the oil and gas industry. Its principal activities are as follows:-

- (i) Provision of engineering and construction services for oil and gas facilities;
- (ii) Provision of offshore and onshore hook-up, pre-commissioning, commissioning, decommissioning and maintenance services;
- (iii) Provision of offshore pipeline and structure transportation and installation services;
- (iv) Provision of minor structure fabrication and rental services;
- (v) Provision of offshore underwater structural inspection services on subsea structures and pipelines; and
- (vi) Chartering of marine vessels.

Historical financial information of Barakah Group

The summary of the historical financial performance and financial position of the Group based on the audited consolidated financial statements for the FYE 30 June 2022, FYE 30 June 2023 and FYE 30 June 2024 as well as the unaudited consolidated financial statements for the 3-month FPE 30 September 2024 are as follows:-

	Audited			Unaudited
	FYE 30 June 2022	FYE 30 June 2023	FYE 30 June 2024	3-month FPE 30 September 2024
	RM'000	RM'000	RM'000	RM'000
Revenue	83,931	136,317	133,875	22,075
Gross profit	33,758	25,727	88,519	2,321
Profit/ (Loss) before tax	91,783	1,083	42,710	(8,280)
PAT / (LAT)	83,733	(4,003)	44,353	(8,323)
Gross profit margin (%)	40.22	18.87	66.12	10.51
PAT/(LAT) margin (%)	99.76	(2.94)	33.13	(37.70)
Share capital (RM'000)	241,561	241,561	241,561	241,561
Shareholders' equity/ (Net liabilities) ("NL")/ NA	(4,684)	(15,054)	25,878	20,108
Weighted average number of ordinary shares ('000)	958,521	1,002,943	1,002,943	1,002,943
Basic EPS/ (Loss per Share) (sen)	8.74	(0.40)	4.27	(0.81)
Number of shares in issue ('000)	1,002,943	1,002,943	1,002,943	1,002,943
(NL) / NA per Share (sen)	(0.47)	(1.50)	2.58	2.00
Total borrowings (RM'000)	48,892	51,748	51,915	45,341
Gearing ratio (times)	n/a	n/a	1.90	2.11

Commentaries:-

FYE 30 June 2022 ("FYE 2022") compared to FYE 30 June 2021 ("FYE 2021")

The revenue of the Group decreased by RM21.20 million or 20.17% from RM105.13 million in FYE 2021 to RM83.93 million in FYE 2022 mainly due to decrease in the revenue from the hook-up and commissioning and maintenance ("HUC") segment due to lesser work orders received from a customer in relation to provision of onshore pipeline maintenance works. Nevertheless, it was partially negated by an increase in revenue generated by the other segment where the Group chartered third party marine vessels to its customer based on customer's requirements and specification

The Group's PAT increased by RM19.39 million or 30.14% from RM64.34 million in FYE 2021 to RM83.73 million in FYE 2022 which was mainly due to recognition of one-off waiver of debt settlement of RM102.44 million as a result of waiver of debt under the settlement agreement with EXIM Bank in FYE 2022.

FYE 30 June 2023 (“FYE 2023”) compared to FYE 30 June 2022 (“FYE 2022”)

The revenue of the Group increased by RM52.39 million or 62.42% from RM83.93 million in FYE 2022 to RM136.32 million in FYE 2023 mainly due to increase in the revenue from HUC segment as a result of increase in work orders for Pan Malaysia Maintenance, Construction and Modification (“**PM-MCM**”) from clients which covered services for four oilfield operations managed by the respective clients, encompassing a wide range of repair and maintenance work for their offshore platforms. Nonetheless, other segments recorded revenue of RM6.16 million in FYE 2023, with RM2.89 million from vessel chartering and the remaining RM3.27 million attributed to trading of equipment.

Despite increase in the Group’s revenue in FYE 2023, the Group recorded a LAT of RM4.00 million in FYE 2023 as compared to a PAT of RM83.73 million in FYE 2022 which was mainly due to recognition of one-off waiver of debt settlement of RM102.44 million as a result of waiver of debt under the settlement agreement with EXIM Bank in FYE 2022 which was not existed in FYE 2023.

FYE 30 June 2024 (“FYE 2024”) compared to FYE 30 June 2023 (“FYE 2023”)

The revenue of the Group decreased by RM2.44 million or 1.79% from RM136.32 million in FYE 2023 to RM133.88 million in FYE 2024 mainly attributable to lesser work orders received from a customer under HUC segment in relation to provision of onshore pipeline maintenance works. The decrease in revenue generated from HUC segment is compensated by a new contract secured by the Group under transportation and installation segment which contributed RM26.55 million equivalent to 19.83% of the total revenue in FYE2024. Nonetheless, other segments recorded revenue of RM2.61 million during FYE 2024, with RM1.15 million attributed to trading of equipment and RM1.46 million in relation to provision of yard facilities to the third party.

The Group recorded a PAT of RM44.35 million in FYE 2024 as compared to a LAT of RM4.00 million in FYE 2023 mainly attributable reversal of accrued purchases amounting to RM70.22 million as a result of management’s reassessment of its provision for material litigation based on the evidence presented by both parties during evidential hearing conducted during the financial year, along with legal advice from its external solicitors and waiver of debt amounting to RM4.30 million arose from global settlement with a creditor for the judgement sum and accrued interest of RM22.35 million at a settlement sum of RM18.00 million. The aforementioned was negated by, amongst other, the following:

- (i) additional impairment loss of RM16.12 million recognised for the KL101 Barge based on the reassessed recoverable amount following the unsuccessful auction during the financial year;
- (ii) fair value loss on financial guarantee amounting RM6.91 million following the Group’s decision to novate a contract; and
- (iii) decrease in unrealised foreign exchange gain by RM6.59 million as a result of lower outstanding debtor balance denominated in foreign currency following the capitalisation of amount due from subsidiary company into cost of investment.

3-month FPE 30 September 2024 (“FPE 2024”) compared to 3-month FPE 30 September 2023 (“FPE 2023”)

The revenue of the Group decreased by RM6.19 million or 21.90% from RM28.27 million in FPE 2023 to RM22.08 million in FPE 2024 mainly attributable to lesser work order received from customers under HUC segment in relation to provision of onshore pipeline maintenance works.

The Group recorded a LAT of RM8.32 million in FPE 2024 as compared to a PAT of RM0.74 million in FPE 2023 mainly attributable to recognition of impairment loss of trade receivables of RM3.14 million pursuant to the expected credit loss approach and unrealised foreign exchange loss of RM1.25 million arising from the amount owing by subsidiaries denominated in USD.

Prospects of Barakah Group

Offshore and onshore oil and gas support service business

In an effort to further improve the Group’s revenue and profitability, the Group intends to continue building its offshore and onshore oil and gas support service business by expanding its customer base of oil and gas main contractors and securing more contracts from oil and gas companies. The Group has a longstanding track record of completing tasks and projects for the oil and gas industry.

In the past, PBJV received a notice of suspension of its license for a period of 3 years. However, the Group, through PBJV and Allseas, had obtained licences from PETRONAS in April 2023 and September 2023, respectively, each for a 3-year period. With these licences, the Group will be able to secure contracts directly from PETRONAS and other oil and gas companies. Further, while its licence was suspended during the 3-year period, the Group was still able to provide offshore and onshore oil and gas support services by working with other oil and gas main contractors who have been licensed by PETRONAS. As such, the Group has built a network of oil and gas main contractors who have been referring projects to the Group in the past.

