



THE VOYAGE AHEAD

SURPASSING THE HORIZON

This concept takes on the mathematical equations of maritime logistics and navigation. It turns the business into a precise science that Avangaad Berhad (formerly known as E.A. Technique (M) Berhad) has a lot of experience in. We utilise this concept to convert a logistics trip into visual data, creating the impression of the company’s expertise in an easy to understand manner.

This is done through showcasing of equipment, blueprints and topographical map in a visually stunning manner.

The cover goes a step further showcasing Avangaad Berhad (formerly known as E.A. Technique (M) Berhad) (“Avangaad”) bending the topographical map to get to their destination.



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01 OVERVIEW



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Mohd Redza Shah Bin Abdul Wahid
Independent Non-Executive Chairman

Datuk Wira Mubarak Hussain Bin Akhtar Husin
Executive Director

Dato' Lai Keng Onn
Executive Director

Dato' Seri Nazir Hussin Bin Akhtar Hussin
Executive Director

Michael Cheah Choy Chin
Independent Non-Executive Director

Tong Siut Moi
Independent Non-Executive Director

Mohd Faris Adli Bin Shukery
Non-Independent Non-Executive Director

SECRETARIES

Chua Siew Chuan
SSM PC No. 201908002648
(MAICSA 0777689)

Cheng Chia Ping
SSM PC No. 202008000730
(MAICSA 1032514)

REGISTERED OFFICE

Level 7, Menara Milenium,
Jalan Damanlela, Pusat Bandar
Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia.

Tel No. : 603 2084 9000
Fax No. : 603 2094 9940
Email : info@sshsb.com.my

HEADQUARTER OFFICE

Setiawangsa Business Suites
Unit C-3A-3A, No. 2,
Jalan Setiawangsa 11,
Taman Setiawangsa,
54200 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia.

Tel No. : 603 4252 5422
Email : connect@avangaad.com

SUBSIDIARY OFFICE

Johor Shipyard and Engineering
Sdn. Bhd.
Lot PT 8436-A,
Mukim Hutan Melintang,
36400 Daerah Hilir Perak, Perak,
Malaysia.

Tel No. : 605 641 2514
Email : jse@johorshipyard.com.my

SHARE REGISTRAR

Securities Services (Holdings)
Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela, Pusat Bandar
Damansara, Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia.

Tel No. : 603 2084 9000
Fax No. : 603 2094 9940
Email : info@sshsb.com.my

KERTIH PORT, TERENGGANU OFFICE

Bangunan Pentadbiran Kertih
Port Sdn. Bhd.
Lot 3633 Kawasan Bukit Tengah,
KM105,
Jalan Kuantan -
Kuala Terengganu, 24300 Kertih
Kemaman, Terengganu,
Malaysia.

Tel No. : 012 502 9224
Email : nurhayat@avangaad.com

KOTA KINABALU PORT, SABAH OFFICE

Lot 4, First Floor,
Wisma KKM, Mile 5,
Jalan Tuaran,
88450 Kota Kinabalu,
Sabah, Malaysia.

Tel No. : 019 825 8712
Email : zaid@avangaad.com

NORTHPORT, PELABUHAN KLANG OFFICE

Bangunan Marine,
Jalan Pelabuhan Utara,
Pelabuhan Utara, 42000
Pelabuhan Klang, Selangor,
Malaysia.

Tel No. : 016 923 7515
Email : rais.hakim@avangaad.com

SG. UDANG PORT, MELAKA OFFICE

16, Jalan Seri Buana 3,
Taman Tangga Batu Perdana,
76400, Tanjung Kling,
Melaka,
Malaysia.

Tel No. : 012 730 5224
Email : khairulnizam@avangaad.com

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
(Main Market)

Listed since: 11 December 2014
Sector: Trading/Services
Stock Name: AVANGAAD
Stock Code: 5259

PRINCIPAL BANKERS

RHB Bank Berhad
RHB Islamic Bank Berhad
Malayan Banking Berhad
Bank Pembangunan Malaysia
Berhad
Ambank (M) Berhad
Malaysian Industrial Development
Finance Berhad

AUDITORS

KPMG PLT
Level 10, KPMG Tower,
8, First Avenue,
Bandar Utama,
47800 Petaling Jaya,
Selangor, Malaysia.
Tel No. : 603 7721 3388
Fax No. : 603 7721 3399
Website : www.kpmg.com

AUDIT COMMITTEE

CHAIRMAN

Michael Cheah Choy Chin
Independent Non-Executive
Director

MEMBERS

Dato' Mohd Redza Shah Bin
Abdul Wahid
Independent Non-Executive
Chairman

Tong Siut Moi
Independent Non-Executive
Director

NOMINATION & REMUNERATION COMMITTEE

CHAIRPERSON

Tong Siut Moi
Independent Non-Executive
Director

MEMBERS

Dato' Mohd Redza Shah Bin
Abdul Wahid
Independent Non-Executive
Chairman

Michael Cheah Choy Chin
Independent Non-Executive
Director

RISK & GOVERNANCE COMMITTEE

CHAIRMAN

Michael Cheah Choy Chin
Independent Non-Executive
Director

MEMBERS

Dato' Mohd Redza Shah Bin
Abdul Wahid
Independent Non-Executive
Chairman

Tong Siut Moi
Independent Non-Executive
Director

WEBSITE

<https://www.avangaad.com>

CORPORATE
STRUCTURE

AVANGAAD BERHAD

Strategic in Alliance

Avangaad Berhad (Avangaad) (5259: Bursa Malaysia)
Formerly known as E.A. Technique (M) Berhad

Driving Maritime Excellence and Industry Leadership
Avangaad Berhad (Formerly known as E.A. Technique (M) Berhad)(Avangaad) is a premier Malaysia-based logistics provider, owner, and operator of maritime vessels, specialising in Oil & Gas (O&G) marine transportation, offshore storage, and marine port services. Established on 18 January 1993 and listed on Bursa Malaysia’s Main Market on 11 December 2014, Avangaad has consistently charted a course of innovation and growth.

From Expertise to Excellence
Initially established as a marine consultancy and cargo broking operation, Avangaad expanded into full-scale marine vessel operations in 1995 with the acquisition of its first product tanker. In the same year, the company achieved registrations with PETRONAS and the Ministry of Finance (MOF), positioning itself to provide essential services to Malaysia’s flourishing O&G sector.

Rebranding Today for Tomorrow’s Success
In 2025, Avangaad embarked on a transformative rebranding journey, symbolising its commitment to strategic growth and reaffirming its leadership in the maritime industry. This new chapter is reflected in its its strategic purpose to pursue growth and mark its dedication to progress, innovation, sustainability, and excellence.

End-to-End Maritime Solutions
Avangaad’s operations span the full spectrum of the shipping and maritime industry:

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

Putting Your Progress in Motion – Combining Innovation & Alliance

JOHOR SHIPYARD &
ENGINEERING
SDN. BHD.

Johor Shipyard and Engineering Sdn. Bhd. (JSE), a wholly owned subsidiary of Avangaad Berhad, specialises in ship repair and minor fabrication, supporting the Group’s core operations.

Established in 2008 in Teluk Intan, Perak, JSE expanded in 2012 to a state-of-the-art shipyard in Hutan Melintang, with the capacity to construct six 35-metre harbour tugboats annually or a 10,000 DWT product tanker.

Strategically located on the west coast of Peninsular Malaysia, the upgraded facility enhances its competitive edge, creating a robust new revenue stream for the Group.

LIBRA PERFEX
PRECISION SDN. BHD.

Libra Perflex Precision Sdn. Bhd. (LPP), a wholly owned subsidiary of Avangaad, was acquired on 22 November 2016 and holds the contract to provide tugboat services for PETRONAS Floating LNG1 (L) Ltd. (PFLNG 1).

Consolidated into the Group in the financial year ended 31 December 2016, LPP aids in strengthening Avangaad’s maritime capabilities.

CORPORATE
PROFILE

Avangaad Berhad (Formerly known as E.A. Technique (M) Berhad) (“Avangaad” or the “Group”) was incorporated in Malaysia on 18 January 1993 under the Companies Act 1965 back when it was a private limited company known as E.A. Technique (M) Sdn. Bhd. It was listed on the Main Market of Bursa Malaysia on 11 December 2014.

As a local marine company, we own and operate a fleet of marine vessels, where our business focuses on marine transportation, offshore storage of oil & gas, and the provision of port marine services. Our involvement spans across diverse activities which include the chartering of various types of tankers for the transportation and offshore storage of oil and gas, marine tug vessels for the provision of port marine services, and Offshore Support Vessels (OSVs) — specifically, fast crew boats facilitating the efficient transfer of personnel and light cargoes between shore and platform, platform and platform, and other offshore facilities.

As of 31 December 2024, our extensive portfolio comprises a total fleet of twenty-six (26) marine vessels, which includes two (2) product tankers, one (1) Floating Storage & Offloading Unit (FSU/FSO), eight (8) Offshore Support Vessels (OSVs), and fifteen (15) diverse marine vessels. In line with our commitment to strengthen our position within the shipping and maritime industry, we expanded into shipbuilding, ship repairs, and minor fabrications in 2007 through our subsidiary, Johor Shipyard and Engineering Sdn. Bhd. (JSE). Situated on a 20-acre expanse in Hutan Melintang, Perak. JSE has since garnered acclaim as an “Outstanding Ship Builder” by the Ministry of Transport in 2018.

Additionally, it has been recognised among the top ten (10) best shipyards in Malaysia for the Petronas Offshore Safina Project. Our wholly owned subsidiary, Libra Perflex Precision Sdn. Bhd., plays a vital role by providing tugboats essential for the operations of PETRONAS Floating LNG (L) Ltd. (PFLNG).



THE RECURRING A'S SIGNIFY THE GROUP'S

- Astounding Services**
- Quality Assurance**
- Accountability**

VISION

TO POSITION OURSELVES AS A GLOBAL LEADER, CHAMPIONING MALAYSIA'S MARITIME INDUSTRY ON THE WORLD STAGE GUIDED BY OUR FOUNDING PRINCIPLES OF ACCOUNTABILITY AND INNOVATION.

MISSION

TO FORGE STRATEGIC, LONG-TERM ALLIANCES THAT EMPOWER OUR PEOPLE, PARTNERS AND CUSTOMERS WHILE MAINTAINING OURSELVES AS THE REGION'S PREFERRED MARITIME OPERATIONS PARTNER.

STRENGTH IN ALLIANCE

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

CORE
BUSINESSES

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

I. MARINE TRANSPORTATION

Offshore Supply Vessels (OSVs) & Fast Crew Boats (FCBs)	Offshore Storage of Oil & Gas Product Tankers	Floating Storage Unit / Offloading (FSU FSO)
OSV/FCB is specifically designed to transport personnel or light cargo efficiently and safely between offshore facilities. These vessels are equipped to carry out: <ul style="list-style-type: none">Standby and Support DutiesEmergency Response PlansNight Operations	These are built to transport refined petroleum products to end-users or other refineries for further processing. They are equipped to handle: <ul style="list-style-type: none">LPG Vessels (Gas Carrier)Clean Petroleum ProductsDiesel & PetrolDirty Petroleum Products	Offer critical support services for production platforms, including the operation of offshore Oil & Gas storage facilities at brownfield sites.

2. PROVISION OF PORT MARINE SERVICES

Escort Assistance	Towage Services	Mooring Services
Dockside Mooring Services	Environmental Monitoring	Support for Ship-to-Ship Transfer

3. MARINE ENGINEERING SERVICES

Shipbuilding	Ship Repair
<ul style="list-style-type: none">Construction of hull and structureInstallation of machinery, equipment, instruments, and various embedded systems on the vessels' deckPainting, coating, testing, and commissioning	<ul style="list-style-type: none">InspectionReplacementModificationRemovalInstallationCleaning

Our shipyard specialises in the fabrication of steel structures tailored for marine applications.

HIGH-QUALITY

PURPOSE-BUILT SOLUTIONS

Our capabilities encompass the construction of essential components such as skids and piping systems, which are integral to the structural integrity and operational efficiency of marine vessels. We ensure that all fabricated structures meet stringent maritime standards, supporting vessel modifications, repairs, and enhancements that optimise performance and longevity at sea.

CORE
VALUES

STEADFAST

Our strength lies in our firm commitment to supporting our partners and clientele through consistent, reliable services; while being the only one in Malaysia to offer four different main marine services, backed with strong portfolio for each one.

SECURITY

Security is at the forefront of everything we do. We prioritise stringent standards to ensure that every operation puts the safety of our people, partners, and cargo first.

SUSTAINABILITY

As a trusted partner for progress, we are committed to driving value in everything we deliver. The success and growth of our partners, both short and long-term, form the benchmark of our success.

STABILITY

With a foundation of strong leadership, deep industry expertise and strong governance, we earn the trust of our partners and clients through transparency and responsible decision making, delivering long-term reliability and integrity.

LEGACY
MEETS
INNOVATION

Anchored in its 4S values, the Group prioritises fleet performance and service expansion, ensuring reliable maritime solutions and meeting evolving industry demands. Our long-term strategies are built upon the foundation of being:

ASPIRING
TRUSTWORTHY
PARTNERS, NOT CUSTOMERS

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CORPORATE OVERVIEW

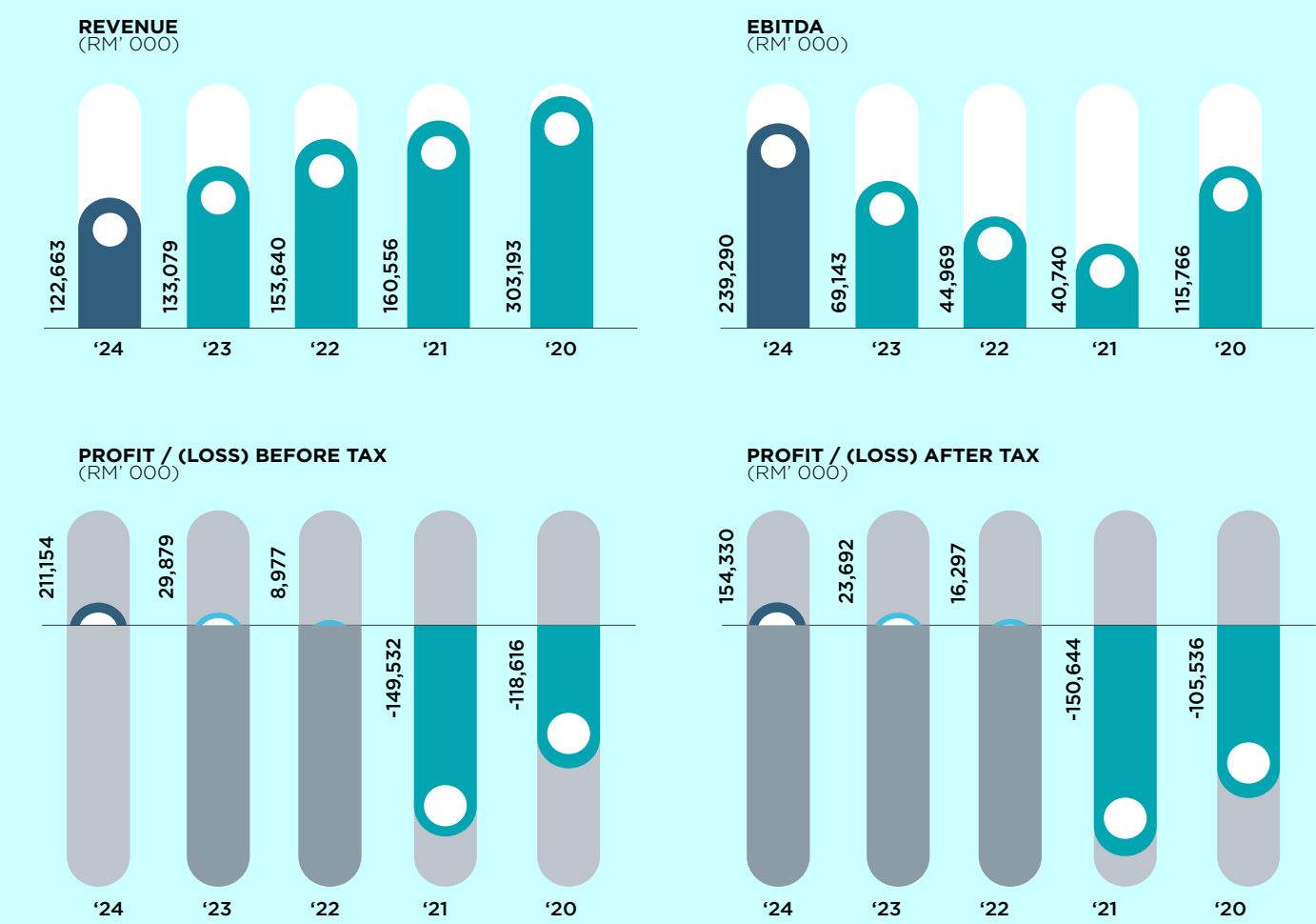
- * 5-YEAR FINANCIAL HIGHLIGHT PERFORMANCE
- * SHARE PERFORMANCE
- * OUR FLEET
- * KEY ACHIEVEMENTS & MILESTONES
- * MEDIA HIGHLIGHTS



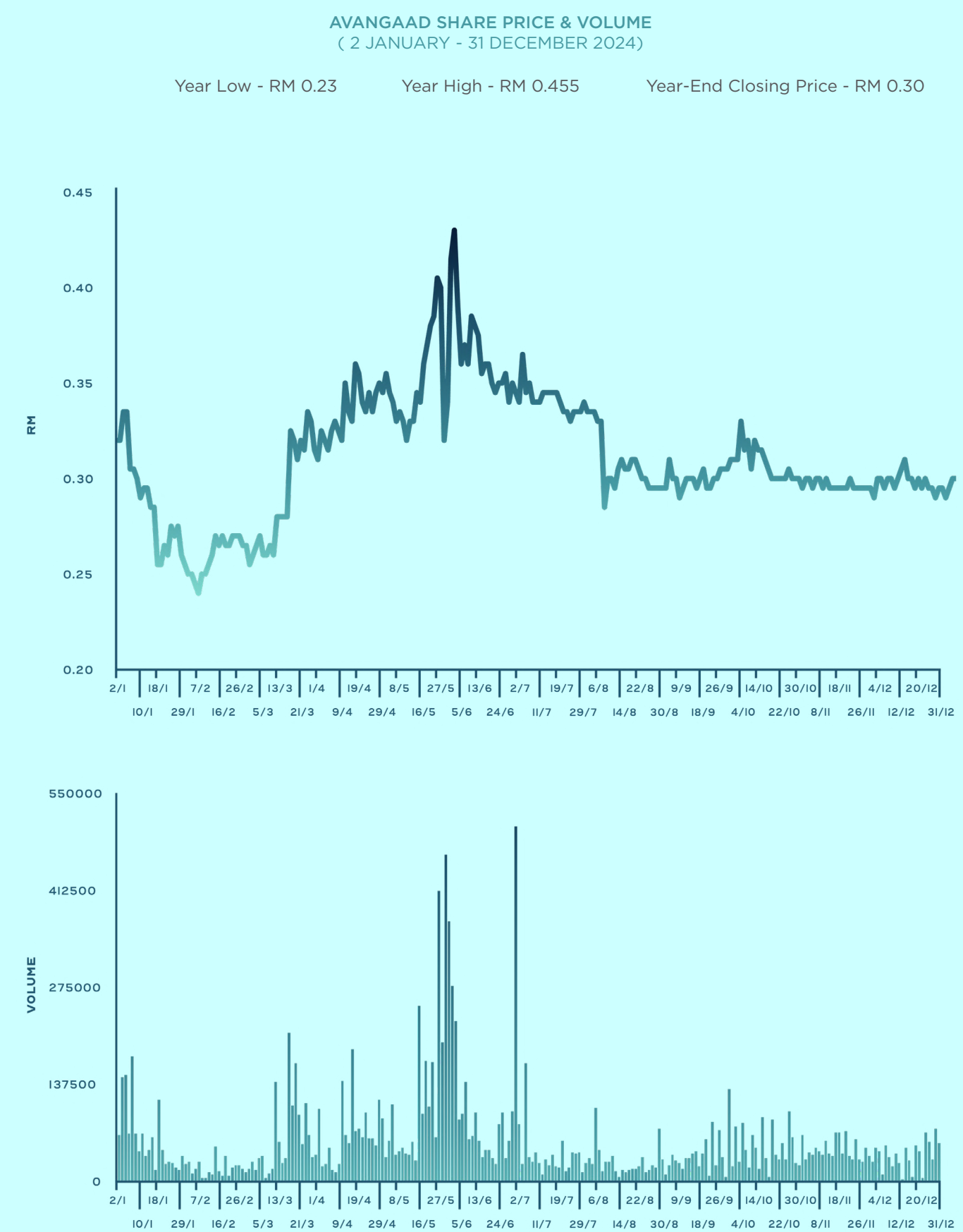
5-YEAR FINANCIAL HIGHLIGHT PERFORMANCE (2020 - 2024)

	2024 RM'000	2023 RM'000 Restated	2022 RM'000	2021 RM'000	2020 RM'000
Revenue	122,663	133,079	153,640	160,556	303,193
Gross Profit	50,057	47,520	24,947	26,464	4,077
Gross Profit Margin	40.81%	35.71%	16.24%	16.48%	1.34%
EBITDA	239,290	69,143	44,969	40,740	115,766
EBITDA Margin	195.08%	51.96%	29.27%	25.37%	38.18%
Profit / (Loss) Before Tax	211,154	29,879	8,977	(149,532)	(118,616)
PBT / (LBT) Margin	172.14%	22.45%	5.84%	(93.13%)	(39.12%)
Profit / (Loss) After Tax	154,330	23,692	16,297	(150,644)	(105,536)
Net EPS	16.45	4.47	3.07	(28.40)	(19.89)
Current ratio	1.43	0.27	0.29	0.25	0.26
Gearing Ratio ⁽¹⁾	0.24	1.44	3.34	11.88	1.31

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



SHARE PERFORMANCE



OUR FLEET

OIL TANKERS

- I. M.T. NAUTICA KLUANG 2 (NKL2)
2. M.T. NAUTICA PONTIAN 2 (NPT2)