As at LPD, the Group has 5 on-going projects for the maintenance, construction and modifications of offshore facilities for 4 Petroleum arrangement contractors and 1 oil and gas contractor with an estimated remaining project value of RM23.71 million. In an effort to replenish its orderbook and expand its customer base, the Group is actively participating in new tender applications. As at LPD, the Group is participating in 29 tender applications with a tender value of approximately RM4.81 billion which, if secured, should contribute to the Group’s overall revenue for the next 5 years. These tender applications were submitted over the period between October 2023 and October 2024. As at LPD, 2 of its tenders with a tender value of approximately RM390.32 million have reached an advanced stage and the Group is optimistic to receive the award.

Civil infrastructure construction

Apart from focusing on the offshore and onshore oil and gas support service business, the Group intends to grow its revenue from civil infrastructure construction works based on its experience in carrying out geotechnical services and construction and engineering of roads supporting the facilities.

Moving forward, the Group has identified opportunities in East Malaysia and is in the midst of discussion with local partners for collaboration.

6. RISK FACTORS

The risk factors relating to the Proposed Disposal include, but are not limited to the following:-

6.1 Completion risk

The completion of the Proposed Disposal is conditional upon fulfilment and/or waiver of the conditions precedent of the MOA as set out in the “Condition” clause in Appendix I of this Circular. In the event that the conditions precedent are not met/ waived, the MOA will be rescinded or terminated and the Proposed Disposal will not be completed. There can be no assurance that the conditions precedent can be fulfilled or waived within the timeframe stipulated in the MOA and the Proposed Disposal can be completed within the time period permitted under the MOA.

In view that the Proposed Disposal is expected to be completed by January 2025, Barakah is actively engaged in discussions with EXIM Bank regarding the reschedule of the balance instalment due on 31 October 2024 (as detailed in Section 3 of this Circular). Should the Proposed Disposal not materialised, EXIM Bank may exercise its mortgage over the KL101 Barge to take possession of the KL101 Barge and sell it in order to recover the debt and/or undertake legal proceedings to recover the debt from Barakah Group.

EXIM Bank had vide its letter dated 26 September 2024, indicated that subject to the bank's approving authority, EXIM Bank is supportive of a repayment of USD9,546,500 (net of transaction costs) to be repaid using proceeds from the Proposed Disposal and the balance USD1,453,500 to be settled via a repayment schedule to be determined. As at LPD, the Group is still in the midst of discussion with EXIM Bank regarding the rescheduling of the balance instalment.

Nevertheless, the Company will take reasonable steps to ensure that the conditions precedent that are within the Company's control will be met within the stipulated timeframe to ensure the successful completion of the Proposed Disposal and should there be any delay beyond the agreed time period, the Board shall negotiate with the Purchaser to mutually extend the relevant period prior to the expiry of the MOA.

6.2 Default/delay in payment by PT. WRA

In the event PT. WRA default on its payment obligations or delay in payment for the Disposal Consideration, it would result in the Proposed Disposal to be terminated and the Company will fail to benefit from the Proposed Disposal, resulting in an inability to realise the value of the idle KL101 Barge and utilise the proceeds for the partial repayment of its Settlement Sum as detailed in Section 3 of this Circular.

Nevertheless, pursuant to the MOA, should the Disposal Consideration not be paid or the deposit or the balance Disposal Consideration not be released in accordance with the MOA, Barakah Group has the right to cancel the MOA, in which case the deposit together with interest earned, if any, shall be released to Barakah Group. If the deposit does not cover the Group's loss, Barakah Group shall be entitled to claim further compensation for its losses and for all expenses incurred together with interest.

6.3 Opportunity cost

With the Proposed Disposal, the Group will only be disposing the KL101 Barge at the Disposal Consideration and will not be able to enjoy any economic benefit i.e. income to be generated from utilising the KL101 Barge for future projects, if any.

Nonetheless, the proceeds from the Proposed Disposal would be primarily utilised for the partial repayment of the Settlement Sum as set out in Section 3 of this Circular, and the Group will have lower expenses in the form of depreciation charge (RM3.54 million per annum) and maintenance costs (RM2.10 million per annum) upon completion of the Proposed Disposal, which are expected to strengthen the Group's financial position.

7. EFFECTS OF THE PROPOSED DISPOSAL

7.1 Issued share capital and substantial shareholders' shareholding

The Proposed Disposal will not have any effect on the issued share capital and substantial shareholders' shareholdings of the Company as the Proposed Disposal does not involve any issuance of new ordinary shares in Barakah.

7.2 NA, NA per share and gearing

The proforma effects of the Proposed Disposal on the NA, NA per share and gearing of the Group based on the audited consolidated financial statements of the Group as at 30 June 2024 is set out as follows:-

	Audited as at 30 June 2024	Subsequent event ^(a)	After the Proposed Disposal
	RM'000	RM'000	RM'000
Share capital	241,561	241,561	241,561
Merger deficit	(71,909)	(71,909)	(71,909)
Foreign exchange translation reserve	(10,443)	(10,443)	^(b) (9,647)
Accumulated losses	(133,331)	(134,475)	^(b) (127,273)
Shareholders' fund / NA	25,878	24,734	32,732
Non-controlling interest	1,467	1,467	1,467
Total equity	27,345	26,201	34,199
Number of shares in issue ('000)	1,002,943	1,002,943	1,002,943
NA per share (sen)	2.58	2.47	3.26
Total borrowings (RM'000)	51,915	51,915	^(c) -
Gearing ratio (times)	1.90	1.98	-

Notes:-

- (a) After taking into consideration the unwinding interest expenses in relation to the borrowings from EXIM Bank of USD0.26 million (equivalent to RM1.14 million based on the spot rate on the respective payment dates) from 1 July 2024 up to LPD.
- (b) After taking into consideration the following:-
- translation difference arose from the Proposed Disposal and reversal of the translation reserve in relation to the KL101 Barge;
 - gain on disposal of approximately RM8.31 million in relation to the Proposed Disposal (as detailed in Section 7.3 of this Circular);
 - tax expenses in relation to the gain on Proposed Disposal of RM0.22 million (as detailed in Section 7.3 of this Circular); and
 - estimated expenses for the Proposed Disposal of RM0.89 million.
- (c) Assuming settlement of the borrowings from EXIM Bank via the utilisation of proceeds from the Proposed Disposal and the Group's cash and bank balances. As at 30 June 2024, the borrowings from EXIM bank stood at USD11.00 million (approximately RM49.14 million) and Barakah Group has cash and cash equivalents of RM54.56 million.