FLOATING STORAGE UNIT / OFFLOADING (FSU/FSO)

- II. M.T. FOIS NAUTICA TEMBIKAI (FNT)



OFFSHORE SUPPORT VESSELS (OSV)

3. M.V. NAUTICA TG. PUTERI XXX (NTPXXX)
4. M.V. NAUTICA GAMBIR (NGR)
5. M.V. NAUTICA LANGSAT (NLT)
6. M.V. NAUTICA TG. PUTERI XXIII (NTPXXIII)
7. M.V. NAUTICA TG. PUTERI XXVII (NTPXXVII)
8. M.V. NAUTICA TG. PUTERI XXVIII (NTPXXVIII)
9. M.V. NAUTICA TG. PUTERI XXIX (NTPXXIX)
10. M.V. NAUTICA TG. PUTERI XXXVII (NTPXXXVII)

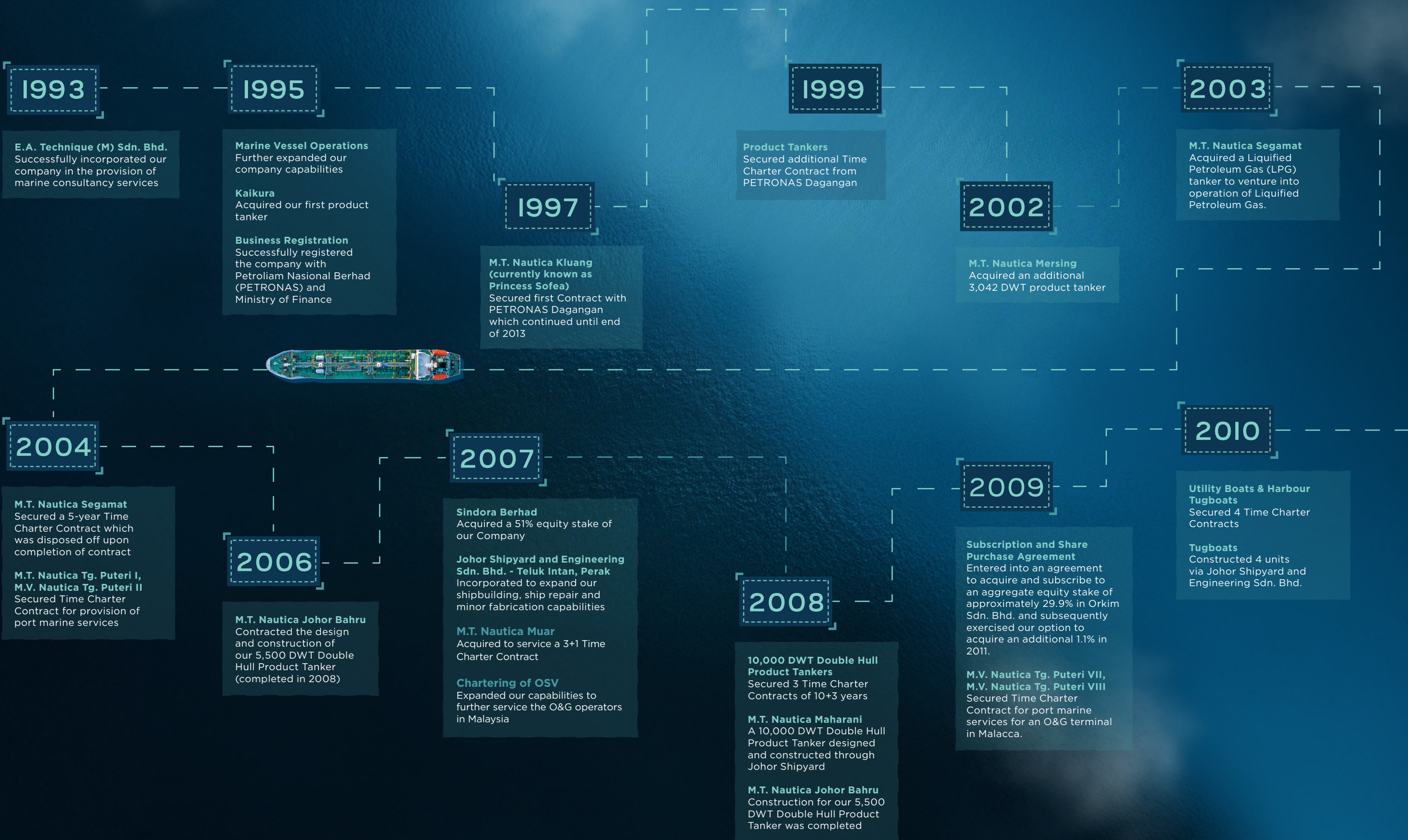


PORT OPERATIONS

12. M.V. NAUTICA TG. PUTERI I (NTPI)
13. M.V. NAUTICA TG. PUTERI XI (NTPXI)
14. M.V. NAUTICA TG. PUTERI XII (NTPXII)
15. M.V. NAUTICA TG. PUTERI XV (NTPXV)
16. M.V. NAUTICA TG. PUTERI XVI (NTPXVI)
17. M.V. NAUTICA TG. PUTERI XVII (NTPXVII)
18. M.V. NAUTICA TG. PUTERI XVIII (NTPXVIII)
19. M.V. NAUTICA TG. PUTERI XIX (NTPXIX)
20. M.V. NAUTICA TG. PUTERI XX (NTPXX)
21. M.V. NAUTICA TG. PUTERI XXI (NTPXXI)
22. M.V. NAUTICA TG. PUTERI XXII (NTPXXII)
23. M.V. NAUTICA TG. PUTERI XXIV (NTPXXIV)
24. M.V. NAUTICA TG. PUTERI XXV (NTPXXV)
25. M.V. NAUTICA TG. PUTERI XXVI (NTPXXVI)
26. M.V. NAUTICA TG. PUTERI XXXVIII (NTPXXXVIII)



KEY ACHIEVEMENTS & MILESTONES



KEY ACHIEVEMENTS & MILESTONES

2012

Hutan Melintang 10-acre Site

JSE rented a 10-acre site at Hutan Melintang, Perak as the new location for out shipyard operations. Construction on the new shipyard, which is able to accommodate vessels up to 10,000 DWT commenced in June 2013 and was completed in October 2013

Floating Storage Unit

Awarded Time Charter Contract

4 Marine Vessels for Port Marine Services

Secured 3-year contracts with Sungai Udang LEKAS Regasification Project

Harbour Tugboat

Secured 3-year Time Charter Contract

2013

Pressurised LPG Tankers

Secured 1-year Time Charter Contract

Construction and Operation of Six Harbour Tugboats

Awarded 10+2 year contract for Northport

Orkim

Relinquished our entire equity stake

M.T. Nautica Muar

Converted into a FSU

2014

Pressurised LPG Tankers

Secured 3-year Time Charter Contract

Floating Storage & Offloading Vessel

Awarded 4+2 year contract from Vestigo Petroleum to service Tembikai marginal oilfields

M.T. FOIS Nautica Tembikai

Acquired to service Tembikai marginal oilfields.

Tugboat Services

Awarded 18-month Back-to-Back Time Charter Contract with Libra Perflex Precision Sdn. Bhd.

Letter of Award for the Provision of Engineering, Procurement, Construction, Installation and Commissioning for FSO facility

Received for Full Field Development Project, North Malay Basin evaluated at USD191.8 million

2015

Fast Support Vessel

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

Provision of Engineering, Procurement, Construction, Installation & Commissioning for FSO facility

Signed contract for Full Field Development Project, North Malay Basin

M.T. Fois Nautica Tembikai

Delivery for 4+2 year contract to Tembikai marginal oilfield

2 units 40 tonnes Bollard Pull Harbour Tugboats

Kertih Port Sdn. Bhd., Petronas Penapisan (Terengganu) Sdn. Bhd.

60 tonnes Bollard Pull Harbour Tugboats, 40 tonnes Bollard Pull Harbour Tugboat, Multipurpose Mooring Boat

Sungai Udang Port Sdn. Bhd.

2016

Nautica Tg. Puteri XXX

Awarded 7+1+1 months 25-knot FCB contract by EMEPMI.

2017

60 tonnes Bollard Pull Harbour Tugboats, Fast Crew Boat (25 knot)

Awarded 3 contracts by Bintulu Port Sdn. Bhd. and ExxonMobil Exploration & Production Malaysia Inc

2018

60 tonnes Bollard Pull Harbour Tugboat

Berkat Petroleum Sdn. Bhd.

Short-term Fast Crew Boat Contracts

EnQuest Petroleum Production Malaysia Ltd., KMZ Energy Sdn. Bhd.

Fast Crew Boats (25 knots 60 pax)

EnQuest Petroleum Production Malaysia Ltd., ExxonMobil Exploration

Fast Crew Boat (25 knots 70 pax)

EnQuest Petroleum Production Malaysia Ltd., PETRONAS Carigali Sdn. Bhd.

3 Harbour Tugs Contracts

EnQuest Petroleum Production Malaysia Ltd., Kerteh Port

60 tonnes Bollard Pull Harbour Tugboats, 40 tonnes Bollard Pull Harbour Tugboat, Multipurpose Mooring Boat

Sungai Udang Port Sdn. Bhd.

2019

40 tonnes Bollard Pull Harbour Tugboats

Kertih Port Sdn. Bhd.

40 tonnes Bollard Pull Harbour Tugboat

PETRONAS Penapisan (Terengganu) Sdn. Bhd.

60 & 40 tonnes Bollard Pull Harbour Tugboats & Multipurpose Mooring Boat

Sungai Udang Port Sdn. Bhd. regasification terminal

Long-term Time Charter Coastal Vessel Services

PETCO Trading Labuan Company Limited

Temporary Storage Tanker, Station Keeping & Flexible Riser Tie-In

Sepat Derisk and Early Production System (DEPS) Project

60 tonnes Bollard Pull Harbour Tugboat

Sungai Udang Port Sdn. Bhd. (using third-party vessel Kejora 57)

Harbour Tugboat

Naka Bayu Sdn. Bhd.

FSU Ship Management

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

FOIS Nautica Tembikai Extension

Vestigo Petroleum Sdn. Bhd.

Revised Charter Period for 3 Vessels

PETRONAS Floating LNG 1 (PFLNG)

Contract of Affreightment (COA)

PT. AKR CORPORINDO - Nautica Renggam

2020

Mooring Boat & Mooring Crew

Awarded 2 Term Contracts by Kertih Port Sdn. Bhd.

Harbour Tug

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

Nautica Renggam

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

Nautica Pagoh

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

Nautica Tg. Puteri XI, Nautica Tg. Puteri XII, Nautica Tg. Puteri XV and Nautica Tg. Puteri XVI

3-Year Contracts Extension

Nautica Tg. Puteri II, Nautica Tg. Puteri XVIII, Kejora 57 and Kejora 59

1-Year Contract Extension

2021

40 tonnes Bollard Pull Harbour Tugboat & Multipurpose Mooring Boat

Secured RM22.26 million 5+3 years contracts for Regasification Terminal Operation.

Clean Product Tanker: Nautifca Renggam

Awarded 6+6 months contract by PETCO Trading Labuan Company Limited.

FSU Nautica Tembikai

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

Nautica Tg Puteri XXX

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

KEY ACHIEVEMENTS & MILESTONES

2022

Nautica Kluang 2 & Nautica Pontian 2
Awarded Spot Charter Contracts

Nautica Tg. Puteri XXX
Awarded 6 months Time Charter Contract

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

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

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

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

2023

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

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

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

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

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

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

Nautica Tg. Puteri XXX
Awarded 3-year Bareboat Contract

2024

Strategic Appointment of Dynamic & Experienced Board Members
Obtained Shareholders' Nod for White Knight on June 2024 Reinforce governance framework, ensuring transparency, accountability, and sound decision-making

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

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

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

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

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

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

2025

Practice Note 17 (PN17) status
Bursa Malaysia has officially approved Avangaad Berhad's PN17 upliftment, effective 20 February 2025.

Renewed Identity on 13 February 2025
Shareholders' Approval Secured at Extraordinary General Meeting (EGM)

AVANGAAD BERHAD
A pivotal step in executing rebranding initiatives, signaling strategic progress to drive business growth, strengthen market positioning, and elevate shareholder confidence.

10th Profitable Quarter Reaffirms Growth Strategy - Quarter 4 2025
Delivering Consistent Growth Quarter After Quarter

Proposed Acquisition of a 100% Equity Stake in Bumi Jaya Shipcare Sdn. Bhd. (BJSSB)
Signed Term Sheet for RM49.0 million Marine Asset Acquisition

MEDIA HIGHLIGHTS

Q3 2024 NET EARNINGS JUMP 5-FOLD ON CONTINUING MARINE SERVICES PORTFOLIO DIVERSIFICATION

241014 - THE EDGE

241114 - FOCUS MALAYSIA

EMBARKS ON REBRANDING ALIGNING WITH EXPECTATIONS OF PN17 UPLIFTMENT

241230 - BUSINESS TODAY

241230 - DAGANG NEWS

EA Technique tenders for Nautika Tembikai FSO, on track for PN17 exit in 1Q2025

BY SYAFIQAH SALIM
theadgemalaysia.com

KUALA LUMPUR (Oct 14) - EA Technique (M) Bhd (KL-EATECH) said it is in final stages of tendering for several high-value contracts, including the anticipated project with Petronas Nasional Bhd (Petronas) for the Nautika Tembikai floating storage and offloading (FSO) vessel.

The marine transportation and offshore storage company, which is on track to exit its Practice Note 17 (PN17) status by the first quarter of 2025, said it has diversified its client base by recently registering as an official vendor with Brunei Shell.

The client diversification opens new avenues for long-term contracts at higher charter rates, it said in a statement.

"The growing demand for marine transportation and offshore support services boosts our confidence in stability and advancement of portfolio. With strengthened governance and new management, EATech is more agile and well-positioned to seize upcoming market opportunities," said EATech executive director Datuk Mubarak Hussain Akhtar Husin.

EATech is also "the only Malaysian company eligible to bid for jetty operation tenders", he said.

In the statement, the group said it has secured contracts totalling RM136.3 million, with RM281.2 million in extension options.

"Our utilisation rate currently stands at 97%, and with major contracts in place, we are confident of achieving continued profitability. This will enable us to meet the requirements for exiting PN17," said Mubarak Hussain.

profit for the first six months of FY2024 (6MFY2024) to RM101.54 million, with total revenue of RM61.8 million.

With the completion of its regularisation plan in mid-2024, the company is now focused on achieving two consecutive profitable quarters, a key requirement for the upliftment of its PN17 status.

The regularisation plan saw Voulter Sdn Bhd, which is 70%-owned by Mubarak Hussain, emerged as the largest shareholder in EATech with a 51% stake.

Another 30% stake in Voulter is held by Datuk Lai Keng Chin, who is managing director of Kinergy Advancement Bhd. EATech was placed under PN17 in February 2022, after its shareholders' equity fell to RM5.96 million at end-December 2021, 50% below its share capital of RM117.75 million.

The group also faced complications and setbacks during its foray into the engineering, procurement, construction, installation and commissioning (EPCIC) segment — in particular, cost overruns in its US\$191.8 million contract to convert an FSO facility for Malaysia Marine and Heavy Engineering Holdings Bhd (KL-MHB). It took up the project in 2015, and delivered it six years later in 2020.

Shares of EATech closed half a sen or 1.64% lower at 30 sen on Monday, giving it a market capitalisation of RM391.46 million.

For the second quarter ended June 30 (2QFY2024), EATech reported a net profit of RM94.65 million on a revenue of RM30.6 million. This brought its net

EA Technique sees 3Q net earnings jump 5-fold on continuing marine services portfolio diversification

EA TECHNIQUE (M) BERHAD

TOWARDS BLUE

"Our diversified operations across O&G and marine services have been instrumental in driving our recovery in a competitive market," commented EATech's executive director Datuk Wira Mubarak Hussain Akhtar Husin.

"This resilience has strengthened our profit margins with 3Q FY2024 gross profit rising 35% to RM121.1 mil, thus showcasing the effectiveness of our turnaround initiatives and the robust foundation of our business model."

Mubarak further reaffirmed EATech's commitment to its Practice Note 17 (PN17) upliftment journey by noting that "the regularisation plan is complete and we're diligently working toward completing the final steps to achieve full regulatory compliance".

Moving forward, EATech's strategic focus remains on long-term stable contracts that contribute to heavier revenues.

For a start, the group's flagship FSO vessel, Nautika Tembikai, is currently available and positioned for deployment with active plans to maximise its contribution to earnings.

By balancing short-term gains with commitments to long-term contracts, EATech has established a scalable, resilient model that delivers strong margins and growth across varied market conditions.

"With a sharpened focus on operational excellence and strategic expansion, EATech is well-positioned to capitalise on new opportunities in the marine transportation and offshore storage sectors," envisaged Mubarak.

At the close of today's (Nov 14) trading, EATech was unchanged at 29.5 sen with 3.63 million shares traded, thus valuing the company at RM391 mil. -- Nov 14, 2024

EA Technique Embarks On Rebranding Aligning With Expectations Of PN17 Upliftment

By Editor December 30, 2024



EA Technique (M) Berhad is embarking on a rebranding exercise beginning with name change, the marine transportation and offshore storage company has submitted to change its name to Avangaad Berhad as part of its plans to adopt a corporate identity and aligned with the expectations to uplift its PN17 status by first quarter of 2025.

The board said it plans to table the proposal for shareholder approval in a circular and at the upcoming Extraordinary General Meeting with the date to be announced later.

The proposed name, Avangaad Berhad it said is derived from "Avante," meaning "moving forward" in Latin, and a twist on "Vanguard," symbolising its strategic advancement with its advancing. This name it added also reflects the company's commitment to leveraging its unparalleled naval expertise to sustain leadership and

EA Technique tukar nama kepada Avangaad Bhd, seiring dengannya usahanya keluar dari PN17



Oleh SYAZA NORAZHARUDDIN
editor@dagangnews.com

KUALA LUMPUR 30 Dis - Syarikat tersenarai di Pasaran Utama Bursa Malaysia, EA Technique (M) Bhd (EATech) bercadang untuk menukarkan nama syarikatnya kepada Avangaad Bhd bagi meningkatkan status PN17 menjelang suku pertama 2025 serta mencerminkan tumpuan yang jelas terhadap kecemerlangan operasi.

Katanya, cadangan ini akan dibentangkan untuk kelulusan pemegang saham dalam pekelling dan pada Mesyuarat Agung Luar Biasa (EGM) akan datang, dengan tarikh akan diumumkan kemudian.

WON THREE (3) PETRONAS DEALS WORTH \$14M

241118 - SPLASH

241119 - THE SUN

EA Technique wins three Petronas deals worth \$14m

Bojan Lepic November 18, 2024 170 Less than a minute



Malaysian offshore service provider EA Technique has secured contract extensions with Petronas for work on its floating LNG facility, the PFLNG 1.

These contracts, valued at a total of RM63.9m (\$14.1m), were won by EA Technique's wholly-owned subsidiary Libra Perflex Precision.

One of the deals was an RM41m (\$9.16m) contract extension for tugboat services. The two other contracts, worth RM22.9m in total (\$4.9m), are for the extension of emergency standby vessel services at PFLNG 1.

The three contracts, each with a two-year term, start in November 2024. The company will deploy its existing vessels to fulfil these contracts.

To date, EA Technique's firm order book stands at RM169.5m (\$37.9m), complemented by optional contracts valued at RM217.2m (\$48.5m).

TUESDAY | NOV 19, 2024
BIZ & FINANCE 15

EA Technique unit secures RM64m contract extensions

KUALA LUMPUR: EA Technique (M) Bhd's (EATech) wholly owned subsidiary Libra Perflex Precision Sdn Bhd (LPP) has secured three contract extensions with Petronas Floating LNG 1 (L) Ltd (PFL1).

These contracts, valued at RM63.9 million, reinforce EATech's proven operational capability and its trusted relationship with Malaysia's national

250214 - FOCUS MALAYSIA

E.A Technique shareholders endorse name change to Avangaad; group posts 10th straight profitable qtr

By FocusM 14/02/2025 in Markets, Top



E.A. Technique (M) Bhd (EATech), a Main Market-listed marine transportation and offshore storage outfit, has secured resounding shareholder approval at its extraordinary general meeting (EGM) for its transformation into Avangaad Bhd.

MEDIA HIGHLIGHTS

250218 - FOCUS MALAYSIA

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

By FocusM | 18/02/2025 | in Markets , Top



AVANGAAD Bhd [formerly E.A. Technique (M) Bhd] has today (Feb 18) has introduced a new corporate identity that features a new name, logo and a newly launched website as part of its re-branding journey.

Following its shareholders' approval on Feb 13, today's timing aligns with the group's submission to Bursa Securities for its Practice Note 17 (PN17) upliftment last Friday (Feb 14).

This milestone comes as Avangaad marks its **10th consecutive profitable quarter** while reinforcing its financial resilience and commitment to sustained long-term growth and industrial leadership in the maritime sector.

E.A Technique shareholders endorse name change to Avangaad; group posts 10th straight profitable qtr

By FocusM | 14/02/2025 | in Markets , Top

**AVANGAAD
BERHAD**

AVANGAAD SIGNS TERM SHEET FOR RM49M MARINE ASSET ACQUISITIONS

250313 - THE MALAYSIAN RESERVE

Avangaad signs term sheet for RM49m marine asset acquisitions

The image features the Avangaad logo in a large, bold font, superimposed over a photograph of a modern, multi-story glass skyscraper. The building's architecture is characterized by its curved glass facade and repetitive window patterns.

(TMRgraphic)

03 LEADERSHIP



- * BOARD OF DIRECTORS
- * BOARD OF DIRECTORS' PROFILE
- * MANAGEMENT TEAM
- * MANAGEMENT TEAM PROFILE



BOARD OF
DIRECTORS

Tong Siut Moi
Independent Non-Executive
Director

**Datuk Wira Mubarak
Hussain Bin Akhtar Husin**
Executive Director

**Michael
Cheah Choy Chin**
Independent Non-Executive
Director

**Dato' Mohd Redza Shah
Bin Abdul Wahid**
Independent Non-Executive
Chairman

Dato' Lai Keng Onn
Executive Director

Mohd Faris Adli Bin Shukery
Non-Independent
Non-Executive Director

**Dato' Seri Nazir Hussin
Bin Akhtar Hussin**
Executive Director



BOARD OF
DIRECTORS' PROFILE

DATO' MOHD REDZA SHAH
BIN ABDUL WAHID
INDEPENDENT NON-EXECUTIVE CHAIRMAN

Qualifications

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

Working Experience & Occupations

- * Chief Financial Officer, Silterra Malaysia Berhad (2002)
- * Group Chief Executive Officer, Tradewinds Corporation Berhad (2005)
- * Chief Operating Officer, DRB-Hicom Berhad (2008)
- * Chief Executive Officer, Bank Muamalat Malaysia Berhad (2019)

Details of any Board Committee Involved:

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

Other Directorship in Public Companies and Listed Issuers:

Listed Issuers

- * Zelan Berhad
- * KPJ Healthcare Berhad

Non-Listed Public Companies

- * Waqaf An-Nur Corporation Berhad
- * Express Powerr Solutions (M) Berhad

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

- * No

Any Conflicts of Interest with the Listed Issuer:

- * No

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

- * No

Nationality Malaysian	Gender Male
Age 62	Date Of Appointment 14 February 2020
No. of Meetings Attended in the Financial Year: 8/8	



BOARD OF DIRECTORS' PROFILE

Nationality	Gender
Malaysian	Male
Age	Date Of Appointment
49	10 July 2024
No. of Meetings Attended in the Financial Year:	
3/3	

DATUK WIRA MUBARAK HUSSAIN BIN AKHTAR HUSIN

EXECUTIVE DIRECTOR

Qualifications

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

Working Experience & Occupations

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

Details of any Board Committee Involved:

- ✦ No

Other Directorship in Public Companies and Listed Issuers:

Listed Issuers

- ✦ Kinergy Advancement Berhad

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

- ✦ No

Any Conflicts of Interest with the Listed Issuer:

- ✦ No

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

- ✦ No

DATO' LAI KENG ONN

EXECUTIVE DIRECTOR

Qualifications

- ✦ Bachelor of Science in Construction Management

Working Experience & Occupations

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

Details of any Board Committee Involved:

- ✦ No

Other Directorship in Public Companies and Listed Issuers:

Listed Issuers

- ✦ Kinergy Advancement Berhad

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

- ✦ No

Any Conflicts of Interest with the Listed Issuer:

- ✦ No

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

- ✦ No

Nationality	Gender
Malaysian	Male
Age	Date Of Appointment
57	10 July 2024
No. of Meetings Attended in the Financial Year:	
2/3	



BOARD OF DIRECTORS' PROFILE



Nationality	Gender
Malaysian	Male
Age	Date Of Appointment
45	23 July 2024
No. of Meetings Attended in the Financial Year:	
3/3	

DATO' SERI NAZIR HUSSIN BIN AKHTAR HUSSIN

EXECUTIVE DIRECTOR

Qualifications

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

Working Experience & Occupations

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

Details of any Board Committee Involved:

- No

Other Directorship in Public Companies and Listed Issuers:

- No

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

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

Any Conflicts of Interest with the Listed Issuer:

- No

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

- No

MICHAEL CHEAH CHOY CHIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Qualifications

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

Working Experience & Occupations

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

Details of any Board Committee Involved:

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

Other Directorship in Public Companies and Listed Issuers:

- No

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

- No

Any Conflicts of Interest with the Listed Issuer:

- No

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

- No

Nationality	Gender
Malaysian	Male
Age	Date Of Appointment
57	23 July 2024
No. of Meetings Attended in the Financial Year:	
3/3	



BOARD OF DIRECTORS' PROFILE

Nationality	Gender
Malaysian	Female
Age	Date Of Appointment
55	23 July 2024
No. of Meetings Attended in the Financial Year:	
3/3	



TONG SIUT MOI

INDEPENDENT NON-EXECUTIVE DIRECTOR

Qualifications

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

Working Experience & Occupations

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

Details of any Board Committee Involved:

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

Other Directorship in Public Companies and Listed Issuers:

- * Niche Capital Emas Holdings Berhad
- * Paragon Union Berhad
- * Kinergy Advancement Berhad

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

- * No

Any Conflicts of Interest with the Listed Issuer:

- * No

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

- * No

MOHD FARIS ADLI BIN SHUKERY

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Qualifications

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

Working Experience & Occupations

- * Strategic Planning Officer, Kuala Lumpur Stock Exchange (1997)
- * Strategic Planning Manager, Kuala Lumpur Stock Exchange (2003)
- * Group Compliance Manager, AmMerchant Bank Berhad (2003)
- * Corporate Planning and Strategic Development Manager, Kumpulan Guthrie Berhad (2005)
- * Vice President of Corporate and Business Development, Sime Darby Property Berhad (2007)
- * Vice President of Upstream, Sime Darby Plantation Sdn. Bhd. (2008)
- * Head, Sime Darby Foods & Beverages Marketing Sdn. Bhd. (2013)
- * Head, Sime Darby Agri Bio Sdn. Bhd. (2014)
- * Regional Chief Executive Officer, Sime Darby Plantation (Sabah) Sdn. Bhd. (2019)
- * Managing Director, Kulim Berhad (2020)
- * Managing Director, Johor Plantations Group Berhad (2023)

Details of any Board Committee Involved:

- * No

Other Directorship in Public Companies and Listed Issuers:

- * Johor Plantations Group Berhad

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

- * No

Any Conflicts of Interest with the Listed Issuer:

- * No

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

- * No

Nationality	Gender
Malaysian	Male
Age	Date Of Appointment
53	22 August 2024
No. of Meetings Attended in the Financial Year:	
2/2	



MANAGEMENT TEAM



**Capt. Mohd Nizam
Bin Mohd Hussain**

Head,
QHSSE

**Saiful Nizam
Bin Ismail**

Manager,
Fleet Technical

**Nasrul Asni
Bin Muhammad Dain**

Chief Executive
Officer

**Rini Zunnurni
Binti Mohd Jahaya**

Manager, HR (Office & Crew),
Administration & Information
Technology

**Ahmad Farez
Bin Suhaimi**

Manager,
Port Operations

**Che Zal Azilah
Binti Che Omar**

Senior Manager,
Finance Operations

Ang Jia Ping

Senior Head,
Finance

Chin Sze How

Chief Operating
Officer

**Abu Hussein
Bin Mohamed**

Senior Manager,
Fleet Operations

**Farrah Radziah
Binti Abdul Hak**

Manager,
Commercial

**Nazaruddin
Bin Umar**

Manager,
Procurement



MANAGEMENT TEAM PROFILE

Nationality	Gender
Malaysian	Male
Age	Date Of Appointment
55	21 March 2022



NASRUL ASNI BIN MUHAMMAD DAIN

CHIEF EXECUTIVE OFFICER

Qualifications

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

Working Experience & Occupations

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

Other Directorship In Public Companies And Listed Issuers?

- ✦ No

Any Family Relationship With Any Director and / or Major Shareholder Of The Listed Issuers?

- ✦ No

Any Conflicts Of Interest With The Listed Issuers?

- ✦ No

List Of Convictions For Offences Within The Past 5 Years And Particulars Of Any Public Sanction Or Penalty Imposed by the Relevant Regulatory Bodies During The Financial Year, If Any?

- ✦ No

CHIN SZE HOW

CHIEF OPERATING OFFICER

Qualifications

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

Working Experience & Occupations

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

Other Directorship In Public Companies And Listed Issuers?

- ✦ No

Any Family Relationship With Any Director and / or Major Shareholder Of The Listed Issuers?

- ✦ No

Any Conflicts Of Interest With The Listed Issuers?

- ✦ No

List Of Convictions For Offences Within The Past 5 Years And Particulars Of Any Public Sanction Or Penalty Imposed by the Relevant Regulatory Bodies During The Financial Year, If Any?

- ✦ No

Nationality	Gender
Malaysian	Male
Age	Date Of Appointment
35	1 August 2024



04 PERFORMANCE REVIEW

- ✦ CHAIRMAN'S STATEMENT
- ✦ MANAGEMENT DISCUSSION & ANALYSIS
- ✦ SUSTAINABILITY REPORT
- ✦ CALENDAR OF EVENTS



CHAIRMAN'S STATEMENT

INTRODUCTION

DATO' MOHD REDZA SHAH BIN ABDUL WAHID

INDEPENDENT NON-EXECUTIVE
CHAIRMAN

DEAR VALUED SHAREHOLDERS

With a strong sense of purpose and dedication, I am pleased to present Avangaad Berhad's Annual Report for the financial year ended 31 December 2024 ("FY2024").

Avangaad Berhad, formerly known as E.A. Technique (M) Berhad ("**Avangaad**" or the "**Group**"), reached a pivotal milestone on 13 February 2025 when shareholders approved its corporate rebranding at the Extraordinary General Meeting ("EGM"). The change to Avangaad Berhad, completed on 17 February 2025, marks a new chapter for the Group, highlighting its focus on growth, stability and renewed market confidence.

The rebranding coincided with Avangaad's strong financial performance, with the Group recording its tenth (10th) consecutive profitable quarter in the fourth (4th) quarter of the financial year ended 2024 ("FY2024"). This achievement reflects the Company's consistent performance and its commitment to long-term financial stability.

This report provides a comprehensive overview of our journey, highlighting our achievements, strategic initiatives and future outlook. We are confident that our revitalised foundation, coupled with a clear strategic vision, will drive sustained value for our stakeholders.

FULL STEAM AHEAD TO NEW HORIZONS

THREE (3) MAJOR HIGHLIGHTS FOR THE YEAR 2024

STRENGTHENED LEADERSHIP AND PRACTICE NOTE ("PN17") RESOLUTION

The appointment of Datuk Wira Mubarak Hussain Bin Akhtar Husin and Dato' Lai Keng Onn to Avangaad's Board in July 2024, through Voultier Sdn. Bhd. ("VSB"), was a turning point for the Group. Their leadership, alongside that of other esteemed leaders, has been pivotal in steering the Group through its successful debt restructuring, strategic asset sales and a capital injection of RM79.6 million, culminating in the formulation of an effective regularisation plan. These actions led to the Group's successful upliftment from PN17 status on 20 February 2025, restoring its market standing and setting the stage for future growth.

RENEWED IDENTITY: AVANGAAD BERHAD RISES

The transformation reflects the Group's firm motive to drive progress and expansion through innovation, resilience and sustainability. The name "Avangaad" combines "**Avante**," meaning "moving forward," with "**Vanguard**," representing leadership and strength. This new identity aligns with the Group's vision to be a leader in the maritime sector, which resonates with its expertise in advancing with full momentum toward new horizons, while charting a bold course in naval strength.

CONTINUOUS CONTRACTS PROPEL PROGRESS

Avangaad continued to demonstrate strong market performance in FY2024, securing five (5) significant contracts, valued at RM86 million, within the PETRONAS Group, including its subsidiaries. These achievements include three (3) contract renewals and two (2) new projects, highlighting Avangaad's consistent performance and expertise in delivering top-tier marine services. These contracts, awarded by various entities under the PETRONAS umbrella, have boosted the Group's revenue streams and strengthened its foothold in the market.

CHALLENGES & STRATEGIC RESILIENCE

The marine and offshore industry continues to evolve, influenced by fluctuating crude oil prices, global economic trends and regulatory changes. Despite these challenges, Avangaad's diversified contract portfolio, disciplined financial management and proactive risk strategies enabled us to maintain profitability and operational efficiency.

In FY2024, Avangaad implemented strategic measures to mitigate key risks, with three (3) critical aspects taking precedence. Focusing on market volatility, regulatory compliance and operational efficiency. To address market fluctuations, the Company secured long-term contracts with major industry players, ensuring revenue stability despite demand uncertainties. Strengthening its governance framework, Avangaad aligned with international maritime and environmental standards, reinforcing regulatory compliance while maintaining operational excellence. Additionally, the Group enhanced its fleet maintenance program by implementing preventive measures to minimise downtime and improve service efficiency. Preventive measures, including scheduled maintenance and regular fleet assessments ensure service continuity without compromising performance. This approach strengthens fleet reliability, enhances service efficiency and reinforces Avangaad's position as a trusted partner in the industry.

CONCLUSION

Looking ahead, Avangaad's strong position in marine transportation, offshore storage, port marine services and shipbuilding sets it up for continued growth. The Group is well-prepared to expand its presence in the ASEAN market, modernise its fleet and capture both long-term and emerging opportunities with a solid foundation of stable revenue streams.

Beyond its success with PETRONAS, Avangaad also won contracts with prominent clients such as Northport. These contracts add to the Company's financial stability and align with its growth strategy.

A major highlight this year was Avangaad's registration as a vendor with Brunei Shell, opening new opportunities for high-value contracts at competitive charter rates and allowing the Group to explore new markets in the region.

OVERVIEW OF KEY ACHIEVEMENTS DRIVING THE SUCCESS OF PN17 UPLIFTMENT ON 20 FEBRUARY 2025

Entry of White Knight Secures Stability and Growth:

VSB's Acquisition of 51% Stake Catalysis Leadership Transformation

PN17 Exit Strategy with Strategic Financial Measures:

Debt Restructuring, Capital Injection and Financial Stability

Consistent Profitability Fuels Long-Term Sustainable Growth:

Achieved tenth (10th) consecutive profitable quarters as at Quarter 4 FY2024

Major Contract Wins and Strengthening Financial Position:

Secured five (5) major contracts within the PETRONAS Group, including three (3) contract renewals and two (2) new contracts, as well as the agreement with Northport. FY2024, net profit reached RM154.3 million, supported by a strong order book of RM181.3 million, along with additional optional contracts worth RM227.1 million.



MANAGEMENT DISCUSSION & ANALYSIS

EMBEDDING CORPORATE EVOLUTION IN THE JOURNEY TO PN17 RESOLUTION

Avangaad Berhad, formerly known as E.A. Technique (M) Berhad (“Avangaad” or the “Group”), has successfully navigated a transformative journey, marked by its rebranding in February 2025 and the upliftment from Practice Note 17 (“PN17”) status on 20 February 2025. These milestones reflect a new chapter for the Group, emphasising resilience, strategic growth, and financial stability. The rebranding to Avangaad introduced a fresh corporate identity and also signalled the Group’s readiness to advance with renewed market confidence and strengthened shareholder trust.

BACKGROUND OF PN17 CLASSIFICATION

Avangaad’s PN17 classification on 25 February 2022 was not the result of a single event but a culmination of several financial and operational challenges. These included a prolonged dispute with Malaysia Marine and Heavy Engineering Holdings Berhad (“MMHE”) over an Engineering, Procurement, Construction, Installation, and Commissioning (“EPCIC”) project in the North Malay Basin. This project, initiated in December 2014, involved converting a vessel into a Floating Production Storage and Offloading (“FPSO”) facility. While the project was ultimately completed in 2021, the journey was fraught with multiple variation orders, payment disputes, and arbitration proceedings, resulting in a USD25.5 million settlement agreement in 2021. The legal disputes also led to RM7.5 million in legal costs over a four (4)-year period.

These operational issues were compounded by declining revenues and profitability. Between 2018 to 2021, before its rebranding to Avangaad, the company – formerly known as EATech, saw its revenues dropped from RM419.0 million to RM160.6 million, with profits after tax moving from RM74.2 million to a net loss of RM150.6 million. The broader market environment, marked by crude oil price volatility and reduced demand, coupled with the COVID-19 pandemic’s supply chain disruptions, further impacted the Group’s financial health. The external auditors, Ernst & Young PLT (“EY”), expressed material uncertainty about the Group’s ability to continue as a going concern, which led to the PN17 status.

TURNING THE TIDE: THE GROUP’S COMPREHENSIVE REGULARISATION PLAN

In response, Avangaad implemented a robust regularisation plan, culminating in its successful exit from PN17 status. The Scheme of Arrangement (“SOA”) was a cornerstone of this strategy, receiving 90.95% creditor approval in December 2022. The regularisation plan included:

✦ **Strategic Asset Disposal:** Avangaad divested five (5) vessels, generating RM105.78 million in proceeds and contributing RM40.08 million in net cash flow. This move resulted in annual cost savings of RM26.69 million in maintenance and depreciation.

✦ **Debt Restructuring:** The plan included a 72.6% debt haircut, reducing the total debts from RM259.4 million to a net recoverable amount of RM71.1 million for creditors. This strategic move provided a one-off net income of RM127.4 million, enhancing the Group’s shareholders’ equity and fortifying its balance sheet.

✦ **Capital Injection:** The successful issuance of shares raised RM79.6 million, strengthening the Group’s cash flow, enabling debt settlements, and supporting new business opportunities.

✦ **Leadership Transformation:** The entry of Voultier Sdn. Bhd. (“VSB”) as a white knight investor led to a strategic shift in governance. The appointment of Datuk Wira Mubarak Hussain Bin Akhtar Husin and Dato’ Lai Keng Onn as Executive Directors in July 2024 brought a renewed focus on growth and operational excellence.

These initiatives collectively addressed the Group’s financial challenges, improved liquidity, and restored its financial stability. The successful execution of the plan allowed Avangaad to meet Bursa Securities’ regulatory requirements, leading to its formal application for PN17 upliftment in early 2025.

STRONGER, BOLDER, ELEVATED

In line with its long-term growth strategy, Avangaad had on 13 March 2025 announced its intention to enter a RM49.0 million proposed acquisition deal to expand its fleet and diversify into higher-value maritime services. The acquisition includes Bumi Jaya Shipcare Sdn. Bhd. (“BJSSB”). BJSSB with its fifteen (15)-year track record in vessel management, marine consultancy, and port operations, adds new capabilities to Avangaad’s portfolio. The deal brings five (5) vessels into the Group’s fleet, including four (4) operational assets and one (1) vessel under construction, expected to be completed by Q2 2025. Upon the completion of the acquisition of BJSSB, Avangaad’s fleet will increase to thirty (30) vessels, with an additional vessel under construction, bringing the total to thirty-one (31) vessels.

Beyond fleet expansion, this proposed acquisition represents a potential step forward for Avangaad to enter into shipcare salvage, and mooring services, strengthening its ability to provide integrated solutions beyond vessel chartering. The acquisition includes a long-term contract with a reputable client, running until 2033, ensuring recurring income and enhancing revenue visibility. Additionally, BJSSB brings investment properties valued at RM3.66 million and a cash balance of RM10.3 million, further improving Avangaad’s financial position and liquidity.

BUSINESS OPERATION AND MARKET POSITION

Avangaad specialises in **marine transportation and offshore storage** for the **oil and gas industry**, offering a comprehensive range of services through its **diversified fleet of vessels**. The Group stands as a key player in Malaysia:

- 1. Tanker Chartering:** Providing safe and efficient transport of petroleum products.
- 2. Offshore Support Vessels (“OSVs”):** Operating fast crew boats, supply vessels, and production operations vessels (POV) to support for offshore platform logistics and ensure seamless offshore oil and gas production activities.
- 3. Marine Tug Operations:** Supporting port and terminal activities through harbour tug services.
- 4. Floating Storage and Offloading (“FSO”) units:** Enhancing offshore operations through efficient storage and transfer of oil and gas from offshore production facilities.

Avangaad’s diverse service offerings help maintain its strong market position while ensuring stable revenue streams through long-term contracts and strategic partnerships. The Group’s ability to provide end-to-end marine logistics solutions under a single platform sets it apart in a competitive market, building a solid foundation for future growth and operational stability.

AVANGAAD’s Long-Term Vision

4S’ Values Being the Core Strategies

Steadfast	Security	Stability	Sustainability
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New Name Rises with an Emphasis on Legacy Meets Innovation

Aspiring	Trustworthy	Partners, Not Customers
We are always optimistic about what’s down the road.	Reaffirm our confidence, our position, our status, our assets, our pride, and our successes.	What we do is a partnership, not just a service – we are true partners. Our partners’ goals are our goals. We are committed to building long-term strategic alliances.
We advocate for goodness.	We have a proven track record and a commitment to delivering excellence.	

Avangaad is committed to sustainable growth, operational excellence, and market expansion as part of its long-term vision. Guided by its core 4S' values, the Group's strategies focus on optimising fleet performance and expanding its service capabilities — key drivers of business growth, sustainability, workforce engagement, and partner trust. As a testament to this commitment, the Group places a strong emphasis on fleet management, aligning it with its broader strategic priorities:

- Fleet Lifespan Management:** Manage vessel performance through proactive measures, including preventive maintenance, technology utilisation and upgrades, and other essential operational performance services to ensure overall fleet efficiency, reliability, safety, and competitiveness.
- Operational Efficiency:** Implement strategies to enhance performance with a strong focus on cost-effectiveness, optimised logistics, minimised downtime, and efficient repair processes.
- Performance Assurance:** Develop a robust emergency response plan to minimise disruptions and ensure quality and deliverables remain uncompromised, with clear protocols, roles, and contingency measures.
- Cost Optimisation:** Strengthen fleet profiling through favourable service contracts and improved inventory management.
- Fuel Management:** Implement green initiatives to reduce emissions by optimising fleet routes, enhancing fuel efficiency, and minimising fuel consumption where applicable.
- Fleet Management Software:** Leverage digital tools to track fleet locations, monitor maintenance history, schedule tasks, and analyse data for trend identification and process optimisation.