7.3 Earnings and EPS

The proforma effects of the Proposed Disposal on the Group's earnings and EPS based on the latest audited consolidated financial statements of the Group for the FYE 30 June 2024 (assuming that the Proposed Disposal had been completed at the beginning of the financial year) is set out as follows:-

	<u>RM'000</u>	<u>RM'000</u>
PAT attributable to the owners of the Company for the FYE 30 June 2024		42,797
Gain on the Proposed Disposal:-		
Disposal Consideration	(a) 43,335	
Less: NBV of the KL101 Barge as at 30 June 2024	<u>(b) (35,025)</u>	
Gain on Proposed Disposal	8,310	
Less: Estimated expenses in relation to the Proposed Disposal	(885)	
Less: Tax expenses in relation to the gain on Proposed Disposal	(c) (223)	
Net gain on Proposed Disposal		<u>7,202</u>
Savings on finance cost		(d) (e) 2,542
Savings on maintenance cost		(e) 2,099
Savings on depreciation		(e) (f) 3,538
Proforma PAT		<u>58,178</u>
Number of shares in issue ('000)		1,002,943
EPS (sen)		5.80

Notes:-

- (a) Computed based on USD9.70 million at USD1 : RM4.4675 as at LPD.
- (b) Based on NBV of USD7.84 million recorded in KL101 Ltd's statement of financial position as at 30 June 2024 and translated at USD1: RM4.4675 as at LPD.
- (c) Tax arising from the gain on Proposed Disposal at a rate of 3%.
- (d) Assuming the interest expenses in relation to the borrowings from EXIM Bank for the FYE 30 June 2024 will not be incurred.
- (e) The savings are net of tax at a rate of 3%.
- (f) Assuming the KL101 Barge is not classified as a non-current asset held for sale.

8. APPROVALS REQUIRED AND INTER-CONDITIONALITY

The Proposed Disposal is subject to the following approvals being obtained:-

- (i) the shareholders of Barakah at an EGM to be convened; and
- (ii) any other relevant authority, if any.

The Proposed Disposal is not conditional upon any other corporate exercises/schemes or proposals undertaken or to be undertaken by Barakah.

9. PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Securities is 161.55% derived based on the Disposal Consideration of USD9.70 million (equivalent to approximately RM41.81 million based on the prevailing USD/RM exchange rate as at 15 October 2024, being the latest practicable date prior to the announcement of the Proposed Disposal) over the audited net assets of the Group of RM25.88 million as at 30 June 2024.

Accordingly, the Proposed Disposal is deemed as a “very substantial transaction” pursuant to Paragraph 10.02(n) of the Main Market Listing Requirements of Bursa Securities.

For information, the KL101 Barge had been idle since September 2019. As such, the Proposed Disposal will not result in a significant change in business direction or policy of Barakah Group. Upon completion of the Proposed Disposal, Barakah Group will continue its business as an offshore and onshore oil and gas support service provider for the oil and gas industry.

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the Directors, Major Shareholder and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Disposal.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered and deliberated on all aspects of the Proposed Disposal, including but not limited to the proposed utilisation of proceeds from the Proposed Disposal, the rationale and benefits of the Proposed Disposals and the effects of the Proposed Disposal, is of the opinion that the Proposed Disposal is in the best interest of the Company.

Accordingly, the Board recommends that shareholders vote in favour of the resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM.

12. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

As at LPD, save for the Proposed Disposal and as disclosed below, the Company does not have any outstanding proposals that have been announced but pending completion:

Regularisation plan

On 29 October 2024, Malacca Securities had on behalf of the Board made the requisite announcement pursuant to Paragraph 4.2 of PN17, which sets out the Company's proposed regularisation plan involving the following proposals:-

- (i) proposed capital reduction of approximately RM195.00 million to be carried out by the Company, pursuant to Section 116 of the Act to reduce the share capital of the Company;
- (ii) proposed share consolidation of 3 existing ordinary shares in Barakah ("**Barakah Shares**") into 1 consolidated Barakah Share;
- (iii) proposed shares issuance of up to 62,500,000 new Barakah Shares to Dato' Sri Nik Hamdan Bin Daud, the Executive Chairman and Major Shareholder of Barakah, representing approximately 15.75% of the total number of issued Shares after the proposed share consolidation and shares issuance, to raise total gross proceeds of RM7.50 million; and
- (iv) proposed establishment of an employees' shares scheme of up to 15% of the issued share capital of Barakah (excluding treasury shares, if any) at any point in time during the tenure of the scheme, for the eligible directors and employees of Barakah Group (excluding dormant subsidiaries).

On 30 October 2024, the Company had submitted the application in relation to the aforementioned regularisation plan to Bursa Securities.

On 15 November 2024, Malacca Securities had, on behalf of the Board announced that due to the emergence of new circumstances, including amongst others, the receipt of the Adjudication Sum of RM78.82 million and updates on the contracts being tendered, the Group will be required to review the proposals forming the proposed regularisation plan. As such, in the interim, the Company had on 15 November 2024 withdrawn its application in relation to the proposed regularisation plan from Bursa Securities, to re-formulate a regularisation plan.

Pursuant to the above, the Company had on 15 November 2024 submitted an application for an extension of time to Bursa Securities to submit a regularisation plan to the relevant authorities. As at LPD, the extension of time application is still pending Bursa Securities' decision.

Kindly refer to the Company's announcements dated 29 October 2024, 30 October 2024 and 15 November 2024 for further details in relation to the aforementioned proposed regularisation plan.

For clarification, the Proposed Disposal does not form part of the Group's regularisation plan to regularise its PN17 status.

13. TENTATIVE TIMELINE

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Disposal is expected to be completed by the 1st quarter of calendar year 2025. The tentative timeline for the implementation of the Proposed Disposal is as follows:

Tentative timeline	Events
18 December 2024	- EGM for the Proposed Disposal
End January 2025	- Fulfilment of the conditions precedent of the MOA - Completion of Proposed Disposal - Partial repayment of Settlement Sum

14. EGM

The EGM, the notice of which is enclosed in this Circular, will be conducted on a fully virtual basis through live streaming from the broadcast venue at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, on Wednesday, 18 December 2024 at 10.30 a.m., or at any adjournment thereof, via the Remote Participation and Electronic Voting Facilities provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online website at <https://web.vote2u.my>, for the purpose of considering and if thought fit, passing the resolution to give effect to the Proposed Disposal. The resolution pertaining to the Proposed Disposal is set out in the Notice of EGM which is enclosed with this Circular.

If you are unable to attend and vote remotely at the EGM, you may appoint a proxy to attend and vote on your behalf by completing, signing and returning the enclosed Form of Proxy the instructions contained therein, to be deposited at the office of Barakah Offshore Petroleum Berhad, at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia. The lodging of the Form of Proxy shall not preclude you from attending, participating and voting remotely at the EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be revoked accordingly.

15. FURTHER INFORMATION

You are advised to refer to the appendices of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
BARAKAH OFFSHORE PETROLEUM BERHAD

DATO' SRI NIK HAMDAN BIN DAUD
Executive Chairman

APPENDIX I – SALIENT TERMS OF THE MOA

The salient terms of the MOA are as follows:-

- Seller : KL101 Ltd
- Buyer : PT. WRA
- Vessel : KL101 Barge
- Deposit holder : Hill Dickinson, Singapore (“**Deposit Holder**”)
- Purchase price : USD9,700,000
- Condition : The Proposed Disposal is subject to the approvals from the Board of Directors and shareholders of KL101 Ltd
- Deposit : (i) As security for the correct fulfilment of the MOA, PT. WRA shall lodge a deposit of 10% of the Disposal Consideration (“**Deposit**”) in an interest bearing escrow account for the parties with the Deposit Holder within 3 banking days after the date that:
- (a) the MOA is signed by the parties and exchanged in original or by email; and
 - (b) KL101 Ltd’s Board of Directors and KL101 Ltd’s shareholders have approved the sale of the KL101 Barge to PT. WRA under the MOA and confirmed this approval to PT. WRA by email; and
 - (c) the Deposit Holder has confirmed in writing to the parties that the account has been opened and is ready to receive funds.
- (ii) The Deposit shall be released in accordance with joint written instructions of the parties. Interest, if any, shall be credited to PT. WRA. Any fee charged for holding and releasing the Deposit shall be borne equally by the parties. The parties shall provide to the Deposit Holder all necessary documentation to open and maintain the account without delay.

- Payment : (i) PT. WRA shall, no later than 2 banking days prior to the Expected Delivery Date (as defined herein), lodge an amount sufficient to cover the balance of the Disposal Consideration and all other sums payable by PT. WRA to KL101 Ltd under the MOA in escrow to the Deposit Holder.
- “*Expected Delivery Date*” means the date on which KL101 Ltd intends to tender notice of readiness (“**NOR**”) as confirmed in the 10 banking days approximate notice given by KL101 Ltd in accordance with the MOA.
- (ii) On delivery of the KL101 Barge, but not later than 3 banking days after the date that NOR has been given in accordance with the MOA (time and place of delivery and notices):
- (a) the Deposit shall be released to KL101 Ltd; and
- (b) the balance of the Disposal Consideration and all other sums payable on delivery by PT. WRA to KL101 Ltd under the MOA shall be released in full, free of bank charges to KL101 Ltd’s account.
- Time and place of delivery and notices : (i) The KL101 Barge shall be delivered by KL101 Ltd and accepted by PT. WRA on an “as is where is” basis and shall be taken over safely afloat ready to be towed and anchored up at a safe and accessible berth or anchorage at/in Malaysia in KL101 Ltd’s option. KL101 Ltd will use reasonable endeavour to confirm the intended delivery place when they serve the 10 banking days’ approximate notice in accordance with the MOA.
- NOR shall not be tendered before: 31 October 2024.
- Cancelling date: 31 January 2025 * (“**Cancelling Date**”).
- * The Vendor and the Purchaser had on 29 November 2024, entered into an addendum to the MOA to extend the cancelling date from 31 December 2024 to 31 January 2025.
- (ii) KL101 Ltd shall keep PT. WRA well informed of the KL101 Barge’s itinerary and shall provide PT. WRA with 10 banking days, 5 and 3 days’ approximate notice of the date KL101 Ltd intend to tender the NOR and of the intended place of delivery. KL101 Ltd shall not issue the 10 days approximate notice until the Deposit Holder has confirmed receipt of the Deposit amount.
- When the KL101 Barge is at the place of delivery and physically ready for delivery in accordance with the MOA, KL101 Ltd shall give PT. WRA a written NOR for delivery and PT. WRA shall take delivery of the KL101 Barge within 3 banking days of the date of such NOR for delivery.

- (iii) If KL101 Ltd anticipates that, notwithstanding the exercise of due diligence by them, the KL101 Barge will not be ready for delivery by the Cancelling Date they may notify PT. WRA in writing stating the date when they anticipate that the KL101 Barge will be ready for delivery and proposing a new Cancelling Date. Upon receipt of such notification, PT. WRA shall have the option of either cancelling the MOA in accordance with the MOA within 24 hours of receipt of the notice or of accepting the new date as the new Cancelling Date. If PT. WRA have not declared their option within 24 hours of receipt of KL101 Ltd's notification or if PT. WRA accept the new date, the date proposed in KL101 Ltd's notification shall be deemed to be the new Cancelling Date and shall be substituted for the Cancelling Date stipulated in the MOA. If the MOA is maintained with the new Cancelling Date proposed by KL101 Ltd's notification, all other terms and conditions of the MOA including those contained herein shall remain unaltered and in full force and effect.
- (iv) Cancellation, failure to cancel or acceptance of the new Cancelling Date shall be entirely without prejudice to any claim for damages PT. WRA may have under the MOA for the KL101 Barge not being ready by the original Cancelling Date.
- (v) Should the KL101 Barge become an actual, constructive or compromised total loss before delivery, the Deposit, shall be released immediately to PT. WRA whereafter the MOA shall be null and void.

Documentation

: The place of closing: virtual closing meeting or at a place to be mutually agreed by the parties:

- (i) In exchange for payment of the Disposal Consideration, KL101 Ltd shall provide PT. WRA with delivery documents (as it is and subject to the availability of each document) as reasonably required by the competent authorities of PT. WRA's nominated flag State for the purpose of registering the KL101 Barge and necessary documentation for legal transfer of ownership to PT. WRA including the certificates for the KL101 Barge's registration which are to be mutually agreed and incorporated in an addendum to the MOA ("**Addendum**") promptly but not later than 3 days after the MOA has been signed and exchanged by both parties but the agreement for such documentation is not to delay the agreement for the main terms, the signing of the MOA, or the lodging of the Deposit. In any case failure to agree documentation shall not be a reason to invalidate the MOA.
- (ii) If any of the documents listed in the Addendum are not in the English language, they shall be accompanied by an English translation by an authorised translator or certified by a lawyer qualified to practice in the country of the translated language.

- (iii) The parties shall to the extent possible exchange copies, drafts or samples of the documents listed in the MOA for review and comment by the other party not later than the number of days stated in the Addendum, or if left blank, 9 days prior to the KL101 Barge's intended date of readiness for delivery as notified by KL101 Ltd pursuant to the MOA.
- (iv) Concurrent with the exchange of documents in the Addendum, KL101 Ltd shall also hand to PT. WRA the classification certificate(s) as well as all plans, drawings and manuals, (excluding international safety management code (ISM)/ international ship and port facility security code (ISPS) manuals), which are on board the KL101 Barge. Other certificates which are on board the KL101 Barge shall also be handed over to PT. WRA unless KL101 Ltd is required to retain same, in which case PT. WRA has the right to take copies.
- (v) Other technical documentation which may be in the KL101 Ltd's possession shall promptly after delivery be forwarded to PT. WRA's at PT. WRA's expense, if they so request. KL101 Ltd may keep the KL101 Barge's log books but PT. WRA has the right to take copies of same.
- (vi) The parties shall sign and deliver to each other a protocol of delivery and acceptance confirming the date and time of delivery of the KL101 Barge from KL101 Ltd to PT. WRA.

Encumbrances : KL101 Ltd warrants that the KL101 Barge, at the time of delivery, is free from all charters, encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject to Port State or other administrative detentions. KL101 Ltd hereby undertakes to indemnify PT. WRA against all consequences of claims made against the KL101 Barge which have been incurred prior to the time of delivery.

Tax, fees and expenses : Any taxes, fees and expenses in connection with (1) the purchase and registration in PT. WRA's Nominated Flag State; and (2) bunkers, lubricating oils and greases taken over in accordance the MOA shall be for PT. WRA's account, whereas similar charges in connection with the closing of KL101 Ltd's register shall be for KL101 Ltd's account.

Condition of delivery : The KL101 Barge with everything belonging to the KL101 Barge shall be at KL101 Ltd's risk and expense until it is delivered to PT. WRA, but subject to the terms and conditions of the MOA and KL101 Barge shall be delivered and taken over as it is, where the KL101 Barge is.