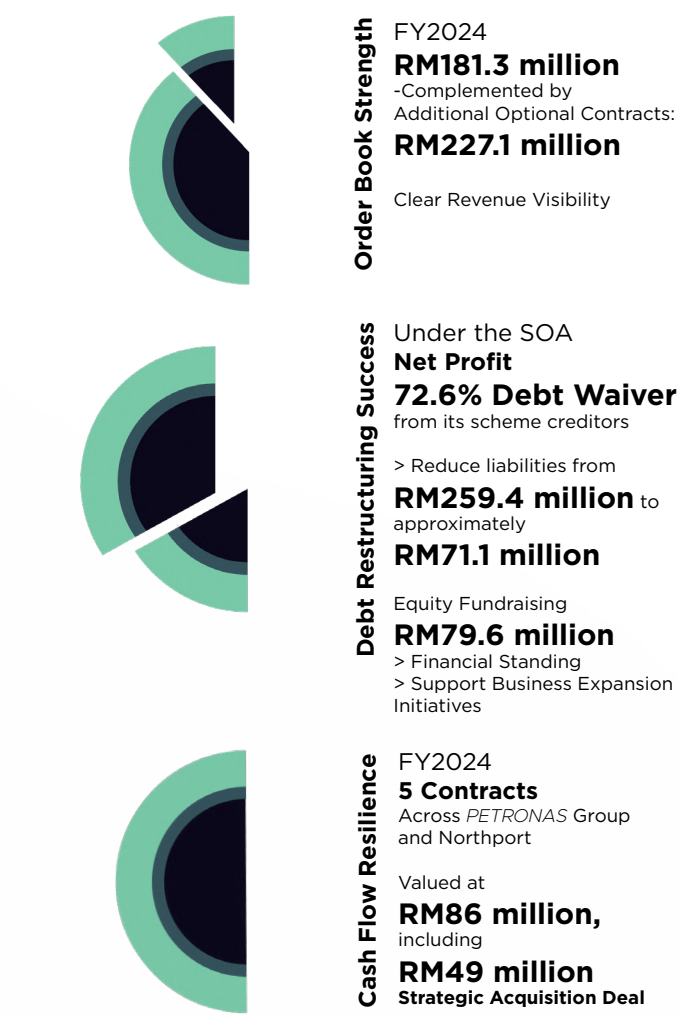
These commitments are dedicated to shaping Avangaad into an organisation focused on delivering consistent value to stakeholders while ensuring long-term financial stability and sustainable growth.

FINANCIAL AND OPERATIONAL OVERVIEW

With its current order book and utilisation, Avangaad's Fleet Utilisation Rate: 97%

Avangaad reported strong and consistent positive revenue and earnings in FY2024, achieving a core profit of RM25.2 million with a fleet of twenty-six (26) vessels. The Group maintains a robust order book valued at RM181.3 million, with optional contracts worth an additional RM227.1 million. Its strategic focus on operational excellence and effective contract execution, the Group's FY2024 gross profit margin increased to 40.8%, up from 35.7% in FY2023. Coupled with a fleet utilisation rate of 97%, this has established a solid foundation for the Group's continued growth and sustained profitability.

KEY FINANCIAL HIGHLIGHT FOR FY2024:



Demonstrated by ten (10) consecutive profitable quarters, Avangaad met the criteria for the removal of its PN17 status, which was officially uplifted on 20 February 2025.

MAXIMISING REVENUE POTENTIAL THROUGH FLEET DIVERSITY AND MAINTENANCE STRATEGIES

Its well-diversified fleet provides a strategic edge in navigating market volatility and capturing emerging opportunities across the marine and offshore industries. With a fleet spanning Product Tankers, FSUs/FSOs, OSVs, and Tugboats, the Group maintains operational flexibility, resilient revenue streams, and a strengthened market position. In FY2024, Avangaad maintained uninterrupted operations in 2024, secured new contracts, kept its fleet highly utilised, and broadened its market presence – reinforcing its competitive standing.

MULTI-SEGMENT MARKET PENETRATION:

A diversified asset based allowed the Group to tap into multiple revenue streams across oil and gas (O&G), energy logistics, and port operations. Unlike single-segment operators, Avangaad had in FY2024 proven its successful mitigation of market concentration risks by balancing exposure between long-term charter contracts and spot market opportunities, creating a stability to its business resilience.

STRUCTURED FLEET RENEWAL:

The Group adopted a strategic fleet renewal approach, ensuring asset longevity while maximising operational efficiency. By proactively managing its vessel portfolio, Avangaad demonstrated agility in reallocating assets across segments based on market conditions and contractual demands. This dynamic fleet management strategy optimises utilisation rates, enhances cost efficiency, and ensures a steady, reliable service delivery to meet evolving customer needs.

REGULATORY READINESS & ESG COMPLIANCE:

Avangaad stayed ahead of evolving maritime regulations by ensuring its fleet aligns with standards and other compliance measures. Its ability to leverage industry tailwinds while maintaining strong track record in license management, service quality, and operational reliability and expertise.

EFFECTIVE FLEET MAINTENANCE STRATEGIES:

The Group maintained its vessels in optimal working conditions, minimised unexpected failures and maximised asset longevity. Avangaad's structured maintenance strategies ensured consistent service delivery and seamless operational planning. Throughout 2024, the Group effectively mitigated disruptions and enhanced operational resilience through strategic preventive measures and robust emergency preparedness, ensuring swift responses to unforeseen incidents.

BUSINESS SEGMENTS PERFORMANCE

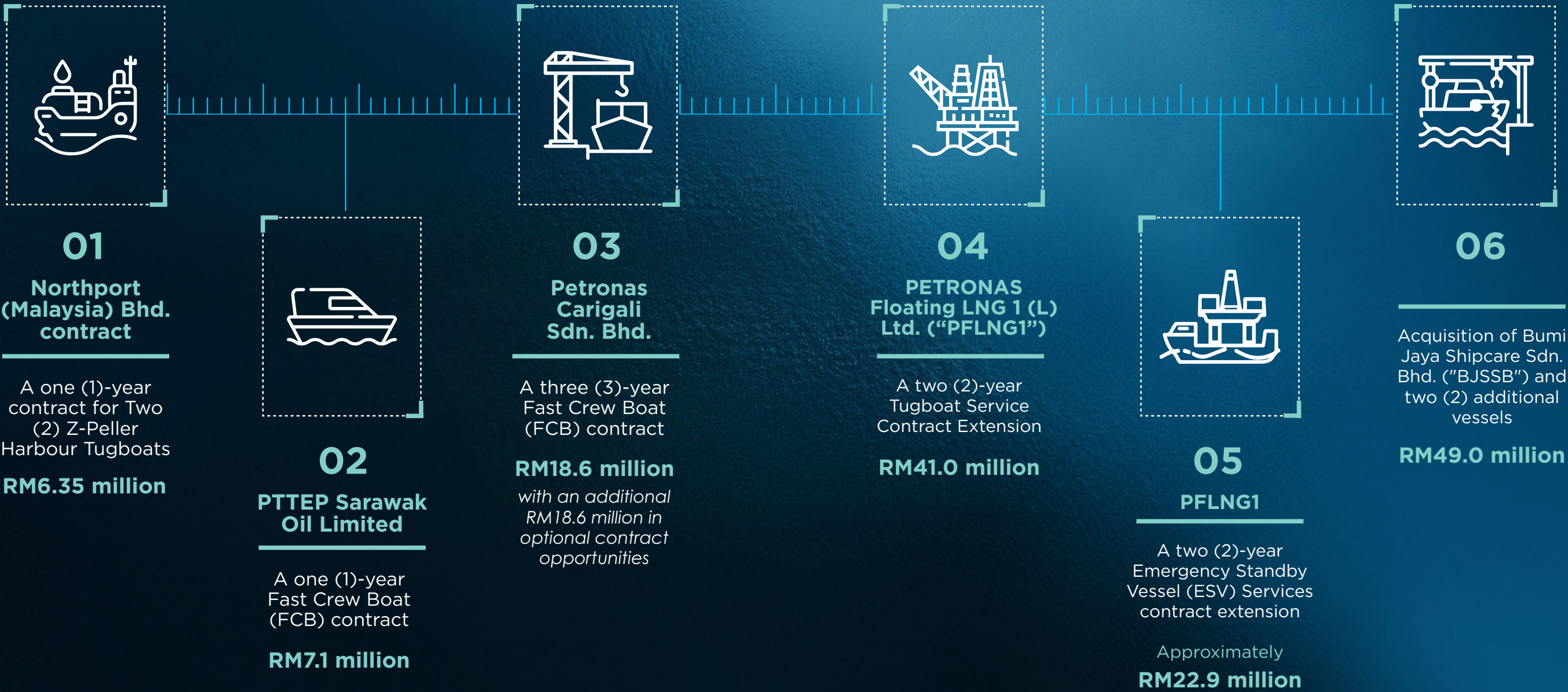
KEY CONTRACT WINS

Achieved the Fifth (5) Contracts from PETRONAS Group While Expanding Client Portfolio in FY2024:

Strengthened strategic alliances with key clients, affirming the Group’s capability in marine transportation of petroleum products, light cargo, and personnel.

DURING THE YEAR, AVANGAAD ALSO ACHIEVED OTHER SIGNIFICANT MILESTONES:

As at 17 March 2025



RENEWALS:

Avangaad secured a RM41.0 million contract extension for Tugboat Services in September 2024. This was followed by two more contract extensions for Emergency Standby Vessel (“ESV”) Services with PFLNG1 in October 2024, valued at RM22.9 million. All three (3) contracts have a two (2)-year term starting in November 2024. They will utilise Avangaad’s existing fleet, adding stable revenue streams and demonstrating its strong partnership with PETRONAS. The total contract value of RM63.9 million enhances revenue visibility and supports long-term growth. Avangaad was awarded these contracts via a Letter of Contract Extension dated 26 September 2024 and 22 October 2024 respectively. -

Northport Agreement:
Awarded a contract extension by Northport (Malaysia) Bhd (“Northport”) through a Letter of Extension dated 30 October 2023 for the operation and charter of two (2) Z-Peller Harbour tugboats. The contract is for a primary duration of one (1) year, commencing in January 2024, with a total contract value of RM6.35 million.

NEW:

Fast Crew Boat Contract:
Avangaad secured two (2) key contracts. The first is a three (3)- year Fast Crew Boat (FCB) contract valued at RM18.6 million, with an optional three (3)-year extension, offering opportunities for sustained revenue. The second is a one (1)-year FCB contract worth RM7.1 million, with the option to extend it for an additional year.

POTENTIAL:

Brunei Shell Market Entry:
Since August 2024, Avangaad has been an official vendor with Brunei Shell. This opens doors to high-value contracts with improved charter rates.

Avangaad operates as a marine transportation and offshore storage provider, with its business structured into a single reportable segment: vessel charter hire. This segment encompasses marine vessel operations for transportation and offshore storage of oil and gas, as well as port marine services.

VESSEL CHARTER HIRE PERFORMANCE

REVENUE GROWTH & MARKET POSITION
Avangaad’s charter hire services continued to be the primary revenue driver in FY2024. The Group recorded RM122.7 million in revenue, demonstrating the strength of its long-term contracts and effective fleet management. Strategic contract extensions and new wins with industry leaders such as Petronas Floating LNG 1 (PFLNG1) and Northport (Malaysia) Bhd. contributed to stable revenue performance.

The ability to maintain high fleet utilisation and secure valuable contracts has helped Avangaad maintain its competitive edge in Malaysia’s marine transportation and offshore storage market.

PROFITABILITY & EARNINGS STRENGTH

Avangaad reported a strong net profit of RM154.3 million in FY2024, a substantial increase from RM23.7 million in FY2023. The surge in profitability was driven by disciplined cost management, efficient operations, and one-off income from the successful creditor scheme settlements.

Excluding these exceptional items, the Group’s core earnings were RM25.2 million. This reflects Avangaad’s ability to achieve sustainable profits through enhanced fleet utilisation and well executed contract renewals.

DIVERSIFICATION & MARKET EXPANSION

The Group’s successful entry into the Brunei market, where it is now a registered vendor with Brunei Shell, opens up opportunities for high value contracts at enhanced charter rates.

Additionally, Avangaad announced the RM49 million proposed acquisition of BJSSB and two (2) additional vessels in March 2025. This acquisition broadens Avangaad’s business beyond vessel chartering into shipcare, salvage, and offshore marine operations. BJSSB’s existing long-term contract with a reputable client, which runs until 2033, provides a stable revenue stream while strengthening Avangaad’s presence in port services.

With a strong financial foundation, robust order book, and strategic market positioning, Avangaad is well-prepared to maintain its growth trajectory. The Group’s focus on maximising fleet utilisation, securing high-value contracts, and expanding its market footprint ensures sustained profitability and long-term value creation for shareholders and stakeholders.

KEY REVENUE CONTRIBUTORS

Geographical Segments

Avangaad’s ability to achieve sustainable profits through enhanced fleet utilisation and well executed contract renewals.

Key Customers & Revenue Concentration

In FY2024, Avangaad maintained strong relationships with its key external customers, contributing significantly to the Group’s revenue. Four (4) key clients – three (3) of which are under PETRONAS Group:

PETCO Trading Labuan Company Ltd.	Sungai Udang Port Sdn. Bhd.
PETRONAS Floating LNG 1 (L) Ltd. (PFLNG1)	Northport (Malaysia) Bhd.

Accounted for 83% of total revenue, amounting to RM102.8 million. This marks an increase from 75% (RM99.1 million) in FY2023, supported by the continued expansion of key partnerships formed during that period.

RISKS AND CHALLENGES

Avangaad operates within the highly dynamic and cyclical oil and gas industry, offering critical marine transportation, offshore storage, and support services. The Group is exposed to variety of risks that could impact its financial performance, operational stability, and potential growth. These risks range from economic and market volatility to regulatory compliance and operational challenges. Avangaad adopts a proactive approach to risk management, with strategies designed to identify, assess, and mitigate potential risks effectively.

Economic and Market Risks

The O&G industry is heavily influenced by global supply and demand dynamics, with crude oil price volatility often driven by geopolitical events, economic shifts, and contributing factors include the discovery and development of new oil fields, capital expenditure trends among O&G companies, and broader energy market conditions. These variables, while external and beyond the Group’s control, have a direct impact on charter rates, contract renewals, and operational planning.

To manage these risks, Avangaad maintains a diversified revenue base, focusing on long-term contracts with fixed and optional extensions to provide stable cash flows. The Group’s strategy emphasises operational efficiency, cost management, and exploring new market opportunities to mitigate the effects of industry downturns.

Business and Compliance Risks

The O&G industry is governed by strict regulatory frameworks to address inherent operational risks, including oil spills, equipment failures, and environmental hazards. In Malaysia, the Petroleum Development Act 1974 (PDA 1974) grants Petronas exclusive rights over petroleum resources, placing Avangaad under stringent compliance obligations.

The Group must also adhere to international maritime standards set by the International Maritime Organization (IMO), including key conventions such as:

- SOLAS (Safety of Life at Sea): Ensures the safety standards for vessels and crew.
- MARPOL (Prevention of Pollution from Ships): Mandates measures to prevent environmental pollution.
- STCW (Standards of Training, Certification, and Watchkeeping for Seafarers): Regulates crew qualifications and operational safety.

Failure to comply with these regulations could result in operational disruptions, financial penalties, negative publicity and reputational damage. Avangaad consistently updates its policies, conducts regular audits, and provides ongoing training to maintain full compliance with all regulatory requirements.

Operational and Contractual Risks

Operational risks in the marine industry include fleet management challenges, equipment maintenance, and risks associated with human error and environmental factors. Contractual risks relate to the terms of charter agreements, including penalties for non-compliance and the potential financial impact of contract terminations or renegotiations.

Avangaad’s fleet management strategy focuses on maintaining high utilisation rates, optimising maintenance schedules, and implementing rigorous safety and operational protocols. The Group operates on fixed-term contracts with optional extensions, providing a balance of predictable revenue and growth opportunities.

While past challenges, such as the EPCIC project delays, highlighted risks related to environmental and project management factors, Avangaad has since strengthened its project assessment and execution processes. The Group’s focus on efficiency, asset optimisation, and proactive risk management supports its ability to meet contractual obligations and maintain profitability.

Financial Exposure and Capital Allocation Risks

The Group faces financial risks stemming from fluctuations in operational costs, substantial capital expenditure requirements, and acquisition, maintenance, and construction are essential for operations but pose financial challenges, especially if the Group cannot secure sufficient charter contracts to maintain stable revenue streams.

The Group’s dependence on short and long-term contracts with optional extensions could be a strength of the business; however, there is no guarantee of sustained profitability amid market volatility or reduced demand. The inability to secure or renew contracts, coupled with potential funding constraints, could impact cash flow, profitability, and growth plans.

The Malaysian maritime industry, which facilitates approximately 90% of the nation’s trade, is crucial to the country’s economy. However, it faces challenges in safeguarding economic interests and maintaining its competitive advantage in global trade. Factors such as economic conditions, market dynamics, and operational risks significantly influence the industry’s sustainability.

PREVENTIVE MEASURES & RISK MANAGEMENT

The identified risks are not expected to expose the Group to new or additional risks, as it continues to operate within the same industry landscape. While certain inherent risks remain beyond the Group's control, robust procedures and policies have been implemented over the years to effectively manage and mitigate potential impacts.

Avangaad's proactive approach to risk management is designed to minimise exposure to industry volatility, financial uncertainties, and regulatory risks. The Group has implemented strong preventive measures to enhance operational efficiency, secure revenue stability, and uphold regulatory compliance. These initiatives are embedded into its core business strategies to safeguard long-term growth and resilience.

OPTIMISED FLEET UTILISATION & CONTRACT STABILITY

Avangaad prioritises maximising fleet deployment to ensure high utilisation rates while securing diversified, long-term contracts. This reduces revenue fluctuations and enhances financial predictability, safeguarding against downturns in the oil and gas sector.

PROACTIVE FLEET MAINTENANCE & OPERATIONAL EFFICIENCY

The Group adheres to a structured preventive maintenance program to ensure vessel reliability, minimise unexpected downtime, and extend asset lifespan. Advanced monitoring systems and predictive maintenance strategies enhance operational efficiency and cost-effectiveness.

STRATEGIC PARTNERSHIPS & BUSINESS EXPANSION

Avangaad actively strengthens alliances with key industry players, expanding its customer base to reduce dependency on any single market segment

REGULATORY COMPLIANCE & GOVERNANCE

A robust compliance framework ensures that Avangaad meets international maritime standards and industry-specific regulations. Regular audits, employee training, and continuous policy updates reinforce adherence to IMO conventions, the Petroleum Development Act 1974, and environmental mandates to avoid potential operational disruptions or financial penalties.

ESG AND SUSTAINABILITY FOCUS

Avangaad is committed to integrating Environmental, Social, and Governance ("ESG") principles into its operations as part of its long-term sustainability strategy. The Group recognises that responsible business practices, environmental stewardship, and strong corporate governance are critical to its continued growth and industry leadership.

The Group's ESG initiatives are aligned with global best practices, ensuring that its operations not only contribute to economic growth but also minimise environmental impact, support social well being, and uphold ethical business practices throughout the supply chain.

★ ★ ★

AVANGAAD ACHIEVED 3-STAR ESG RATING IN FTSE RUSSELL DECEMBER 2024 ASSESSMENT

KEY HIGHLIGHTS IN FY2024:

ENVIRONMENTAL RESPONSIBILITY, SOCIAL CONTRIBUTIONS, GOVERNANCE AND ETHICAL BUSINESS PRACTICES

Accreditations and Certifications:

- Achieved a three (3)-star rating in the FTSE Russell December 2024 Assessment
- Attained two (2) ISO certifications:

ISO 9001:2015 - Quality Management Systems
ISO 37001:2016 - Anti-Bribery Management Systems

Involvement with Associations and Memberships:

Became a member of key maritime industry associations, including the Malaysian OSV Owners' Association (MOSVA) and the Malaysia Shipowners' Association (MASA), to stay informed on industry policies, regulations, and best practices.

2024 New Policies and Implementation:

- Sustainability Policy
- Human Rights & Labour Policy
- Cloud-based Data Collection for seamless monthly tracking

Adoption of Six Core UN SDGs Values:
Goal 3, Goal 7, Goal 8, Goal 12, Goal 13 & Goal 16

- Investing in the Ship Energy Efficiency Management Plan (SEEMP) as a key strategy to enhance vessel energy efficiency.
- Upholding human rights and labour standards by implementing robust support systems and hazard mitigation plans.
- Implementing waste reduction initiatives, including garbage management, bilge, sewage, and guidelines for proper waste segregation and disposal.

COMMITMENT TO SUSTAINABLE GROWTH

Avangaad's ESG initiatives are not just compliance-driven but a core part of its long-term strategy to become a responsible and future-ready company. The company's efforts in reducing its environmental impact, investing in its workforce, and maintaining ethical governance reflect its commitment to sustainability, resilience, and growth.

Moving forward, the Group will continue to:

Innovate sustainable practices to reduce its environmental footprint.

Enhance employee well-being and diversity to create an inclusive work environment.

Uphold strong governance and ethical standards to build a resilient organisation.

As a marine transportation and offshore storage company, Avangaad operates in a highly regulated industry demand strict environmental management. Committed to sustainability, the Group is actively implementing green initiatives to reduce its carbon footprint and improve operational sustainability. With a vision to lead the marine transportation and offshore storage sector, Avangaad strives to drive industry advancements while making a positive impact on the environment and society.

OUTLOOK & GROWTH PROSPECTS

Avangaad is ready to capture new opportunities in marine transportation, offshore storage, and port marine services. The Group's strategic focus is on scaling operations, enhancing revenue streams, and integrating sustainable practices. With a robust financial position and a diversified service portfolio, Avangaad aims to drive long-term growth.

The successful completion of its regularisation plan in June 2024 and upliftment from PN17 status on 20 February 2025 marked a turning point. Avangaad now operates with greater financial strength and agility. This progress sets the stage for pursuing larger projects, securing long-term contracts, and expanding market presence across ASEAN and beyond.

STRATEGIC PRIORITIES

1. CAPACITY EXPANSION

To meet the growing industry demand for marine logistics, offshore storage, and port support services, Avangaad is committed to scaling its operational capacity through:

- Fleet Growth & Life Span Management:** Investing in newer, fuel-efficient vessels to expand service offerings and improve fleet utilisation.
- Maximising Asset Deployment:** Preparing the Nautica Tembikai FSO for deployment. Aiming to generate higher charter revenues and improve profitability.
- Enhancing Fleet Utilisation:** Targeting a consistent fleet utilisation rate of 97%. Focusing on optimal revenue generation and expanding operational capabilities.

2. REVENUE DIVERSIFICATION

Avangaad is actively broadening its revenue base to reduce reliance on traditional oil & gas-related services and explore new business verticals:

- Expanding Contract Portfolio:** Bidding for high-value offshore storage and marine support contracts, reinforcing the company's position in the industry.
- Market Expansion & Regional Growth:** Leveraging its Brunei Shell vendor registration to diversify its customer base and secure long-term contracts in new markets.

3. SUSTAINABLE PRACTICES & ENVIRONMENTAL, SOCIAL AND GOVERNANCE EFFORTS SINCE 2017

Since FY2017, Avangaad has systematically embedded ESG considerations into its business operations, reinforcing its commitment to sustainable growth. The Group's ESG and Sustainability frameworks are aligned with Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and Illustrative Reporting Guidelines, adhering to Global Reporting Initiative (GRI) standards and the United Nations Sustainable Development Goals (UN SDGs) as key compliance benchmarks.

Following the Securities Commission's introduction of the National Sustainability Reporting Framework (NSRF) in Q3 2024, Avangaad acknowledges its significance and remains committed to integrating its requirements into future sustainability disclosures, reinforcing transparency and accountability in its reporting practices.

Avangaad remains committed to its three-tier governance structure, ensuring sustainability is embedded across the organisation. In FY2024, the Group established ten (10) KPIs under three (3) sustainability pillars, advancing its ESG-driven maritime practices. These efforts reinforce Avangaad's position in sustainable marine operations and best-in-class ESG standards.

GROWTH OPPORTUNITIES

1. POST-PN17 PROSPECTS

With its strong balance sheet, positive cash flow, and high contract renewal rates, Avangaad is well-prepared to pursue new growth opportunities and set sail toward new horizons.

- Renewed Market Perception and Proven Credibility:**

PN17 upliftment is a significant acknowledgement of the Company's enhanced credibility among investors, financial institutions, and business partners. With the removal of its restriction status, Avangaad has fulfilled its commitment by achieving ten (10) consecutive profitable quarters. This accomplishment strengthens its market position and validates its ability to attract new capital and investment opportunities.
- Access to Larger-Scale Contracts:**

With its strengthened financial position, Avangaad is now eligible to bid for high-value projects in offshore energy logistics and storage solutions, unlocking new revenue streams. With a strategic focus on securing diverse contract structures, particularly long-term agreements, Avangaad reinforces its role as a key marine solutions provider in the region—ensuring business sustainability and financial resilience.
- Strategic Alliances & Collaborations:**

Avangaad has built a strong reputation among the O&G giant and leading industry players. Moving forward, the Group remains committed to forging strategic collaborations with key industry leaders to further expand its service. Capabilities and enhance its regional competitiveness.

2. REGIONAL EXPANSION & ASEAN MARKET PENETRATION

The maritime sector in Southeast Asia is on an upward trajectory, fueled by rising offshore oil and gas activities, expanding energy infrastructure, and increasing demand for integrated marine solutions. Avangaad is strategically positioned to capitalise on these market dynamics, strengthening its competitive advantage and expanding its presence in high-growth markets, including:

- Brunei & Indonesia:** Leveraging its Brunei Shell vendor registration to establish a strong foothold in Brunei's oil & gas sector while tapping into Indonesia's offshore exploration and production activities.
- Vietnam & Thailand:** Targeting long-term vessel charters and offshore storage solutions to support the region's growing energy needs.
- Malaysia & Singapore:** Strengthening its position as a key provider of marine logistics and port services in key regional maritime hubs.

The offshore oil and gas industry in Southeast Asia is poised for significant growth. Investments in the region's oil and gas development are projected to increase from US\$9.5 billion in 2022-2023 to US\$30 billion in the 2024-2025 period. This surge is expected to drive a compound annual growth rate (CAGR) of over 4% in the industry. As a trusted marine solutions provider, Avangaad is well-positioned to lead industry advancements, offering innovative, efficient, and sustainable maritime services.

3. FLEET EXPANSION

This proposed acquisition of BJSSB positions Avangaad to explore new service segments, expand its fleet and service capabilities. Upon completion of the acquisition, Avangaad's operational fleet will increase to thirty-one (31) vessels. This move strengthens Avangaad's ability to meet increasing demand for marine transportation, offshore storage, and port services while enhancing its long-term revenue potential.

These developments present substantial opportunities for the Group to expand its services and capture a larger market share in the evolving energy landscape.

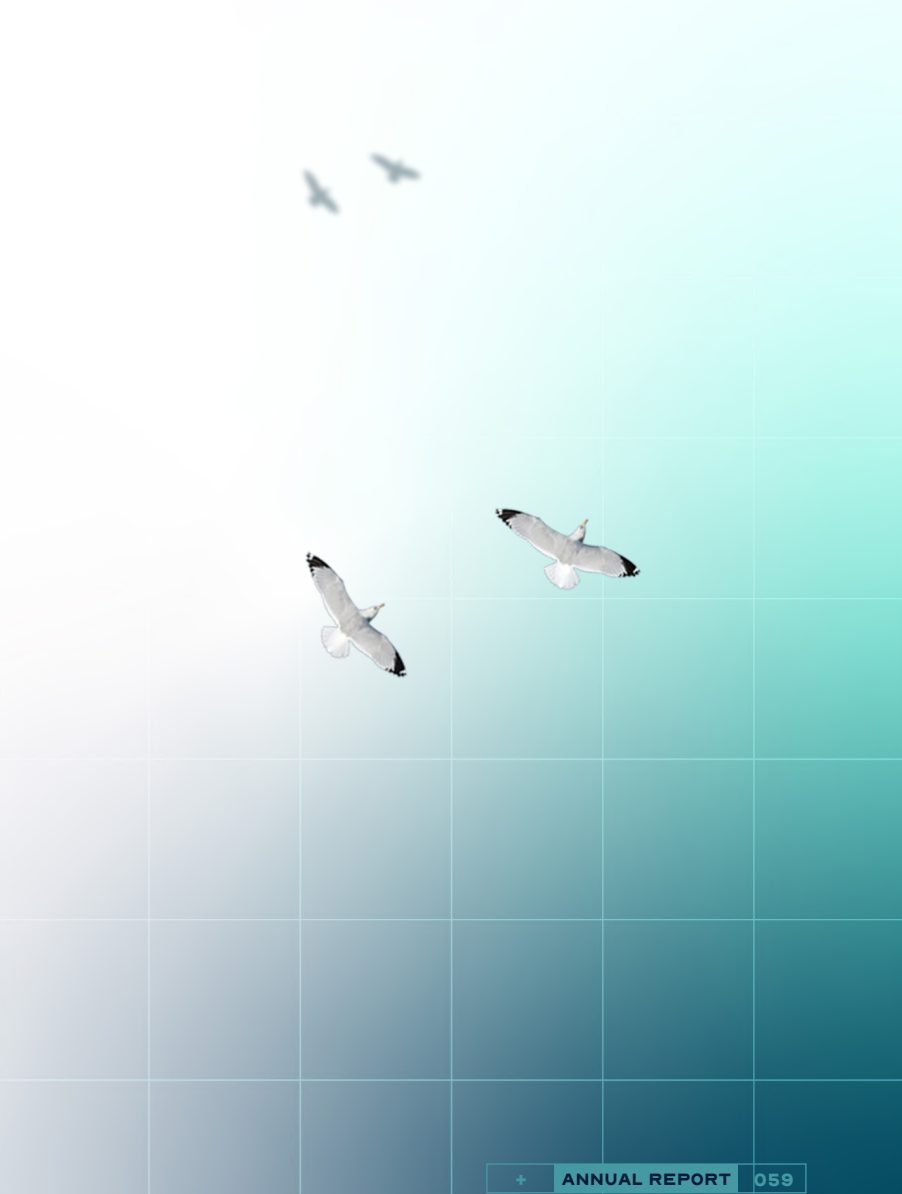
With a clear expansion strategy, robust financials, and operational excellence, Avangaad is set to capture new market opportunities and solidify its standing as a premier player in the marine services sector.

APPRECIATION & ACKNOWLEDGMENTS

Entering a new phase of growth, Avangaad acknowledges invaluable contributions from our Board of Directors, the leadership team, and employees whose dedication and resilience have been instrumental to our success. Their strategic leadership has steered the Group through critical milestones, including financial restructuring, operational efficiency improvements, and a strategic rebranding. These collective efforts have laid a solid foundation for sustainable growth, ensuring Avangaad remains a competitive force in the dynamic marine transportation and offshore services industry.

Our heartfelt gratitude goes to our clients, partners, and investors for their continued trust and support, which have been key drivers of Avangaad's success. The enduring confidence placed in Avangaad by industry giants like Petronas and Northport is evidenced by secured long-term contracts and extensions, totaling RM181.3 million in firm contracts, with an additional RM227.1 million in optional contracts.

To our esteemed shareholders and investors, we thank you for believing in our vision and our strategic direction as we transition beyond PN17 into a new era of financial resilience, sustainable growth, and success. Avangaad remains firmly committed to delivering long-term value, innovation, and service excellence, securing our leadership in the maritime industry for years to come.



SUSTAINABILITY REPORT

NAVIGATING TOWARDS SUSTAINABLE CHANGE

AVANGAAD’S STATEMENT AT A GLANCE

As specialists in offshore storage of oil and gas and port marine services, Avangaad Berhad and our subsidiaries (“the Group”) strive to deliver positive contributions as we navigate the challenges of the sector. We are pleased to present our sustainability statement for the fiscal year 2024 (“FY2024”), providing valuable insights into our concerted efforts to integrate environmental, social, and governance (“ESG”) considerations into our daily operations.

PROGRESSING INTO A SUSTAINABLE FUTURE

In 2024, Avangaad has implemented several initiatives to improve its sustainability effort. Our company took a significant step forward by establishing a human rights policy. This milestone reflects our commitment to ethical practices and the well-being of individuals across our operations and supply chain. The policy was introduced to ensure fair treatment, prevent discrimination, and create a safe, respectful environment for all. By aligning with international standards, this initiative highlights our dedication to fostering a sustainable and inclusive future.

Efficient data management is key to Avangaad’s commitment to sustainability and transparency. To support this, the company has implemented a cloud-based monthly data collection system that streamlines the process of gathering and analysing key operational data. This system allows for real-time tracking, improved accuracy, and better collaboration across teams. By leveraging cloud technology, Avangaad ensures that data is securely stored, easily accessible, and ready to support informed decision-making on sustainability goals and performance.

ESTABLISHING REPORTING SCOPE AND BOUNDARIES

The statement provides an overview of our activities during the period from 1 January 2024 to 31 December 2024. Three years of historical data will be presented where applicable to showcase annual trends and our performance.

Our disclosures cover qualitative and quantitative data for all our business operations in Malaysia which are:

- ✦ **Avangaad Berhad (“Avangaad”)**
- ✦ **Johor Shipyard and Engineering Sdn. Bhd. (“JSE”)**
- ✦ **Libra Perfex Precisions Sdn. Bhd. (“LPP”)**

THE FRAMEWORKS WE ABIDE BY

Avangaad referenced the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements, Bursa Malaysia’s Sustainability Reporting Guide (3rd edition) and the recently published Illustrative Reporting Guidelines. We were also guided by the Global Reporting Initiative (“GRI”) Standards and the United Nations Sustainable Development Goals (“UN SDGs”) as a measure of our compliance.



Additionally, we recognise the National Sustainability Reporting Framework introduced by the Securities Commission in September 2024 and are committed to incorporating its requirements into our future reports.

FEEDBACK ON OUR STATEMENT

As part of our continuous improvement efforts, we strive to enhance our sustainability reporting progressively. We value the input of our stakeholders and welcome any questions, feedback or suggestions you may have. Kindly reach out to us using the contact details provided.

Zaireen Azwan
Sustainability Manager
zaireen@avangaad.com / public-relations@avangaad.com

ESG AND SUSTAINABILITY FOCUS

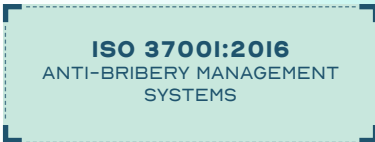
Avangaad is committed to integrating Environmental, Social, and Governance (“ESG”) principles into its operations as part of its long-term sustainability strategy. The company recognises that responsible business practices, environmental stewardship, and strong corporate governance are critical to its continued growth and industry leadership.

The Group’s ESG initiatives are aligned with global best practices, ensuring that its operations not only contribute to economic growth but also minimise environmental impact, support social well-being, and uphold ethical business practices.

We have garnered two ISO certifications that highlight our achievements of high-performance standards.



Ensures that our processes are streamlined, efficient, and consistent in meeting customer expectations.



Prevents bribery in all forms and promotes transparency and accountability via the Anti-Bribery Management Systems.

In December 2024, Avangaad was rated with a 3-star rating by FTSE Russell’s ESG Rating, recognising our dedication to sustainability and responsible business practices. This achievement reflects our continuous efforts to uphold the high standards in ESG performance while driving long-term value for our stakeholders.

On 20 February 2025, Avangaad successfully emerged from its classification as a Practice Note 17 (PN17) company, marking a significant milestone in its financial recovery. This achievement is particularly remarkable, given the relatively short timeframe in which it was accomplished. The company’s consistent performance, demonstrated by 10 consecutive profitable quarters, is a testament to its strong financial management, strategic resilience, and commitment to sustainable growth.

INVOLVEMENT WITH ASSOCIATIONS AND MEMBERSHIPS

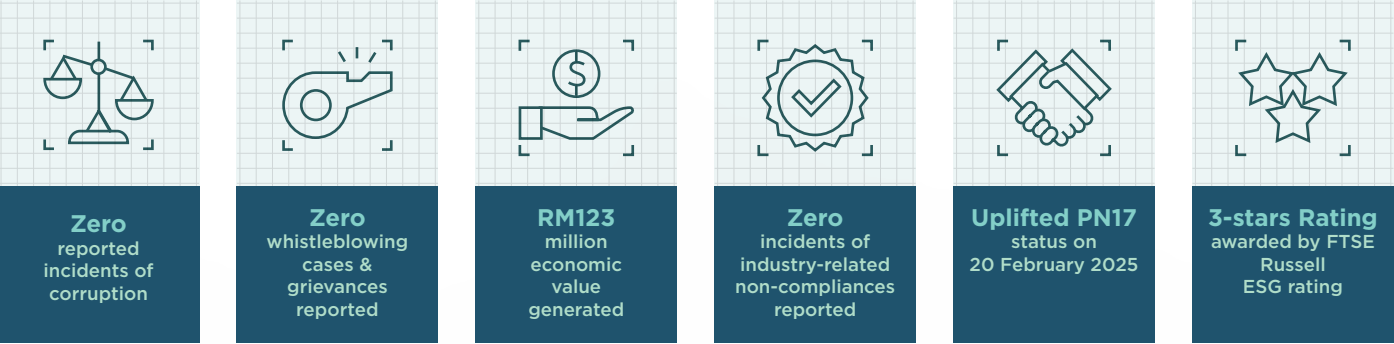
Engaging with industry associations fosters valuable networking opportunities with business peers and serves as a platform for staying abreast of current industry policies, regulations and best practices. At present, Avangaad is a member of two industry associations and professional bodies within the maritime sector.

- ✦ **Malaysian OSV Owners’ Association (“MOSVA”)**
- ✦ **Malaysia Shipowner’s Association (“MASA”)**

SUSTAINABILITY ACHIEVEMENTS

At Avangaad, we are steadfast in refining our ESG performance, embedding sustainability principles into the core of our onshore and offshore maritime operations. Our dedication yielded noteworthy achievements, underscoring the success of our sustainability journey.

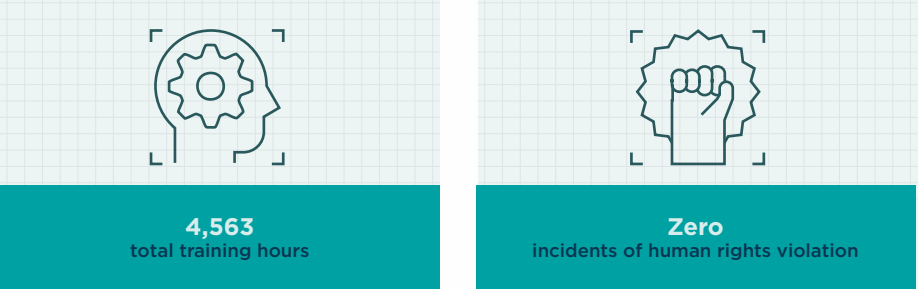
Steering Our Business



Minimising Our Environmental Footprint



Fulfilling Our Social Responsibility



CHARTING KEY MILESTONES IN OUR SUSTAINABILITY JOURNEY

Our illustrated sustainability journey highlights significant events that have shaped our ESG direction. Since FY2017, we have consistently integrated current ESG considerations into our business operations, driving further progression towards attaining our sustainability goals.



STRATEGIC SUSTAINABILITY APPROACH

ESG FRAMEWORK

We introduced our inaugural ESG framework to streamline the integration of sustainability principles and foster ethical conduct across our diverse maritime operations. Structured around three sustainability pillars and aligned with the UN SDGs, the framework guides our socio-economic development initiatives with consideration to the global sustainability agenda.

Vision

Mission

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

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

Pillars

Minimising Our Environmental Footprint

Fulfilling Our Social Responsibility

Steering Our Business

Our Sustainability Agendas

- Corporate governance and Anti-Corruption
- Data Privacy and Cybersecurity
- Regulatory Compliance
- Economic Performance
- Supply Chain Management

- Energy Management and Climate Action
- Waste and Effluent Management
- Water Consumption

- Occupational Health and Safety
- Service Quality and Customer Satisfaction
- Labour Standards and Human Rights
- Diversity and Inclusion
- Community Engagement

Our Contribution to the UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Our Strategic Stakeholders

Shareholders and Investors

Regulators

Customers

Employees

Suppliers

Industry Peers

Media

Local Community

Our Alignment with Relevant Frameworks and Standards

GRI

BURSA MALAYSIA

SUSTAINABLE DEVELOPMENT GOALS

AVANGAAD'S SUSTAINABILITY POLICY

Underpinning our framework is our newly established Sustainability Policy. Developed in harmony with our suite of ESG-related policies, this document embeds sustainability principles seamlessly into our corporate decision-making processes.

STEERING OUR BUSINESS

- Support local economic growth by prioritising local-based suppliers.
- Comply with regulatory and legal requirements in the market where we operate.
- Protect customer data and privacy against unauthorised access and use.
- Uphold the highest standards of ethical business conduct and act with integrity in all our operations.
- Prevent all forms of bribery and corruption throughout the Group's value chain.
- Uphold the highest standards of service to sustain customer satisfaction and support long-term value creation.

MINIMISING OUR ENVIRONMENTAL FOOTPRINT

- Continuously improve energy efficiency and actively monitor our carbon footprint across operations.
- Enhance recycling, reduce waste and implement responsible disposal methods to contribute towards a circular economy.
- Prevent pollution in any form for the protection of marine water quality.

FULFILLING OUR SOCIAL RESPONSIBILITY

- Foster a safe workplace for our employees, prioritising their well-being.
- Strive to consistently meet customer expectations, thereby fostering customer satisfaction.
- Ensure fair labour practices, treating all employees with dignity and fairness.
- Allocate resources to support employee development and growth.
- Actively engage with and contribute to the communities in which we operate.

FOCUS ON GLOBAL RESPONSIBILITY

The UN SDGs represent a universally embraced blueprint for shaping an equitable future by 2030. At their core lie 17 interconnected objectives, accompanied by specific targets and indicators, embodying a collective humanitarian call to action to address the world’s most urgent challenges. Currently, we have adopted the six goals most resonant with our values and where our actions yield the most meaningful impact.

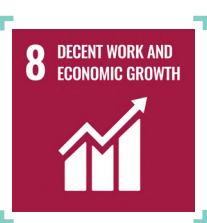


Target 3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

- Protection against pollution via proper handling of fuel and chemicals on board.
- Implemented the Shipboard Oil Pollution Emergency Plan as a contingency measure if pollution occurs.

Target 7.3: Double the global rate of improvement in energy efficiency

- Implemented the Ship Energy Efficiency Management Plan Manual (“SEEMP”) I, II and III to improve the energy efficiency of vessels.



Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

- Human Rights & Labour Policy was created to support the rights of employees and ensure their grievances are addressed.
- Hazard identification and mitigation plans were put in place as part of occupational health and safety risk management.

Target 12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks

- Implemented the Garbage Management Plan, Bilge Management Plan, Sewage Management Plan, and Ballast Water Management Plan.
- Uphold strict adherence to MARPOL guidelines for the segregation and disposal of waste generated by the Group’s Marine Operations.



Target 13.2: Integrate climate change measures into national policies, strategies and planning

- Climate goals aligned to the milestones of the International Maritime Organisation’s (“IMO”) masterplan to cut GHG emissions from shipping by half in 2050.
- Continuously introduced new strategies and action plans to reduce emissions, adopted technologies to improve fuel efficiency.