However, the KL101 Barge shall be delivered free of cargo and free of stowaways. The KL101 Barge shall be transferred on an "as is where is" in whatever condition it may be at the time of delivery to PT. WRA, and there shall not be any surviving representation or warranty, express or implied, as to the KL101 Barge's physical condition, equipment, seaworthiness or fitness for any purpose. The title of the KL101 Barge shall be transferred when the protocol of delivery and acceptance is signed, dated and timed by KL101 Ltd and PT. WRA.

Purchaser's default : Should the Deposit not be lodged in accordance with the MOA (on Deposit), KL101 Ltd has the right to cancel the MOA, and they shall be entitled to claim compensation for their losses and for all expenses incurred together with interest.

Should the Disposal Consideration not be paid or the Deposit or the balance Disposal Consideration not be released in accordance with the MOA, KL101 Ltd has the right to cancel the MOA, in which case the Deposit together with interest earned, if any, shall be released to KL101 Ltd. If the Deposit does not cover their loss, KL101 Ltd shall be entitled to claim further compensation for their losses and for all expenses incurred together with interest.

Vendor's default : Should KL101 Ltd fail to give the NOR in accordance with the MOA or fail to be ready to validly complete a legal transfer by the Cancelling Date (unless such failure is caused by PT. WRA's default), PT. WRA shall have the option of cancelling the MOA. If after NOR has been given but before PT. WRA has taken delivery, the KL101 Barge ceases to be physically ready for delivery and is not made physically ready again by the Cancelling Date and new NOR given, PT. WRA shall retain their option to cancel. In the event that PT. WRA elects to cancel the MOA, the Deposit shall be released to them immediately.

Should KL101 Ltd fail to give NOR by the Cancelling Date or fail to be ready to validly complete a legal transfer in accordance with the MOA (unless such failure is caused by PT. WRA's default) KL101 Ltd shall make due compensation to PT. WRA for their loss and for all expenses together with interest if their failure is due to proven negligence and whether or not PT. WRA cancel the MOA.

Law and arbitration : The MOA shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with the MOA shall be referred to arbitration in Singapore in accordance with the Arbitration Act 1994 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of the clause of "law and arbitration" of the MOA.

The arbitration shall be conducted in accordance with the Singapore Chamber of Maritime Arbitration ("**SCMA**") Terms current at the time when the arbitration proceedings are commenced.

The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 days specified.

If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if the sole arbitrator had been appointed by agreement. In cases where neither the claim nor any counterclaim exceeds the sum of USD100,000 the arbitration shall be conducted in accordance with the SCMA small claims procedure current at the time when the arbitration proceedings are commenced.

Sanction clauses

: PT. WRA and KL101 Ltd each warrant and undertake to each other that they are not (nor are they owned or controlled by) a person or entity on the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury's list of Specially Designated Nationals and Blocked Persons nor are they listed on the consolidated list of financial sanctions and targets in the United Kingdom or in any other ways otherwise subject to the United States of America, United Kingdom, the European Union or the United Nations sanctions. PT. WRA and KL101 Ltd each additionally warrant and undertake to each other that they are not (nor are they owned or controlled by) a person or entity constituted or organised in (nor are residents or located in) a country by virtue of which the other party might be exposed to penalties arising under the United States of America, United Kingdom, the European Union or the United Nations sanctions regimes.

PT. WRA warrants and undertakes to KL101 Ltd that PT. WRA is purchasing the KL101 Barge as principals and not as agent, trustee or nominee with whom transactions are prohibited or restricted or sanctioned as aforesaid. KL101 Ltd warrants and undertakes to PT. WRA that KL101 Ltd is selling the KL101 Barge as principals and not as agent, trustee or nominee of any person with whom transactions are prohibited or restricted or sanctioned as aforesaid. Should it become apparent that this clause has been breached by PT. WRA, KL101 Ltd shall have the right to immediately cancel the MOA and to exercise all the remedies under the MOA (and vice versa for the Vendor's breach hereof and to exercise all the remedies under the MOA).



26 November 2024

BARAKAH OFFSHORE PETROLEUM BERHAD

Level 5, Tower 8,
Avenue 5, Horizon 2,
Bangsar South City,
59200 Kuala Lumpur.

To: Board of Directors

Dear Sir/Madam,

**BARAKAH OFFSHORE PETROLEUM BERHAD (“BARAKAH” OR THE “COMPANY”)
REPORT ON THE COMPILATION OF THE PRO FORMA CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION OF BARAKAH FOR INCLUSION IN THE CIRCULAR TO SHAREHOLDERS
OF BARAKAH**

We have completed our assurance engagement to report on the compilation of pro forma consolidated statements of financial position of Barakah and its subsidiaries (“the **Group**”) as at 30 June 2024, together with the accompanying notes thereto. The pro forma consolidated statements of financial position of Barakah (“**Pro Forma**”) as set out in Appendix A of this Report (which we have stamped for the purpose of identification), have been compiled by the Board of Directors of Barakah (the “**Board**”) for the inclusion in the circular to shareholders of Barakah (“**Circular**”) solely to illustrate the impact of the proposed disposal of Kota Laksamana 101 Barge (“**KL101 Barge**” or the “**Barge**”) by Kota Laksamana 101 Ltd, an indirect wholly-owned subsidiary of Barakah (“**KL101 Ltd**” or the “**Vendor**”) to PT. Wintermar Rajawali Asia (“**PT. WRA**” or the “**Purchaser**”) for a cash consideration of USD9.70 million (“**Proposed Disposal**”).

The applicable criteria on the basis of which the Board has compiled the Pro Forma is described in Note 2 to 4 of Appendix A.

The Pro Forma has been compiled by the Board to illustrate the impact of the Proposed Disposal, as set out in Note 2 to 4 of Appendix A, on the financial position of Barakah as at 30 June 2024.

As part of this process, information about the financial position of the Group has been extracted by the Board from the audited consolidated financial statements of the Group for the financial year ended 30 June 2024, on which the audited report was dated 23 October 2024.

Directors’ responsibilities for the Pro Forma

The Board is solely responsible for compiling the Pro Forma on the basis set out in Note 2 to 4 of Appendix A.

Reporting Accountants’ Independence and Quality Control

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 Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (“**IESBA Code**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

www.hlblerlumchew.com

A-23-1, Level 23, Hampshire Place Office, 157 Hampshire, No. 1 Jalan Mayang Sari, Off Jalan Tun Razak, 50450 Kuala Lumpur, Malaysia.

TEL: +603 7890 5588 **EMAIL:** general@hlblerlumchew.com

HLB Ler Lum Chew PLT (201906002362 & AF 0276) is an independent member of HLB International, the global advisory and accounting network.



BARAKAH OFFSHORE PETROLEUM BERHAD – (Continued)

Registration No.: 201201007022 (980542-H)

Reporting Accountants' Independence and Quality Management (Continued)

The Firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to 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.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion on whether the Pro Forma has been compiled, in all material respects, by the Board on the basis set out in Note 2 to 4 of Appendix A.

We conducted our engagement in accordance with 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 International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires us to plan and perform procedures to obtain reasonable assurance about whether the Board has compiled, in all material respects, the Pro Forma on the basis set out in Note 2 to 4 of Appendix A.

For 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, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issues.

The purpose of the Pro Forma included in the Circular is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the entity as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Further, such information may not reflect the actual or predict the Group's future financial position. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma 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 Board in the compilation of the Pro Forma provides a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- (a) The Pro Forma of the Group has been properly prepared on the basis and assumptions set out in the accompanying notes to the Pro Forma, based on the audited financial statements of the Group for the financial year ended 30 June 2024, and in a manner consistent with both the format of the financial statements and the accounting policies adopted by the Group in the preparation of its audited financial statements for the financial year ended 30 June 2024; and
- (b) Each material adjustment made to the information used in the preparation of the Pro Forma is appropriate for the purpose of preparing the Pro Forma.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the Pro Forma has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro Forma.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



BARAKAH OFFSHORE PETROLEUM BERHAD – (Continued)
Registration No.: 201201007022 (980542-H)


Opinion

In our opinion,

- (a) the Pro Forma of the Group has been properly prepared on the basis and assumptions set out in the accompanying notes to the Pro Forma, based on the audited financial statements of the Group for the financial year ended 30 June 2024 and in a manner consistent with both the format of the financial statements and the accounting policies adopted by the Group in the preparation of its audited financial statements for the financial year ended 30 June 2024; and
- (b) each material adjustment made to the information used in the preparation of the Pro Forma of the Group is appropriate for the purposes of preparing the Pro Forma.

Other Matters

This Report is issued solely for the purpose of inclusion in the Circular in relation to the Proposed Disposal. As such, this Report should not be reproduced, referred to in any other document or used for any other purpose without our prior written consent. Neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any party in respect of this Report contrary to the aforesaid purpose.


HLB LER LUM CHEW PLT
201906002362 & AF0276
CHARTERED ACCOUNTANTS

BARAKAH OFFSHORE PETROLEUM BERHAD (“Barakah” or the “Company”)
Registration No.: 201201007022 (980542-H)

NOTES TO PRO FORMA AS AT 30 JUNE 2024

1. Basis of preparation

The Pro Forma of the Group has been prepared for illustrative purposes only for the inclusion in the Circular of the Group in connection with Proposed Disposal. The Pro Forma has been compiled on the basis stated using financial statements prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and in a manner consistent with both the format of the financial statements and the accounting policies of the Group.

The Proposed Disposal is not necessarily indicative of the financial position that would have been attained had the Proposals actually occurred on that date. Accordingly, such information, because of its nature, may not be reflective of the actual financial position of the Group and does not purport to predict the future financial position of the Group.

2. Details of the Proposed Disposal

The Proposed Disposal entails the disposal of the KL101 Barge at a cash consideration of USD9.70 million (equivalent to approximately RM43.33 million based on the exchange rate of USD1.00 : RM4.4675 as at 20 November 2024, being the latest practicable date prior to the submission of the draft Circular to Bursa Malaysia Securities Berhad (“LPD”)) (“Disposal Consideration”) to PT. Wintermar Rajawali Asia (“PT. WRA”), subject to the terms and conditions of the conditional memorandum of agreement entered into between the Vendor and Purchaser on 28 October 2024.

3. Utilisation of Proceeds

The Disposal Consideration is intended to be utilised solely for the partial repayment of the amount owing to Export-Import Bank of Malaysia Berhad (“EXIM Bank”) and estimated expenses related to the Proposed Disposal within 1 month from the receipt of the proceeds.

The difference between the net Disposal Consideration of USD9.55 million (net transaction cost) and last instalment to EXIM Bank of USD11.00 million amounts to USD1.45 million (equivalent to approximately RM6.48 million) is expected to be settled using the Group’s existing cash and bank balances.

Details of amount owing to EXIM Bank

KL101 Ltd received an Islamic financing facility for a maximum aggregate sum of USD59.00 million from EXIM Bank, with Barakah and PBJV Group Sdn Bhd, a direct wholly-owned subsidiary of Barakah (“PBJV”) as corporate guarantors.

Barakah had on 5 April 2021 held a creditors’ court convened meeting pursuant to Section 366 of the Companies Act, 2016 (“Act”) for its debt settlement scheme which was approved by the creditors on even date. On 30 August 2021, Barakah Group completed the debt settlement scheme with EXIM Bank.

As part of the debt settlement scheme, EXIM Bank agreed to a settlement of PBJV’s outstanding debt of RM38,410,874.00 (USD9,385,674.77) and waived the sum of RM95,498,450.00 (USD23,334,990.84) in the settlement.



BARAKAH OFFSHORE PETROLEUM BERHAD (“Barakah” or the “Company”)

Registration No.: 201201007022 (980542-H)

NOTES TO PRO FORMA AS AT 30 JUNE 2024

3. Utilisation of Proceeds (Continued)

Details of amount owing to EXIM Bank (continued)

In relation to the remaining debt, on 26 July 2021, Barakah, KL101 Ltd and EXIM Bank had entered into a settlement agreement whereby KL101 Ltd and/or Barakah shall pay or cause to be paid the settlement sum of USD12,650,000.00 to EXIM Bank by way of trimonthly instalments starting from 30 July 2021 until 30 April 2024 in the following manner:

- (i) payment of USD137,500.00 for the first eleven instalments; and
- (ii) payment of USD11,137,500.00 for the last instalment.

On 26 March 2024, Barakah had announced that EXIM Bank had through its letters dated 13 March 2024 and 25 March 2024, agreed to grant an extension of time until 31 October 2024 for the purpose of payment of the settlement sum by the Company and/or KL101 Ltd in the following manner:

- (i) Barakah and/or KL101 Ltd shall pay a partial settlement sum of USD137,500 to EXIM Bank on/before 30 April 2024; and
- (ii) A total sum of USD11,385,000 (including profits at the rate of 7.0% per annum on monthly basis for the sum of USD11,000,000) being the new balance of settlement sum shall be paid to EXIM Bank on/before 31 October 2024, as scheduled and particularised as follows:

New payment instalment number	Due date for monthly payments	Payment amount (USD)
1	31 May 2024	64,166.67
2	30 June 2024	64,166.67
3	31 July 2024	64,166.67
4	31 August 2024	64,166.67
5	30 September 2024	64,166.67
6	31 October 2024	11,064,166.65
		11,385,000.00

(collectively referred to as the “Settlement Sum”).

As at LPD, the Group had made a total payment of USD0.39 million (equivalent to approximately RM1.74 million) to EXIM Bank and with the balance of Settlement Sum of USD11.00 million as at LPD (equivalent to approximately RM49.14 million). EXIM Bank had vide its letter dated 26 September 2024, indicated that subject to the bank’s approving authority, EXIM Bank is supportive of a repayment of USD9,546,500 (net of transaction costs) to be repaid using proceeds from the Proposed Disposal and the balance USD1,453,500 to be settled via a repayment schedule (including any interest) to be determined.