Target 16.5: Substantially reduce corruption and bribery in all their forms

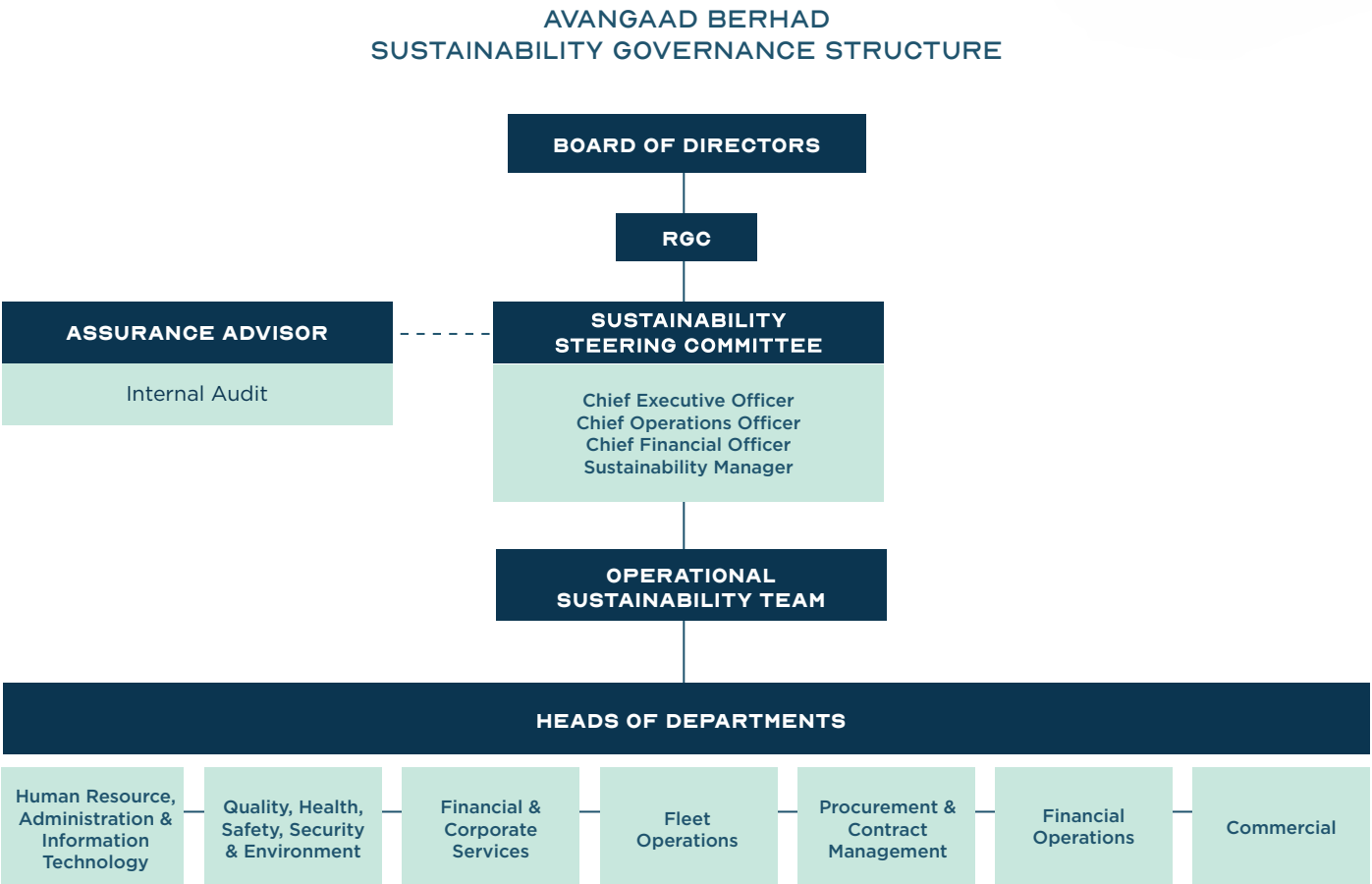
- Achieved ISO 37001:2016 Anti Bribery Management Systems accreditation for all operations.
- The Code of Ethics included as a vital component of the New Joiner Induction Programme.



GOVERNANCE AND LEADERSHIP

Strong governance is the foundation of Avangaad’s corporate culture, supporting smooth operations and building trust with stakeholders. Avangaad is dedicated to integrity and has set up a three-level governance structure to clearly assign responsibilities and ensure sustainability is well-integrated across the Group. Leading this structure is the Board of Directors, which guides the Group’s sustainability strategies, policies, goals, and management of climate-related risks and opportunities.

The Risk and Governance Committee (“RGC”) oversees the Sustainability Steering Committee (“SSC”) which monitors sustainability initiatives and performance across departments, translating strategic goals into tangible actions. The SSC regularly reports the Group’s sustainability progress to the RGC.



Roles	Responsibilities
Board of Directors	<ul style="list-style-type: none">• Provide strategic oversight over the Group's overall sustainability agenda, practices, strategies, performance and material sustainability matters.• Provide strategic oversight over the integration of ESG-related risks and opportunities within the Group's strategy and risk management, including climate-related risks and opportunities.• Approve sustainability policies, strategies, material sustainability matters, and the annual Sustainability Statement proposed by the SSC.
Risk & Governance Committee	<ul style="list-style-type: none">• Ensure strategic management of sustainability, climate-related risks and opportunities, as well as material sustainability matters for the Group.• Include sustainability and climate-related risks in the Group's risk management framework and implementation.• Monitor the implementation of sustainability strategies, policies and initiatives.
Sustainability Steering Committee	<ul style="list-style-type: none">• Developing and recommending sustainability policies, monitoring performance against sustainability targets and ensuring alignment with overall business strategy.
Operational Sustainability Team	<ul style="list-style-type: none">• Identify and propose potential changes to sustainability policies, standards and procedures.• Develop and recommend sustainability strategies, initiatives and targets to the RGC.• Identify and propose material sustainability matters relevant to the Group to the RGC for Board approval.• Monitor the Group's ESG performance and assess the effectiveness of sustainability policies, strategies, targets and initiatives for the Group.• Establish a reporting structure or communication channel for department representatives to propose relevant material sustainability matters and to provide updates on ESG-related data to the RGC on a regular basis.

ENGAGING STAKEHOLDERS

Avangaad consistently interacts with stakeholders across diverse platforms, facilitating impactful dialogues aimed at nurturing connections, enhancing trust, and promoting the creation of shared value for both stakeholders and the business.

ANNUALLY QUARTERLY MONTHLY WEEKLY AS REQUIRED

Shareholders and Investors

Why They Matter

Shareholders and investors are essential in providing financial support to our business operations.

Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">Company financials and performanceCorporate governance, investor briefingsBusiness operations	<ul style="list-style-type: none">Annual reportAnnual general meetingMeetingsFinancial reports	<ul style="list-style-type: none">Quarterly financial reportsGeneral meeting for shareholdersPublish annual reports, quarterly announcements, and disclosures on Bursa Securities' website and the Group's website

Regulators

Why They Matter

Regulators establish and enforce the legal frameworks, ensuring our compliance with laws and regulations.

Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">Corporate governance practiceCompliance on regulationsTransparency, accountability and reporting	<ul style="list-style-type: none">MeetingsOnsite inspectionEmails	<ul style="list-style-type: none">Full compliance with regulatory requirementsParticipation in initiatives and programmes for clarification on regulations

Customers

Why They Matter

Customers drive the demand for Avangaad's products or services, influencing our revenue and growth.

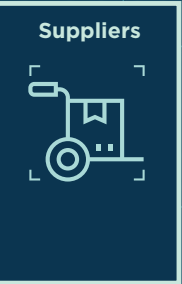
Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">Brand presenceService qualityNetworking	<ul style="list-style-type: none">MeetingsPhone CallsEmails	<ul style="list-style-type: none">Increased brand presenceFeedback on performanceFrequent communication and engagementCustomer satisfaction surveys

Employees

Why They Matter

Employees are vital to Avangaad's success, contributing skills and expertise that drive our operations.

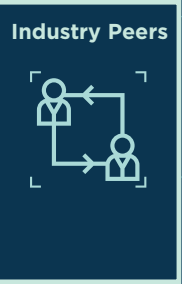
Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">Business performanceStaff benefits and welfareOccupational health and safetyLabour standardsMaritime security	<ul style="list-style-type: none">Talent ManagementTownhall sessionsEmailsTeam buildingEmployee HandbookShip Crew Engagements	<ul style="list-style-type: none">Updated awareness on the on-goings in the GroupPromote teamwork, inclusiveness and respectTraining on occupational health and safetyCompliance with labour standards and security



Why They Matter

Suppliers play a key role by providing the necessary resources and materials to support Avangaad's operations.

Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">Daily operation mattersTechnical and operational requirement discussionsQuotations negotiationsRegulations compliancePerformance evaluationAfter-sales service	<ul style="list-style-type: none">Phone callsMeetingsEmails	<ul style="list-style-type: none">Familiarising with vendor's capabilitiesNegotiated for competitive rates for materials / services procuredEnsure materials / services are procured at the right quality and delivered to the right location at the right timeEnsured safety standards were upheld to prevent incidents at work siteTimely after sales service



Why They Matter

The Group collaborates with and benchmarks against industry peers which foster innovation and enhanced overall performance.

Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">Technical, operational and commercial mattersOperational safety issuesMarket intelligence	<ul style="list-style-type: none">Trade shows and exhibitionsWorkshopsMeetings	<ul style="list-style-type: none">Ensure all clarifications are responded and appropriate actions are undertakenParticipated in various tradeshows and exhibitions when deemed necessary for marketingBranding and recruitment process



Why They Matter

Media provides coverage and perception management which impacts public opinion, influencing the Group's reputation and business relationships.

Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">The Group's economic performance	<ul style="list-style-type: none">EmailsMeetings	<ul style="list-style-type: none">Positive coverage by analysts and media



Why They Matter

Communities can be positively influenced by Avangaad's efforts through responsible and sustainable practices.

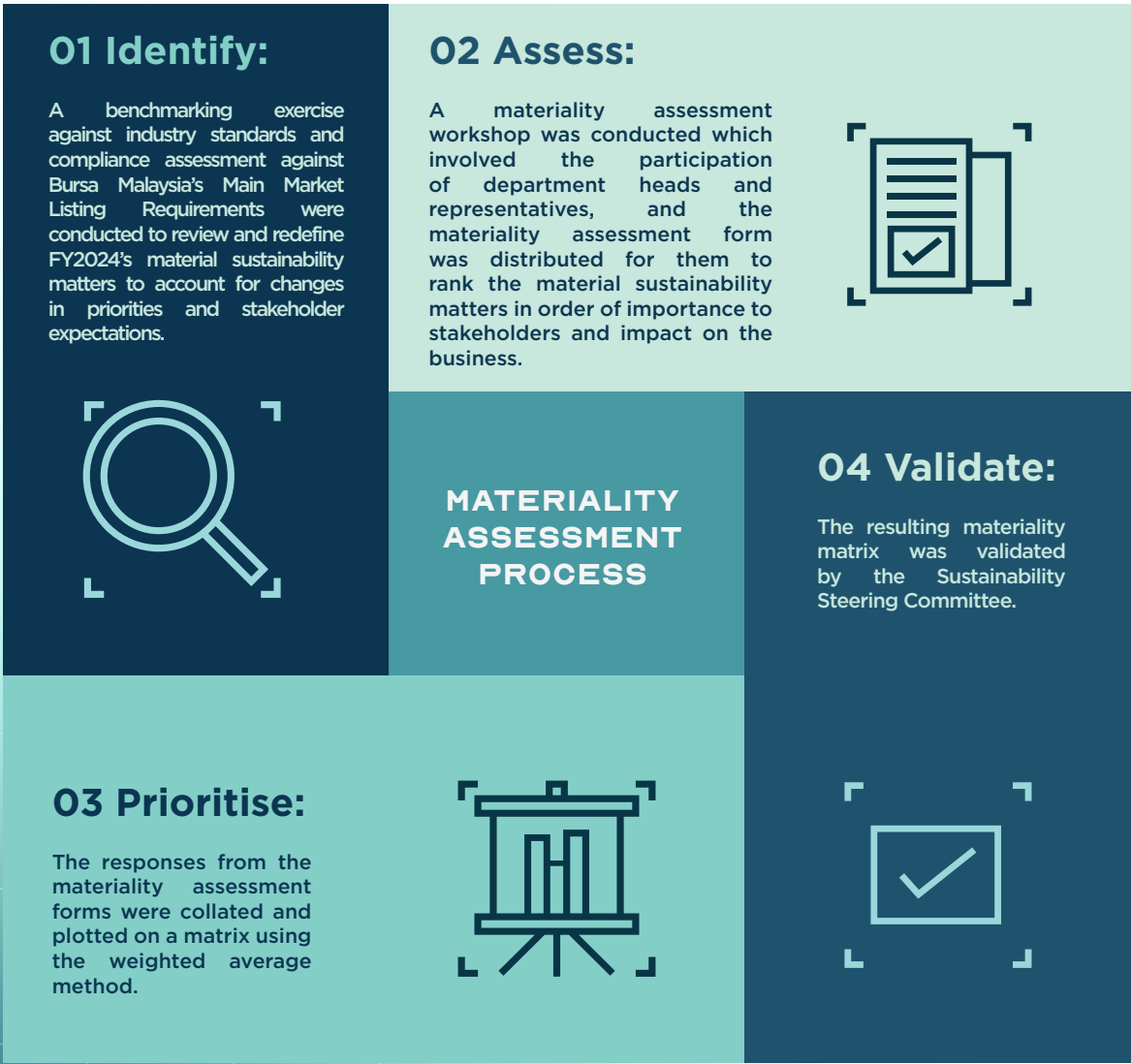
Areas of Concern	How We Engage	Our Response
<ul style="list-style-type: none">Community initiativesCareer opportunities	<ul style="list-style-type: none">Corporate social responsibility (CSR)Internship programme	<ul style="list-style-type: none">Contribute to the betterment of the community

NAVIGATING AVANGAAD'S MATERIAL MATTERS

MATERIALITY ASSESSMENT

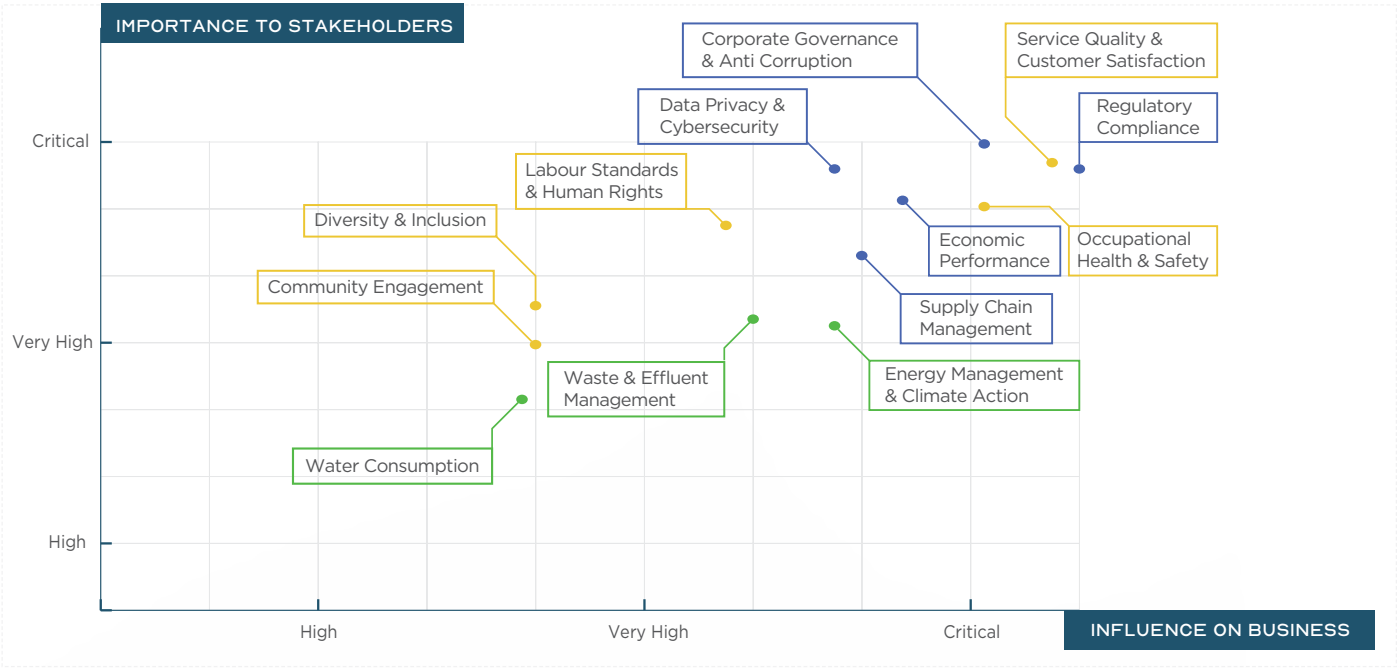
Materiality assessments are a strategic tool used to clarify the relative importance of our identified topics, enabling us to concentrate on critical matters that inform decision-making processes. This approach allows us to address the most significant sustainability challenges, fundamentally contributing to value creation within the Group.

In FY2024, we conducted a sustainability reassessment to uphold the continued relevance of our materiality matters with current sustainability trends. We adhered to Bursa Malaysia's Main Market Listing Requirements and the Sustainability Reporting Guide (3rd Edition) when selecting our material sustainability matters. We took into consideration the evolving marine transportation and logistics industry as well as the oil and gas support services industry. Our material matters inform our Group's strategic decision-making and guide the prioritisation of our sustainability initiatives.



VISUALISING OUR MATERIALITY MATTERS

After evaluating the results, we generated our materiality matrix to outline the matters deemed most material to the Group across three degrees of significance: high, very high and critical.



No	Governance	Environment	Social
1	Corporate Governance & Anti Corruption	Energy Management & Climate Action	Occupational Health & Safety
2	Data Privacy & Cybersecurity	Waste & Effluent Management	Service Quality & Customer Satisfaction
3	Regulatory Compliance	Water Consumption	Labour Standards & Human Rights
4	Economic Performance		Diversity & Inclusion
5	Supply Chain Management		Community Engagement

Of the 13 material matters identified for FY2024, our top five priorities are Corporate Governance and Anti-Corruption, Service Quality and Customer Satisfaction, Regulatory Compliance, Data Privacy and Cybersecurity, and Economic Performance. These key focus areas reflect our commitment to ethical business practices, safeguarding employee well-being, and delivering high-quality onshore and offshore services while ensuring long-term sustainability.

MAPPING OF MATERIAL SUSTAINABILITY MATTERS

Our material matters are categorised under the relevant three pillars, UN SDGs and stakeholder groups. By organising our material matters under this structured framework, we enhance our understanding of their interdependencies and develop targeted actions for a more impactful approach.

Legend:			
	Shareholders and Investors		Regulators
	Customers		Employees
	Suppliers		Industry Peers
	Media		Local Community

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Steering Our Business			
Corporate Governance & Anti-Corruption	Guided by a robust governance structure, we implement policies, codes and procedures that ensure an ethical business process within the Group and for those we engage with.		
Data Privacy and Cybersecurity	Utilising data privacy policies, procedures and industry best practices, we safeguard our customers' data privacy from cybersecurity breaches.		
Regulatory Compliance	We implement a proactive and adaptive compliance strategy that is crucial to ensuring our Group's adherence to legal requirements.		
Economic Performance	We implement strategic planning and group risk management to ensure robust economic performance and generate long-term value.		
Supply Chain Management	We procure from local suppliers and maintain a local supply base to support the local economy.		
Minimising Our Environmental Footprint			
Energy Management and Climate Action	We mitigate our impact on the environment and tackle climate change by managing our energy consumption to minimise greenhouse gas emissions.		
Waste and Effluent Management	The Group minimises environmental impacts by managing waste disposal and minimising general waste generation. We implement our own wastewater treatment to prevent adverse impacts to surface water and the environment.		
Water Consumption	The Group aims to manage our water consumption efficiently across our operations using adopted measures.		
Fulfilling Our Social Responsibility			
Service Quality and Customer Satisfaction	We ensure the safety and quality of our products via compliance with international quality standards and fair product pricing.		
Occupational Health and Safety	We ensure the health and safety of our employees by maintaining a safe and conducive working environment.		
Labour Practices and Human Rights	The Group respects the rights of employees and the community, implementing measures and procedures to safeguard their rights.		
Diversity and Inclusion	We advocate equal opportunity and inclusivity in our workforce, regardless of gender and social background.		
Community Engagement	The Group allocates resources to contribute to a range of community initiatives to alleviate the challenges faced by vulnerable groups and communities surrounding our operations.		

MEASURING SUSTAINABILITY PERFORMANCE

Key Performance Indicators (“KPIs”) serve as quantifiable metrics providing invaluable insights into our sustainability performance, enabling us to precisely identify potential improvement opportunities. They are also benchmarks that signify our progression over a specified period. In FY2024 we established 10 KPIs categorised under our three sustainability pillars.

Material Matters	KPIs	Performance
Steering Our Business		
Supply Chain Management	To achieve at least 70% of procurement expenditure spent on local suppliers annually	<div></div>
Corporate Governance and Anti-Corruption	To achieve zero reported incidents of bribery and corruption annually	<div></div>
	To achieve zero reported grievances or whistleblowing complaints to the Group annually	<div></div>
Minimising Our Environmental Footprint		
Climate Change and Energy	To monitor and disclose Scope 1 and Scope 2 GHG emissions annually	<div></div>
	To establish a baseline year for GHG emissions by FY2025	<div></div>
Waste and Effluent	To recycle at least 20% of waste annually	<div></div>
Fulfilling Our Social Responsibility		
Occupational Health and Safety	To achieve zero lost time injuries per 1,000,000 hours worked annually	<div></div>
	To ensure all workers receive health and safety training annually	<div></div>
Labour Practices and Standards	To achieve zero complaints of human rights violations	<div></div>
	Provide an average of 20 training hours per employee annually	<div></div>

ACHIEVED IN-PROGRESS

ADVANCING

CLIMATE ACTION

CLIMATE-RELATED DISCLOSURES

In FY2024, Avangaad enhanced its climate-related disclosures to further address climate challenges and deepen the integration of sustainability into our business strategies. Building on our initial efforts, we refined our approach to identifying and managing climate-related risks across key areas: Governance, Strategy, Risk Management, and Metrics and Targets. These improvements ensure a more robust framework for aligning our operations with our sustainability goals.

GOVERNANCE

The Board governs the Group’s climate-related risks and opportunities. We discuss our approach to assessing and strategically managing the emerging risks and opportunities posed by climate change.

Climate-related roles and responsibilities	
Board	Management
<ul style="list-style-type: none">The Board is aware of the potential impacts, risks and opportunities from climate change on Avangaad’s operations and includes climate-related considerations in the Group’s governance and risk management.The Board provides strategic oversight of the Group’s sustainability and enterprise risk management, including climate-related risk management.The Board provides strategic oversight of the Group’s sustainability initiatives, including climate-related initiatives.	<ul style="list-style-type: none">The Management monitors climate-related risk and opportunities.The Management manages the Group’s risk management strategy including climate-related strategiesThe Management ensures the implementation of sustainability initiatives, including climate-related initiatives.

STRATEGY

Climate-related risks encompass two main categories: transition risks and physical risks. Transition risks result from market and regulatory changes associated with the transition to a sustainable economy, while physical risks involve the direct impacts of climate change on operations and assets, including extreme weather events. To best address them, Avangaad identified the following risks, their potential impact and the opportunities.

TRANSITION RISKS: CLIMATE-RELATED RISKS, IMPACTS AND OPPORTUNITIES

■ Short to medium term risks (current to 2030)

■ Medium to long term risks (2031 to 2050)

Transition Risk	Impact	Opportunities
Policy and Legal		
■ Regulations imposed for regulatory environmental compliance	• Potential incurred costs from penalties and fines	• Adopting long-term best practices to prevent non-compliances
■ Future implementation of carbon tax or other carbon pricing mechanism	• Increased costs incurred from carbon pricing mechanisms	• Reduction of Avangaad’s reliance on carbon-intensive vessels
Technology		
■ Challenges in determining transportation vessels that require less fuel resources to operate	• Additional costs for research and development	• Resource savings upon using vessels that are more resource-efficient and produce less waste
■ Challenges in the adoption of new technology at the same level of service delivery	• Incurred upfront costs from investments in new technology and its implementation	• Cost and resource savings upon successful implementation of new technology
Market		
■ Increased cost of service provision	• The rise in fuel and maintenance costs will affect the overall cost and reduce the profit margin	• Opportunity to diversify the technology applied and explore utilisation of energy-saving vessel features
Reputation		
■ Increased stakeholder concerns and expectations for climate action from the Group where non-action may affect brand reputation	• Revenue affected by negative stakeholder sentiment which influences product demands	• Opportunity to strengthen brand reputation via the supply of more products with eco-based features

PHYSICAL RISKS: CLIMATE-RELATED RISKS, IMPACTS AND OPPORTUNITIES

Physical Risk	Impact	Opportunities
Acute		
■ Occurrence of short-term extreme climate-related events i.e. hurricanes, typhoon, etc.	• Short-term extreme climate-related events may cause workforce disruption and damages to vessels and other assets	• Opportunity to innovate and adopt technological facilities that can anticipate and withstand the impacts of acute climate-related events in advance of industry peers
Chronic		
■ Occurrence of long-term effects such as extreme variability in weather patterns, i.e. prolonged high temperatures, intense rain, etc.	• Long-term climate-related impacts may affect the longevity of vessels, which affect the overall operating costs, capital costs and insurance costs to manage impacts	• Opportunity to adopt innovative technology and resilient vessels that withstand long-term climate impacts ahead of industry peers

RISK MANAGEMENT

Our processes for identifying, assessing and managing climate-related risks are integrated into the Group’s overall risk management framework.

Risk Management
Identification of Climate-related Risks
<ul style="list-style-type: none">• Risks, including climate-related risks, are identified through risk identification, risk assessment, risk management approach and continuous monitoring and inclusion at each division. Identified significant risks are escalated to the RGC and the Board.• The Board and other committees convene at least once a year to discuss and update strategic business matters which include climate-related matters.
Managing Climate-related Risks
<ul style="list-style-type: none">• The RGC and SSC are responsible for ensuring sustainability and climate risks are managed by monitoring anticipated or reported impacts, including sustainability-related or climate change impacts on the Group’s operations.• Both the SSC and RGC are responsible for proposing mitigation actions for the identified sustainability and climate risks and overseeing their implementation.
Integration of Climate-related Risk Management
<ul style="list-style-type: none">• Climate-related risks are integrated into the Group’s Risk Management framework to ensure risks are properly addressed and comprehensive oversight is implemented.

METRICS AND TARGETS

Setting the metrics and targets equips us to navigate our climate-related risks and opportunities. We track GHG emissions and other climate-related organisational targets. Moving forward, our targets include:

- To establish a baseline year for GHG emissions by FY2025
- To monitor and disclose Scope 1 and Scope 2 GHG emissions annually.



MINIMISING OUR ENVIRONMENTAL FOOTPRINT

The Group recognises the environmental impacts associated with our marine service operations and is committed to managing and reducing our carbon footprint. By adhering to stringent operational standards at both international and local levels, we aim to uphold our responsibility as a corporate citizen. Through the adoption of environmentally-friendly practices, we continue to practice sustainability in all aspects of our operations.

MATERIAL SUSTAINABILITY MATTERS

- Energy Management and Climate Action
- Waste and Effluent Management
- Water Consumption

KEY HIGHLIGHTS

- Reduced Scope 3 GHG emissions by 38% in FY2024
- 100% compliant with the Carbon Intensity Indicator (“CII”) Rating
- 6 tonnes of waste recycled

KEY STAKEHOLDERS



SHAREHOLDERS AND INVESTORS



REGULATORS



INDUSTRY PEERS



CUSTOMERS



LOCAL COMMUNITIES



ENERGY MANAGEMENT AND CLIMATE ACTION

WHY IT MATTERS

Responsibly managing our energy use and addressing climate change are crucial for us as a marine transportation and offshore storage of oil and gas (“O&G”) company. Implementing efficient energy management practices mitigates environmental impact, enhancing our operational resilience and cost-effectiveness in the face of evolving regulatory and market dynamics.

AVANGAAD’S APPROACH



**PREVENTING OIL SPILLS
AND POLLUTION OF
THE OCEAN.**



**CREATING A SAFE NOx AND
SOx EMISSION LIMIT FOR ALL
FLEET VESSELS.**

The Carbon Intensity Indicator (“CII”) Rating, developed by the International Maritime Organisation (“IMO”), serves as a standardised measure for assessing a ship’s efficiency. Mandated under MARPOL Annex VI, this rating system aims to mitigate GHG emissions arising from commercial ships. This system is installed on our tankers, Nautica Kluang 2 and Nautica Pontian 2.

In FY2024, we collected and analysed data from our tankers to measure emissions in grams of CO₂ per cargo-carrying capacity and nautical mile. This data is used to determine each tanker’s CII rating, ranging from A to E, and is submitted annually to the IMO. The IMO then issues a Certificate of Compliance, typically in May, which remains valid for one year. In 2024, both of our vessels received a C rating, with Nautica Kluang 2 recording 12.91 gCO₂/tonne-mile and Nautica Pontian 2 at 12.94 gCO₂/tonne-mile.

To ensure our ships achieve the required CII Rating for our Ship Energy Efficiency Management Plan (“SEEMP”), we initiated vessel travelling speed reductions which entail better fuel consumption. In FY2024 all our vessels comply with MARPOL regulations.



AVANGAAD’S PERFORMANCE

FUEL CONSUMPTION

We have amended our fuel consumption due to reclassification of fuel usage and type of fuel, which has also affected the company’s overall emission and energy consumption. In FY2024, the Group consumed 12,012 litres of petrol, 918,314 litres of diesel, 2,369,100 litres of very low sulphur fuel oil (VLSFO), 7,407,232 litres of biodiesel, 7,173,425 litres of low sulphur marine gas oil (LSMGO), and 4,670,227 litres of marine diesel oil (MDO).

Type of Fuel	Consumption		
	FY2022	FY2023	FY2024
Petrol	35,735 L	57,641 L	12,012 L
Diesel	43,795 L	259,475 L	918,314 L
VLSFO	1,975,831 L	2,529,993 L	2,369,100 L
Biodiesel	3,746,051 L	7,243,926 L	7,407,232 L
LSMGO	6,028,467 L	7,831,607 L	7,173,425 L
MDO	4,078,326 L	3,282,472 L	4,670,227 L

REFRIGERANTS

In FY2024, Avangaad experienced an increase in carbon emissions from refrigerants due to leaks identified on two of our vessels. Upon detection, we promptly addressed and resolved the issue to prevent further emissions and maintain our commitment to environmental responsibility.

Year	FY2022	FY2023	FY2024
Emission (tCO ₂ e)	55	25.42	225.03

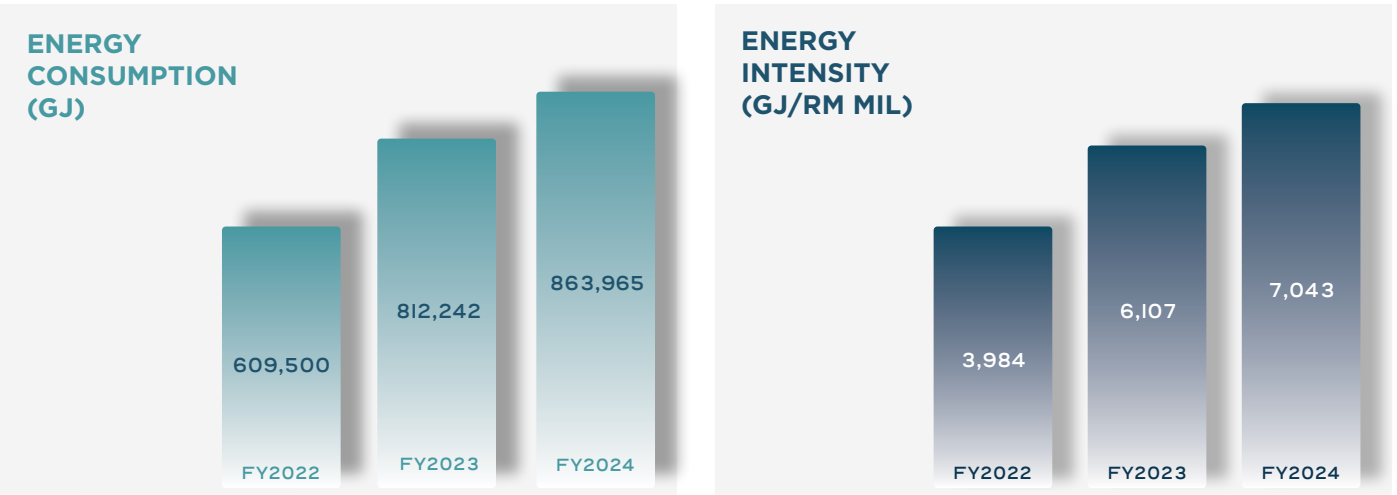
ELECTRICITY CONSUMPTION AND INTENSITY

This fiscal year, our electricity consumption decreased by 0.6% compared to the previous year, reflecting our commitment to energy efficiency. Notably, this reduction was achieved even with the addition of a rented office in Sungai Udang, Melaka. Electrical intensity stands at 1.27 MWH per RM million of revenue.



ENERGY CONSUMPTION

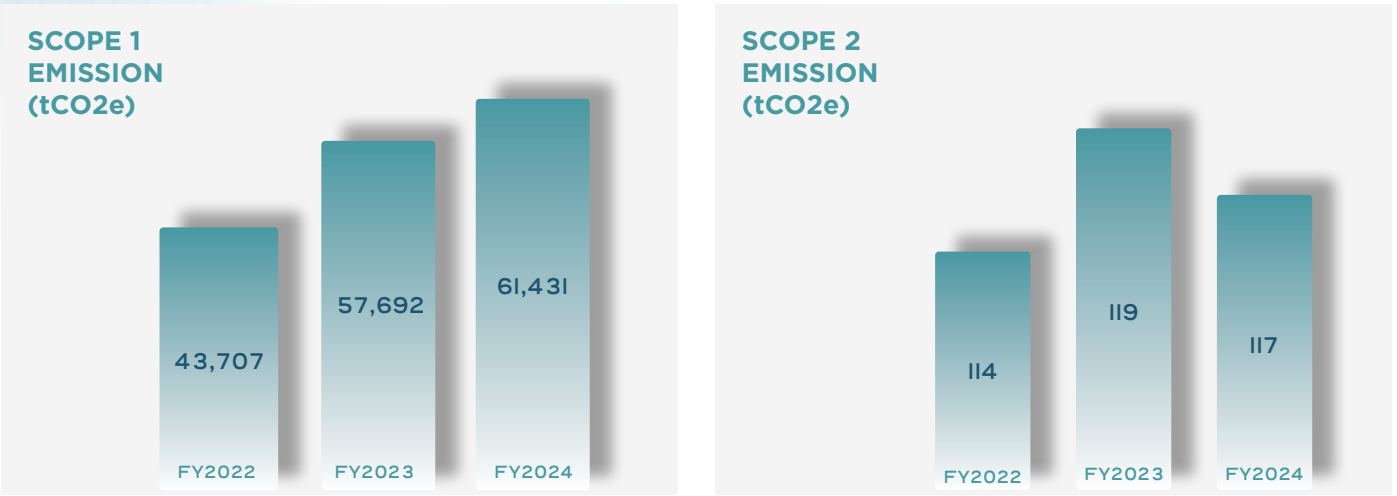
In FY2024, our total energy consumption reached 863,965 gigajoules (GJ), comprising electricity procured from the national grid and total fuel usage. This increase in energy consumption aligns with a higher vessel utilisation rate of 94%, up from 90% in FY2023 and 78% in FY2022.



Note:
1. Calculation for energy consumption utilises conversion values from The U.S. Energy Information Administration (“EIA”).

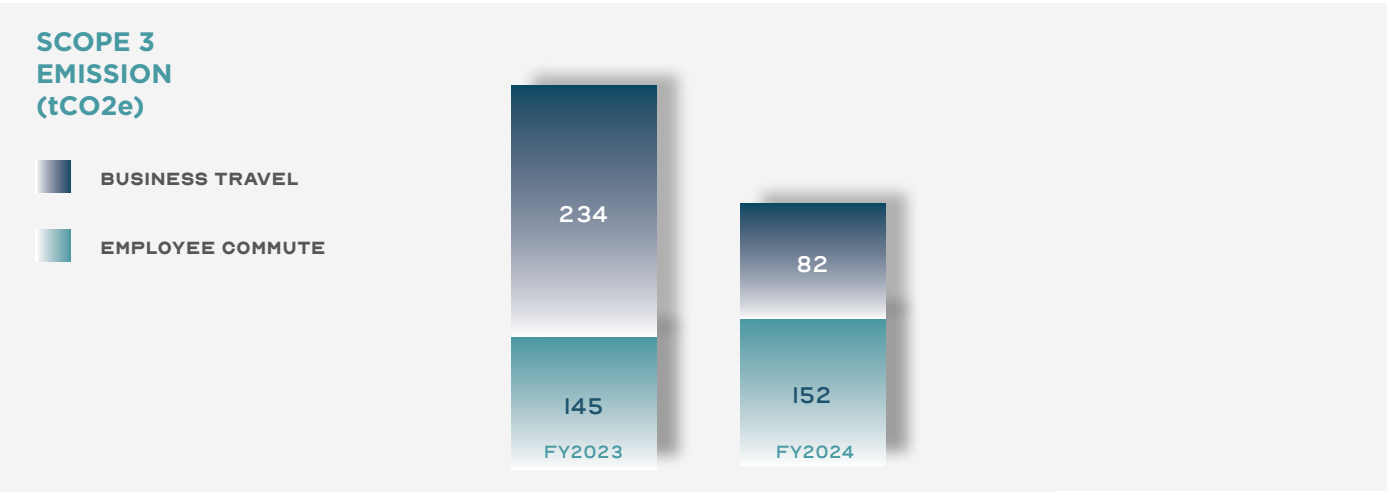
GHG EMISSIONS

In FY2024, the combined emissions from our operations amounted to 61,781 tCO₂e. Of this total, Scope 1 emissions accounted for 61,431 tCO₂e, followed by Scope 2 emissions at 117 tCO₂e and Scope 3 emissions at 233 tCO₂e.



Our Scope 1 emission showed increase of percentage compared to the previous year, as our vessels have higher utilisation rate of 94% in FY2024, up from 90% in FY2023. Meanwhile, our Scope 2 emissions have decreased slightly from FY2024 to FY2023.

Last year, we reported Scope 3 emissions, which covered business travel and employee commuting. After reclassifying fuel usage to its appropriate scope, we have updated our data for greater accuracy. In FY2024, Avangaad successfully reduced Scope 3 emissions by 38%, primarily due to a decrease in business travel throughout the year.



Note:
1. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.
2. Scope 1 and 3 emissions factors were sourced from the UK Government's GHG Conversion Factor 2023.
3. Scope 2 emissions factor were sourced from the National Energy Commission: Grid Emissions Factor 2021.
4. Avangaad started collecting Scope 3 data in FY2023.

AIR QUALITY

Our tankers comply with the International Maritime Organization (IMO) requirements by implementing the Energy Efficiency Existing Ship Index (EEXI). By adhering to EEXI standards, we enhance fuel efficiency and contribute to the reduction of greenhouse gas emissions, aligning with global sustainability goals. While the EEXI primarily assesses carbon emissions, it also accounts for other pollutants such as sulfur oxides (SOx), nitrogen oxides (NOx), and methane (CH4), ensuring a comprehensive approach to emissions management and environmental responsibility.

Parameters	FY2022	FY2023	FY2024
SO _x (tonnes)	11.24	16.73	16.40
NO _x (tonnes)	208.81	241.48	269.30
CH ₄ (tonnes)	1.77	2.05	3.81
Distance Travelled (miles)	46,864.10	71,693.00	79,097.50

Note:
The air quality data is generated by the EEXI system in both of our tankers, Nautica Kluang 2 and Nautica Pontian 2.

WASTE AND EFFLUENT MANAGEMENT

WHY IT MATTERS

Effective waste and effluent management are crucial for a marine logistics company to maintain compliance with environmental regulations, mitigate operational risks, and advance sustainability objectives. By implementing proactive waste management strategies, we enhance regulatory compliance, improve operational efficiency, and uphold our corporate reputation. Our vessels primarily discharge bilge water and ballast water, and we ensure that these discharges strictly adhere to stringent environmental standards to minimise ecological impact.

AVANGAAD'S APPROACH

WASTE MANAGEMENT PLAN

Avangaad has developed a holistic waste management strategy that addresses key facets of waste disposal, treatment and recycling practices.

	Marine Operations	Non-Marine Operations
Schedule and Non-Scheduled Waste	<div>Garbage Management Plan (“GMP”)</div> <ul style="list-style-type: none">Information on the handling, storage and disposal of garbage that is applicable for vessels above 100 gross tonnes and carrying more than 15 persons.If a vessel is above 400 grosstonnes, it is required to have a Garbage Record Book to record all discharge into the sea, waste incineration, and disposal to licensed facilities.	<div>Chemical and Waste Management Manual</div> <ul style="list-style-type: none">Methods to control the purchase, handling, storage and disposal of general waste and hazardous wasteDisposal of scheduled waste is compliant with the Environmental Quality (Scheduled Wastes) Regulations 2005.
Effluents	<div>1. Bilge Management Plan</div> <ul style="list-style-type: none">Procedures for handling bilge water, which is processed through oil filtering equipment.All bilge water discharged is recorded in the Oil Record Book.We abide by the MARPOL convention, which mandates that the permissible level of oil in bilge water for lawful discharge into the ocean remains below 15 Parts Per Million (“15 ppm”). <div>2. Sewage Management Plan</div> <ul style="list-style-type: none">Procedures for handling sewage, which needs to be treated before being released at a distance of at least 12 nautical miles from land. <div>3. Ballast Water Management Plan</div> <ul style="list-style-type: none">Developed in accordance with Regulation D1 of the International Convention for the Control and Management of Ship’s Ballast Water and Sediments (“BWM”).All ballast water discharged from our vessels is recorded in the Ballast Water Handling Log.	<ul style="list-style-type: none">Effluent is managed according to the approved treatment process.
Spills	<div>Shipboard Oil Pollution Emergency Plan</div> <ul style="list-style-type: none">Provides the necessary course of action when a pollution incident has or will likely occur.	<div>Chemical and Waste Management Manual</div> <ul style="list-style-type: none">Provides procedures to control any liquid spillage and leakage in a safe and controlled manner.

CURRENT INITIATIVES

The Group has on-going efforts for plastic and paper reduction across our marine and non-marine operations. Our Zero Plastic initiative highlights the importance of reducing single-use plastics and encourages alternative packaging. We place a strong emphasis on the 3Rs—recycling, repurposing, and reducing—as key practices in our operations, striving to minimise environmental impact and enhance resource efficiency. In October 2024, we launched a recycling initiative in our office, installing dedicated bins for paper, plastics, and cans. Since then, we have successfully recycled a total of 71.2 kg of materials.

AVANGAAD’S PERFORMANCE

In FY2024, we enhanced our transparency and alignment with international reporting frameworks by categorising and disclosing waste generation, including effluents. During the year, Avangaad generated 6 tonnes of hazardous waste, 38 tonnes of non-hazardous waste, and 6 tonnes of recycled waste. Additionally, our operations produced 27 tonnes of bilge water, 162 tonnes of sewage, and 125 tonnes of ballast water. This detailed reporting reflects our commitment to responsible waste management and environmental stewardship.

Type of Waste	Type of Waste Avangaad’s Generated Waste (Tonnes)		
	FY2022	FY2023	FY2024
Hazardous Waste	45	34	6
Non-Hazardous Waste	278	56	38
Recycled Waste		18	6
Effluent			
Bilge water			27
Sewage			162
Ballast water			125

Note:
1. The waste data covers waste generated from vessels.
2. Starting FY2024, Avangaad includes effluent in our waste disclosures.

ENVIRONMENTAL SPILL

Oil spill prevention and response are critical aspects of our environmental stewardship as a marine transportation company. Given the nature of our operations in transporting oil and gas products, even a minor spill can have severe environmental, financial, and reputational consequences. To mitigate these risks, we adhere to strict operational procedures, comply with IMO regulations, and equip our vessels with spill containment and response equipment. Regular crew training ensures preparedness in handling potential spills, while our proactive maintenance programs help prevent leaks and accidental discharges. By prioritising stringent spill prevention measures, we uphold our commitment to environmental protection, regulatory compliance, and the safe transportation of energy resources.

Type of Spill	Number of Oil Spill		
	FY2022	FY2023	FY2024
Minor Oil Spill	0	0	1
Major Oil Spill	0	0	0
Amount of Spill (Litre)	0	0	10

In FY2024, we experienced a minor oil spill incident at one of the ports where we operated. Thanks to the swift response from both the port authority and our vessel crew, it was confirmed that the spill originated from the tanker lorry onshore, not from the vessel. It was effectively contained, preventing any fuel from reaching the sea and keeping it confined to the jetty. The control and containment actions during this incident were immediately and effectively taken. Vast action in ceasing the operations preventing environmental damage. The total amount spilled was 10 litres. An investigation revealed the fuel pump on the tanker lorry failed due to back pressure from the vessel. Immediate actions were taken and preventative measures are being addressed to prevent re-occurrence.

WATER CONSUMPTION

WHY IT MATTERS

Water consumption plays a vital role in our operations, supporting essential functions such as cooling onboard equipment, as well as kitchen and sanitation needs. Given the limited water storage capacity on ships, efficient use of potable and filtered freshwater is crucial to maintaining seamless daily operations while minimising waste.