APPENDIX II – REPORT ON THE COMPILATION OF THE PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF BARAKAH FOR THE FYE 30 JUNE 2024 (CONT'D)

Appendix A

BARAKAH OFFSHORE PETROLEUM BERHAD (“Barakah” or the “Company”)
Registration No.: 201201007022 (980542-H)

NOTES TO PRO FORMA AS AT 30 JUNE 2024

4. The Pro Forma

	As at 30 June 2024 RM'000	After adjustment for subsequent event RM'000	(ii) After (i) and the Proposed Disposal RM'000
Non-Current Assets			
Property, plant and equipment	2,374	2,374	2,374
Right-of-use assets	916	916	916
Deferred tax assets	593	593	593
	<u>3,883</u>	<u>3,883</u>	<u>3,883</u>
Current Assets			
Trade receivables	16,334	16,334	16,334
Contract assets	20,761	20,761	20,761
Other receivables	6,674	6,674	6,674
Tax recoverable	1,948	1,948	1,948
Cash and cash equivalents	54,558	53,414	46,721
	<u>100,275</u>	<u>99,131</u>	<u>92,438</u>
Non-current asset held for sale	37,001	37,001	-
	<u>137,276</u>	<u>136,132</u>	<u>92,438</u>
TOTAL ASSETS	<u>141,159</u>	<u>140,015</u>	<u>96,321</u>
Equity			
Share capital	241,561	241,561	241,561
Merger deficit	(71,909)	(71,909)	(71,909)
Translation reserve	(10,443)	(10,443)	(9,647)
Accumulated losses	(133,331)	(134,475)	(127,273)
Equity attributable to owners of the Company	<u>25,878</u>	<u>24,734</u>	<u>32,732</u>
Non-controlling interests	1,467	1,467	1,467
TOTAL EQUITY	<u>27,345</u>	<u>26,201</u>	<u>34,199</u>



APPENDIX II – REPORT ON THE COMPILATION OF THE PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF BARAKAH FOR THE FYE 30 JUNE 2024 (CONT'D)

Appendix A

BARAKAH OFFSHORE PETROLEUM BERHAD (“Barakah” or the “Company”)
Registration No.: 201201007022 (980542-H)

NOTES TO PRO FORMA AS AT 30 JUNE 2024

4. The Pro Forma (Continued)

	As at 30 June 2024 RM'000	(i) After adjustment for subsequent event RM'000	(ii) After (i) and the Proposed Disposal RM'000
Non-Current Liabilities			
Lease liabilities	219	219	219
Current Liabilities			
Trade payables	25,732	25,732	25,732
Other payables	15,192	15,192	15,192
Contract liabilities	20,031	20,031	20,031
Borrowings	51,915	51,915	-
Lease liabilities	725	725	725
Tax payable	-	-	223
TOTAL LIABILITIES	113,595	113,595	61,903
TOTAL LIABILITIES AND EQUITY	113,814	113,814	62,122
	141,159	140,015	96,321
No. of shares in issued ('000)	1,002,943	1,002,943	1,002,943
NA per share (sen)	2.58	2.47	3.26
Total borrowings	51,915	51,915	-
Gearing ratio (times) ^	1.90	1.98	-

^ Computed based on the total interest-bearing debt over total equity as at the end of the financial year.



BARAKAH OFFSHORE PETROLEUM BERHAD (“Barakah” or the “Company”)
Registration No.: 201201007022 (980542-H)

NOTES TO PRO FORMA AS AT 30 JUNE 2024

4. The Pro Forma (Continued)

The Pro Forma should be read in conjunction with the notes below:

(i) Subsequent event

The Group made total payment for interest expenses in relation to the borrowings from EXIM Bank of USD0.26 million (equivalent to RM1.14 million based on the spot rate on the respective payment dates) from 1 July 2024 up to LPD.

(ii) Completion of Proposed Disposal and repayment of amount owing to EXIM Bank

(a) The net book value of KL101 Barge stood at USD7.84 million (equivalent to RM35.03 million based on the exchange rate of USD1: RM4.4675 as at LPD).

(b) The estimated expenses for the Proposed Disposal amounting to RM0.88 million, of which approximately RM0.68 million is expected to be paid via the Disposal Consideration and the remaining RM0.20 million is expected to be paid by the Group via its cash and bank balances.

(c) The gain on Proposed Disposal of RM7.20 million computed based on the Disposal Consideration of USD9.70 million (equivalent to approximately RM43.33 million based on the exchange rate of USD1.00 : RM4.4675 as at LPD) minus the estimated expenses for the Proposed Disposal (as above).

(d) Tax expense arising from gain on Proposed Disposal at a rate of 3% amounting to RM0.22 million will result in tax payable of RM0.22 million.

(e) It is assumed that the difference between the net Disposal Consideration of USD9.55 million (net transaction cost) and outstanding Settlement Sum owed to EXIM Bank of USD11.00 million amounts to USD1.45 million (equivalent to approximately RM6.48 million) is to be paid by the Group via its cash and bank balances.



APPENDIX II – REPORT ON THE COMPILATION OF THE PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF BARAKAH FOR THE FYE 30 JUNE 2024 (CONT'D)

Appendix A

BARAKAH OFFSHORE PETROLEUM BERHAD (“Barakah” or the “Company”)
Registration No.: 201201007022 (980542-H)

NOTES TO PRO FORMA AS AT 30 JUNE 2024

4. The Pro Forma (Continued)

The effects of the subsequent event, Proposed Disposal and settlement of amount owing to EXIM Bank are as follows:

	Increase/(Decrease)	
	Assets	Liability/ Equity
	RM'000	RM'000
Cash and cash equivalents		
• Subsequent event	(1,144)	-
• Defrayment of estimated expenses for the Proposed Disposal	(199)	
• Settlement of amount owing to EXIM Bank	(6,494)	-
Non-current asset held for sale	(37,001)	-
Borrowings	-	(51,915)
Tax payable	-	223
Translation reserve	-	796
(Accumulated losses)/Retained earnings		
• Subsequent event	-	(1,144)
• Proposed Disposal	-	7,202
	<u>(44,838)</u>	<u>(44,838)</u>

5. Effects of the Pro Forma

5.1. Movement in Cash and Cash Equivalents

	RM'000
As at 30 June 2024	54,558
• Subsequent event	(1,144)
• Defrayment of estimated expenses for the Proposed Disposal	(199)
• Settlement of amount owing to EXIM Bank	(6,494)
	<u>46,721</u>

5.2. Movement in Equity

	Share Capital RM'000	Translation Reserve RM'000	Accumulated Losses RM'000
As at 30 June 2024	241,561	(10,443)	(133,331)
• Subsequent event	-	-	(1,144)
• Proposed Disposal and settlement of amount owing to EXIM Bank	-	796	7,202
	<u>241,561</u>	<u>(9,647)</u>	<u>(127,273)</u>



1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there is no false or misleading statement or other facts the omission of which would make any information in this Circular false or misleading.

2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST

Malacca Securities, being the Principal Adviser for the Proposed Disposal, has given and has not subsequently withdrawn its written consent for the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Malacca Securities has given its written confirmation that there is no conflict of interest which exists or is likely to exist in its capacity as the Principal Adviser in respect of the Proposed Disposal.

3. MATERIAL LITIGATION

As at LPD, there are no material litigations, claims or arbitrations involving the KL101 Barge and the Board is not aware of any proceedings pending or threatened in relation to the KL101 Barge, or of any fact likely to give rise to any proceeding which may have material impact on Barakah Group.

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**4.1 Material commitments**

Save for the Settlement Sum, there are no material commitment incurred or known to be incurred by the Group which upon becoming due or enforceable, may have a material impact on the financial position or business of the Barakah Group as at LPD.

4.2 Contingent liabilities

As at LPD, save as disclosed below, there are no contingent liabilities incurred or known to be incurred by the Group, which upon becoming due or enforceable, may have a material impact on the financial position or business of the Group:

	<u>RM'000</u>
Bank guarantees extended to clients	3,303

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's registered office at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia, during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:-

- (i) Constitution of the Company;
- (ii) the audited consolidated financial statements of Barakah Group for the FYE 30 June 2023 and FYE 30 June 2024 and latest unaudited consolidated financial statements of Barakah Group for the 3-month FPE 30 September 2024;
- (iii) the MOA (including the addendum to the MOA dated 29 November 2024);
- (iv) the report on the compilation of the proforma consolidated statement of financial position of Barakah for the FYE 30 June 2024 referred to in Appendix II of this Circular; and
- (v) the letter of consent and declaration of conflict of interest referred to in Section 2 of this Appendix III.



BARAKAH OFFSHORE PETROLEUM BERHAD
Registration No.: 201201007022 (980542-H)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“**EGM**”) of Barakah Offshore Petroleum Berhad (“**Barakah**” or the “**Company**”) will be conducted on a fully virtual basis through live streaming from the broadcast venue at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan (“**Broadcast Venue**”), on Wednesday, 18 December 2024, at 10.30 a.m., or at any adjournment thereof, via the Remote Participation and Electronic Voting Facilities provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online website at <https://web.vote2u.my>, for the purpose of considering and if thought fit, passing the resolution as set out in this notice:

ORDINARY RESOLUTION

PROPOSED DISPOSAL OF KOTA LAKSAMANA 101 BARGE (“KL101 BARGE”) TO PT. WINTERMAR RAJAWALI ASIA (“PT. WRA”) FOR A CASH CONSIDERATION OF USD9.70 MILLION (“PROPOSED DISPOSAL”)

“**THAT** subject to the approvals of all relevant parties and/or authorities being obtained (where required), approval be and is hereby given to Barakah and its group of companies to dispose the KL101 Barge to PT. WRA for a cash consideration of USD9.70 million (excluding any ancillary expenses incurred for the Proposed Disposal), in accordance with the terms and conditions of the conditional memorandum of agreement dated 28 October 2024 and the addendum to the memorandum of agreement dated 29 November 2024, entered into between Kota Laksamana 101 Ltd, an indirect wholly-owned subsidiary of the Company, and PT. WRA in relation to the Proposed Disposal;

THAT the Board of Directors of the Company (“**Board**”) be and is hereby authorised to utilise the proceeds arising from the Proposed Disposal for the purposes as set out in Section 3 of the circular to shareholders in relation to the Proposed Disposal dated 3 December 2024 (“**Circular**”), and the Board be and is hereby authorised with full powers to vary the manner and/or purposes of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient in the best interest of the Company;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and such things and to execute, enter into, sign and deliver on behalf of the Company, all such documents and/or agreements as the Board may deem necessary and/or expedient and/or appropriate to implement and give full effect to complete the Proposed Disposal including without limitation, with full power to assent to any conditions, modifications, variations and/or amendments as the Board in their absolute discretion may deem fit or expedient or appropriate in order to carry out, finalise and give full effect to the Proposed Disposal in the best interests of the Company.”

BY ORDER OF THE BOARD

WONG MEE KIAT (MAICSA 7058813) (SSM PC No. 202008001958)

LIM LI HEONG (MAICSA 7054716) (SSM PC No. 202008001981)

Company Secretaries

3 December 2024

Notes:-

1. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Members **WILL NOT BE ALLOWED** to attend the EGM in person at the Broadcast Venue on the day of the meeting.

Members are to attend, participate, speak (via posing questions to the Board via real time submission of typed texts) and vote remotely at the EGM via the Remote Participation and Voting facilities (“**RPV**”) provided by Agmo Digital Solutions Sdn. Bhd. via its Vote2U Online website at <https://web.vote2u.my>. Please follow the Procedures for RPV in the Administrative Guide for the EGM.

2. A member entitled to attend, participate, speak and vote at the EGM of the Company may appoint not more than 2 proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. Where a member appoints 2 proxies to attend at the same meeting, the member shall specify the proportion of the member’s shareholdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”) as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints 2 or more proxies, the said nominee shall specify the proportion of its shareholdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of the appointor’s attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
5. The appointment of a proxy may be made in hard copy form in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:

In hard copy form

In the case of an appointment made in hard copy form, the form of proxy must be deposited at the office of Barakah Offshore Petroleum Berhad, at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 12 December 2024 and only Members whose names appear on such Record of Depositors shall be entitled to attend, participate, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this Notice will be put to vote by way of poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM



BARAKAH OFFSHORE PETROLEUM BERHAD 201201007022 (980542-H)
(Incorporated in Malaysia)

CDS account no. of authorised nominee	No. of Shares held

I/We, _____ IC No./ID No./Company No. _____

of _____

being a member of BARAKAH OFFSHORE PETROLEUM BERHAD hereby appoint _____

IC No./ID No. _____ of _____

with email address of. _____

or failing him/her, _____ IC No./ID No. _____

of _____

with email address of. _____

or failing him/her, *the Chairman of the Meeting as my/our proxy to vote and act for me/us, and on my/our behalf at the Extraordinary General Meeting of the Company to be conducted virtually at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, on Wednesday, 18 December 2024 at 10.30 a.m., or at any adjournment thereof, via the Remote Participation and Electronic Voting Facilities provided by Agmo Digital Solutions Sdn Bhd via its Vote2U Online website at <https://web.vote2u.my>.

* Please delete the words "the Chairman of the Meeting" if you wish to appoint some other person to be your proxy.

My/our proxy is to vote as indicated below:

Resolution

Ordinary Resolution	Proposed Disposal	For	Against

Please indicate with an "X" in the spaces provided, how you wish your votes to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	Percentage
Signature/Common Seal _____	Proxy 1 _____ %
	Proxy 2 _____ %
Date: _____	Total 100%

Notes:-

- The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Members **WILL NOT BE ALLOWED** to attend the Extraordinary General Meeting ("EGM") in person at the Broadcast Venue on the day of the meeting.

Members are to attend, participate, speak (via posing questions to the Board via real time submission of typed texts) and vote remotely at the EGM via the Remote Participation and Voting facilities ("RPV") provided by Agmo Digital Solutions Sdn. Bhd. via its Vote2U Online website at <https://web.vote2u.my>. Please follow the Procedures for RPV in the Administrative Guide for the EGM.

- A member entitled to attend, participate, speak and vote at the EGM of the Company may appoint not more than 2 proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. Where a member appoints 2 proxies to attend at the same meeting, the member shall specify the proportion of the member's shareholdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints 2 or more proxies, the said nominee shall specify the proportion of its shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of the appointor's attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

5. The appointment of a proxy may be made in hard copy form in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:

In hard copy form

In the case of an appointment made in hard copy form, the form of proxy must be deposited at the office of Barakah Offshore Petroleum Berhad, at Level 6, Menara Mitraland, No. 13A, Jalan PJU 5/1, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available a Record of Depositors as at 12 December 2024 and only Members whose names appear on such Record of Depositors shall be entitled to attend, participate, speak and vote at this meeting and entitled to appoint proxy or proxies.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this Notice will be put to vote by way of poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Fold this flap for sealing

Then fold here

Affix
Stamp

BARAKAH OFFSHORE PETROLEUM BERHAD 201201007022 (980542-H)
Level 6, Menara Mitraland
No. 13A, Jalan PJU 5/1
Kota Damansara PJU 5
47810 Petaling Jaya
Selangor Darul Ehsan
Malaysia

First fold here