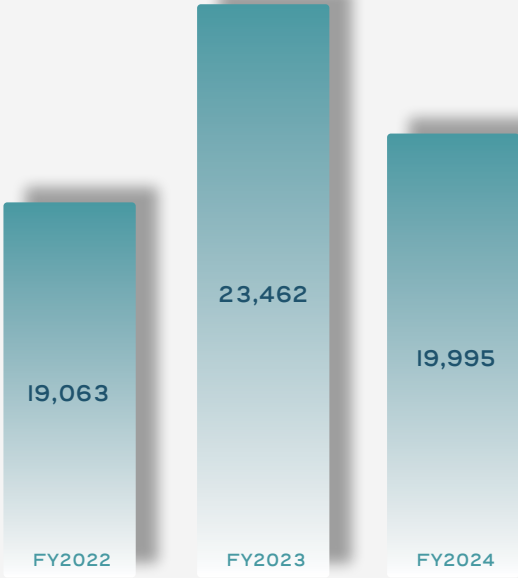
AVANGAAD’S APPROACH

In our onboard operations, we prioritise efficiency and sustainability. For sensitive onboard processes, such as boilers and the engine cooling system, we utilise municipal water to ensure reliability while fresh potable water is reserved for consumption. To further enhance sustainability, non-essential processes use seawater to operate machinery while greywater usage is carefully managed across our maritime operations, minimising water consumption.

AVANGAAD’S PERFORMANCE

In FY2024, the Group utilised a total of 19,995 m³ of water, marking a 14.78% reduction compared to FY2023. This decrease is attributed to a floating storage unit (FSU) vessel operating with a skeleton crew due to the absence of a contract for the year. Additionally, several vessels underwent planned maintenance, during which no water was consumed, further contributing to the reduction.

WATER CONSUMPTION (M3)



FULFILLING OUR SOCIAL RESPONSIBILITY

Avangaad's strength comes from building a strong organisational culture that helps employees perform at their best. We invest in our people through training and communication programs. These efforts aim to strengthen our core values and promote practices that support our goals.

MATERIAL SUSTAINABILITY MATTERS

- Occupational Health and Safety
- Service Quality and Customer Satisfaction
- Labour Standards and Human Rights
- Diversity and Inclusion
- Community Engagement

KEY HIGHLIGHTS

- 4,563 total training hours provided to employees
- Zero incidents of human rights violation

KEY STAKEHOLDERS



SHAREHOLDERS
AND INVESTORS



REGULATORS



CUSTOMERS



EMPLOYEES



SUPPLIER



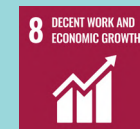
INDUSTRY
PEERS



LOCAL
COMMUNITIES



3 GOOD HEALTH
AND WELL-BEING



8 DECENT WORK AND
ECONOMIC GROWTH



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS

OCCUPATIONAL HEALTH AND SAFETY

WHY IT MATTERS

At Avangaad, ensuring employee well-being is a top priority, as it directly impacts operational continuity and reduces risks associated with maritime activities. Prioritising safety not only protects our workforce but also strengthens the reliability and sustainability of the Group’s operations.

AVANGAAD’S APPROACH

Avangaad systematically assess hazards and implement risk control measures, ensuring a safer work environment. Effective implementation of the Safety Management System (“SMS”) contributes to reducing workplace injuries, illnesses, and accidents. The SMS encompasses core safety elements and undergoes regular internal reviews by the Corporate QHSSE. Department to ensure continuous improvement and compliance.

The Board of Directors holds ultimate oversight of all health and safety matters within the company. The Board’s Risk and Governance Committee, led by its Chairman, is responsible for discussing health and safety issues and determining the company’s strategic direction in alignment with local and international regulations. This ensures that safety policies and practices remain robust, compliant, and effectively implemented across all operations.

Health and Safety is a key material topic for the Group, and we conduct annual reviews of our operations to ensure compliance with the latest standards and regulations. This includes assessments of existing operations as well as new projects. Before initiating any new project, the QHSSE department carries out a thorough risk assessment covering all relevant operations. This assessment undergoes multiple stages of verification to ensure alignment with applicable laws and client requirements. Only after completing and validating the risk assessment can the project proceed, reinforcing our commitment to safety, regulatory adherence, and operational excellence.

The QHSSE Policy comprises the following tenets that guide the implementation of safety protocols in the Group.



ACHIEVING ZERO DEFECTS,
ACCIDENTS AND DOWNTIME



ACHIEVING ZERO
INJURY AND FATALITY



CREATING A SAFE
AND HEALTHY WORKPLACE



CONTINUOUSLY IMPLEMENTING
AND IMPROVING MANAGEMENT
SYSTEMS

As per the Avangaad’s Health, Safety and Environment (“HSE”) Plan, a Crew Engagement and Shipboard Senior Officer Forum was conducted. The forum addresses potential safety risks and controls, mapping out all safety hazards along with the corresponding management systems.

AVANGAAD’S PERFORMANCE

All health and safety non-compliance incidents were recorded in accordance with the Group’s Safety Management System (SMS). In FY2024, the total number of hours worked amounted to 1,026,522 hours.

	FY2022	FY2023	FY2024	Avangaad’s Goal	Goal Status
Total number of hours worked	1,324,458	1,042,703	1,026,522	N/A	N/A
Total number of work-related fatalities	0	0	0	0	Achieved
Total number of recordable work-related injuries and ill health	0	0	0	0	Achieved
Lost Time Incident Rate (“LTIR”)	0	0	0	0	Achieved

- Note:
- LTIR stands for Lost Time Incident Rate, which is a metric used to measure the number of work-related incidents that result in lost work days.
 - LTIR was calculated based on Bursa Malaysia Sustainability Reporting Guide of per 200,000 hours worked.
 - In FY2023, two cases of illness were reported. However, they were non-work-related, and the table has been amended to reflect this change.

HEALTH AND SAFETY TRAINING

In FY2024, total training for health and safety amounted to 540 hours.

Occupational Health and Safety Training	Number of Attendees	Total Training Hours
Monthly Health and Safety Talk	67	330
1RAPI and Fire Prevention Talk	35	66
Tabletop Drill Exercise	11	22
Building Evacuation Drill	45	90
Tropical Basic Offshore Safety Induction and Emergency Training (“BOSIET”) with CA-EBS and travel safely by boat	4	32

Note:
Health & Safety training numbers comprised of only office-based staff.

SERVICE QUALITY AND CUSTOMER SATISFACTION

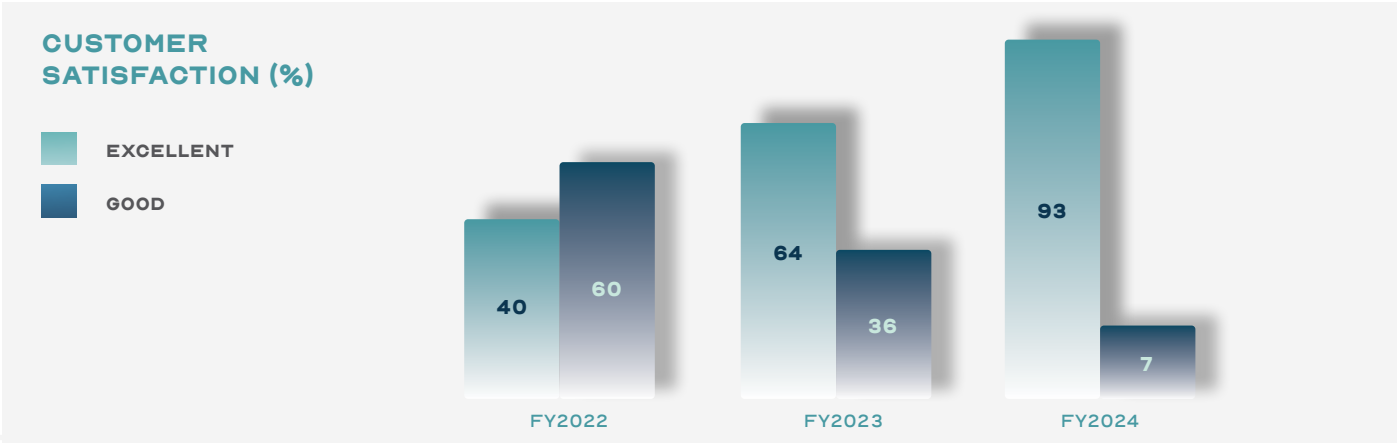
WHY IT MATTERS

Maintaining high service standards in a shipping company is essential for building trust and cultivating long-term customer relationships. By consistently meeting and exceeding customer expectations, the Group strengthens its reputation, fosters loyalty, and supports sustainable business growth. Our commitment to operational excellence, reliability, and innovation ensures that we deliver value to our clients, positioning the Group as a trusted partner in an increasingly competitive and dynamic global market.

AVANGAAD’S APPROACH

Building strong customer relationships remains a key priority, guided by our adherence to the ISO 9001:2015 Quality Management System standards. As part of our continuous improvement efforts, we regularly conduct surveys to gather valuable customer feedback, enabling us to refine our service quality. In the past year, we proactively addressed customer concerns and enhanced our responsiveness, reinforcing our commitment to delivering exceptional service and exceeding client expectations.

AVANGAAD'S PERFORMANCE



As we conclude 2024, the positive feedback from our clients reaffirms our commitment to delivering high-quality vessel services. Throughout the year, we have made significant strides in enhancing both service quality and customer satisfaction.

Key highlights from our client survey results (FY2024):

- **93%** of clients rated our services as **“Excellent,”** reflecting our dedication to reliability, efficiency, and customer-focused solutions.
- **7%** of clients rated our services as **“Good,”** demonstrating that we continue to meet expectations while striving for continuous improvement.
- Our **average customer feedback rating** for 2024 stands at an impressive **84%.**

We are especially proud of the increase in “Excellent” ratings, which underscores our ongoing efforts to enhance communication, responsiveness, and operational efficiency. Our clients’ satisfaction is a testament to the hard work and dedication of our team. We deeply appreciate the trust and loyalty of our clients in 2024 and remain committed to maintaining the high standards that have earned us their continued partnership. As we move into 2025, we will continue to listen to feedback, drive innovation, and ensure our services remain at the forefront of the maritime industry.

HUMAN RIGHTS AND LABOUR STANDARDS

WHY IT MATTERS

Upholding fair labour practices and respecting human rights is fundamental for fostering a positive work environment and promoting ethical business conduct. Prioritising the dignity of workers contributes to the long-term sustainability and reputation of the Group.

AVANGAAD’S APPROACH

In FY2024, Avangaad introduced the Human Rights & Labour Policy to reaffirm our commitment to respecting the dignity, freedom, and equality of all individuals affected by our operations. This policy outlines our approach to upholding human rights and labour standards while also establishing a structured grievance reporting mechanism.

In addition, the Human Rights & Labour Policy includes a grievance reporting mechanism that provides employees with a safe and confidential platform to voice their concerns. The company is committed to addressing reported grievances promptly and striving to resolve issues to the best of its abilities. Employees are encouraged to report any grievances that infringe upon their human rights or any concerns outlined in the Human Rights & Labour Policy. This reinforces our dedication to fostering a supportive workplace where employees feel heard, valued, and assured that their concerns are taken seriously.

The Human Rights & Labour Policy is shared to all of our employees, whether onshore or offshore. The policy is written in English as all of local and foreign staff are able to speak and understand the language.

*Copy of Human Rights and Labour Policy can be downloaded from our website.

Human Rights & Labour Policy Our Commitment to Human Rights Excellence		
Human Rights Foundation	Children’s Rights	Fair Employment
We align our practices with: <ul style="list-style-type: none">• Local applicable laws and regulations• United Nations Declaration of Human Rights (UNDHR)• UN Guiding Principles on Business and Human Rights• International Labour Organization (ILO) Core Conventions• UN Sustainable Development Goals	We: <ul style="list-style-type: none">• Do not employ anyone underage.• Protect children from harm• Ensure children’s access to education and healthcare• Promote digital safety to children• Support vulnerable children	We are committed to: <ul style="list-style-type: none">• Adhere to local employment laws.• Pay living wage.• Ensure no excessive working hours.• Provide training to employees.• Provide equal opportunities to all regardless of gender, race, ethnicity, nationality, religion, skin colour, sexual orientation, age, marital status, pregnancy, political affiliation, or disability.
Human Rights Foundation	Safe & Healthy Workplace	Freedom of Association & Collective Bargaining
We prohibit: <ul style="list-style-type: none">• Abuse of vulnerability• Deception• Restriction of movement• Isolation• Physical and sexual violence• Intimidation and threats• Retention of identity documents• Withholding of wages• Debt bondage• Abusive working and living condition	We are committed to: <ul style="list-style-type: none">• Providing safe and healthy work environment.• Implement proactive measures to prevent job-related injuries and illnesses.• Achieve zero fatalities.• Zero-tolerance to workplace violence, harassment, bullying, intimidation, and any other unsafe or disruptive behaviours.	We: <ul style="list-style-type: none">• Support the right to freedom of association and collective bargaining.• Respect employee’s right to join, form, or refrain from joining a labour union.• Committed to maintaining open and constructive dialogue in good faith with employees

Our recruitment policy is designed to attract top talent through a fair and transparent hiring process that aligns with our organisational values. We offer regular salary increments and performance-based bonuses to foster employee motivation and retention. Additionally, we provide opportunities for contract employees to transition into permanent roles, ensuring job security and career advancement.

In compliance with the Malaysia Employment Act, we are committed to ensuring fair treatment for all employees, including foreign hires. In adherence to the Employment (Amendment) Act 2022, we have extended maternity leave from 60 to 98 days and introduced seven days of paid paternity leave for married male employees with at least one year of tenure. Additionally, we strictly comply with both the Employment Act and the Marine Labour Convention (MLC) to prevent child labour and forced labour, reinforcing our commitment to upholding ethical labour standards across our operations. To help cultivate the future workforce, we welcomed eight interns in FY2024, assigning them to their respective departments to gain hands-on experience and practical industry knowledge.

To enhance communication between leadership and employees, Avangaad conducted quarterly town hall meetings in FY2024. These sessions served as an open platform for dialogue, feedback, and alignment of organisational goals, fostering a more engaged and inclusive workplace culture.

EMPLOYEE BENEFITS

At Avangaad, we provide various set of benefits to attract and retain top talents.

LIFE INSURANCE	PARENTAL LEAVE	HEALTH CARE
RETIREMENT PROVISION (“KWSP”)	DISABILITY AND INVALIDITY COVERAGE (“SOCSO”)	ANNUAL LEAVE

The Group has established a structured performance review process that evaluates employee performance, capabilities, and potential. This approach helps identify competency gaps, recognise achievements, and outline future career paths. Conducted annually, these appraisals play a key role in the continuous development of our workforce, ensuring that our team’s quality aligns with our objectives and supports excellence in service delivery.

AVANGAAD’S PERFORMANCE

In FY2024, we are proud to report that there were no complaints related to human rights violations and no recorded incidents of discrimination. This reflects our commitment to fostering an inclusive, respectful, and ethical workplace for all.



ZERO

Substantiated complaints concerning human rights violation

FY2022 | FY2023 | FY2024



ZERO

Incidents of discrimination

FY2022 | FY2023 | FY2024

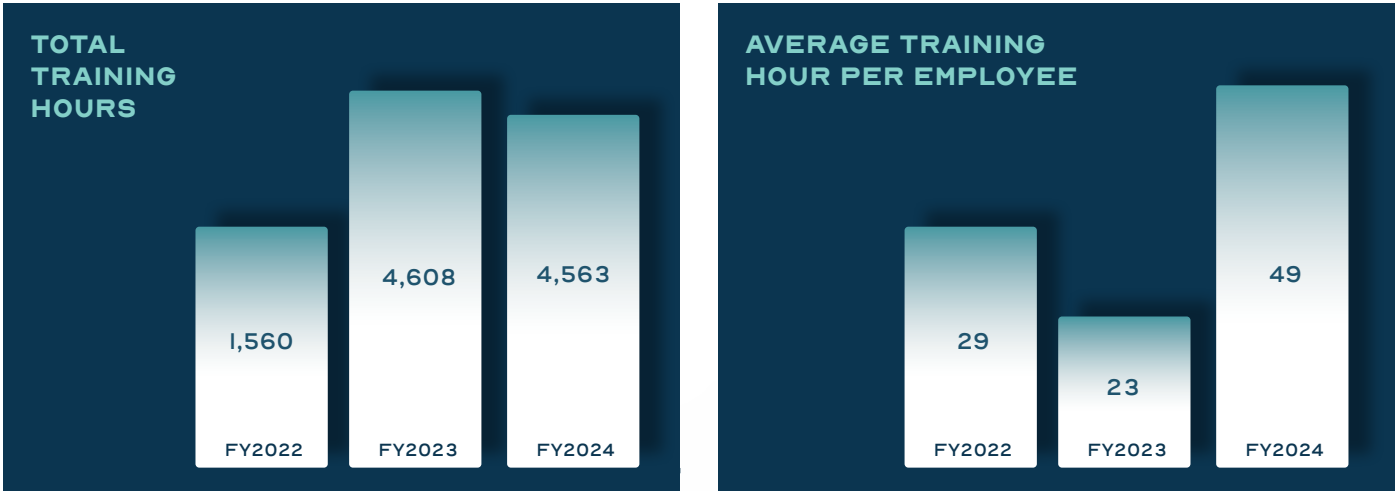
PARENTAL LEAVE

In FY2024, 2 office-based staff utilised parental leave.

	Gender	Parental Leave	
		Onboard	Office-Based
No. of employees that took parental leave	Men	0	1
	Women	0	1
No. of employees returned from parental leave	Men	0	1
	Women	0	1
No. of employees return to work after parental leave ended that were still employed 12 months after their return to work	Men	0	0
	Women	0	0

EMPLOYEE TRAINING HOURS

In FY2024, we allocated 4,563 hours of training for a total of 93 employees, reflecting a decrease of 26 hours compared to FY2023. Despite the slight reduction, we remain committed to continuous learning and skill development for our workforce.



Note:
1. Average training hour per employee is calculated based on total training hours and total employees attended training in the reporting year.

Employee Category	Total Training Hours		
	FY2022	FY2023	FY2024
Senior Management	48	126	240
Management	392	896	1,331
Executive	808	2,653	2,640
Non-Executive	312	933	352

NEW HIRES AND TURNOVER

In FY2024, the Group welcomed 29 new employees, comprising 20 men and 9 women. The new hires were evenly distributed between those under 30 years old and those aged 30 to 50, with one over 50 years old.

Additionally, the Group recorded a turnover of 30 employees across various categories.

	FY2022	FY2023	FY2024
Number of New Hires by Gender			
Men	180	149	20
Women	20	9	9
Number of New Hires by Age Group			
<30	78	60	14
30-50	91	86	14
>50	31	12	1

NEW HIRES AND TURNOVER (CONTINUED)			
	FY2022	FY2023	FY2024
Number of Turnovers by Employee Category			
Senior Management	0	0	2
Management	5	3	2
Executive	13	14	14
Non-Executive	211	122	12
Number of Turnovers by Gender			
Men	218	133	22
Women	11	6	8
Number of Turnovers by Age Group			
<30	83	48	10
30-50	109	74	15
>50	37	17	5

DIVERSITY AND INCLUSION

WHY IT MATTERS

Creating a diverse and inclusive environment enhances creativity, problem-solving, and adaptability by integrating a wide range of perspectives and experiences. Embracing diversity not only strengthens our resilience but also demonstrates our commitment to equity, fostering strong and positive relationships with both employees and stakeholders.

AVANGAAD'S APPROACH

At Avangaad, we uphold a merit-based recruitment approach, ensuring fair hiring practices that prohibit discrimination based on age, gender, race, nationality, or culture. By doing so, we cultivate a workplace rooted in fairness, equality, and transparent communication. Additionally, we keep our employees informed of operational changes that may impact them—such as adjustments to working hours or replacement holidays—by providing at least one day’s notice.

AVANGAAD'S PERFORMANCE

GROUP WORKFORCE DIVERSITY			
Gender	Percentage (%)		
	FY2022	FY2023	FY2024
Male	92	91	92
Female	8	9	8

Age Group	Percentage (%)		
	FY2022	FY2023	FY2024
<30	33	32	14
30-50	51	53	59
>50	16	15	27

Nationality	Percentage (%)		
	FY2022	FY2023	FY2024
Local	94	96	93
Non-local	6	4	7

Employment type	Percentage (%)					
	FY2022		FY2023		FY2024	
	Office	Crew	Office	Crew	Office	Crew
Permanent	8	0	92	0	91	0
Contract	92	100	8	100	9	100

OFFICE-BASED WORKFORCE DIVERSITY

We recorded a total of 100 employees during the reporting period, with a decrease of 16% from last year.

GENDER DIVERSITY BY EMPLOYEE CATEGORY

Employee Category	Gender	FY2022 (%)	FY2023 (%)	FY2024 (%)
Senior Management	Male	33	50	57
	Female	67	50	43
Management	Male	28	33	76
	Female	72	67	24
Executive	Male	42	39	61
	Female	58	61	39
Non-Executive	Male	30	26	75
	Female	70	74	25

AGE DIVERSITY BY EMPLOYEE CATEGORY

Employee Category	Age Group	FY2022 (%)	FY2023 (%)	FY2024 (%)
Senior Management	<30	0	0	0
	30-50	0	0	43
	>50	100	100	57
Management	<30	0	0	4
	30-50	74	81	86
	>50	26	19	10
Executive	<30	24	30	25
	30-50	69	64	68
	>50	7	6	7
Non-Executive	<30	43	37	35
	30-50	39	52	55
	>50	18	11	10

ONBOARD WORKFORCE DIVERSITY

We recorded a total of 363 employees during the reporting period.

DIVERSITY (ONBOARD)

Gender	FY2022 (%)	FY2023 (%)	FY2024 (%)
Male	100	100	100
Female	0	0	0
Age	FY2022 (%)	FY2023 (%)	FY2024 (%)
<30	15	15	12
30-50	48	50	57
>50	37	35	31

COMMUNITY ENGAGEMENT

WHY IT MATTERS

Actively engaging with the local community creates a mutually beneficial relationship, strengthening support and understanding between our Group and the communities we serve. By addressing community needs, we build trust, goodwill, and a strong reputation, all of which are essential for our long-term success.

AVANGAAD'S APPROACH

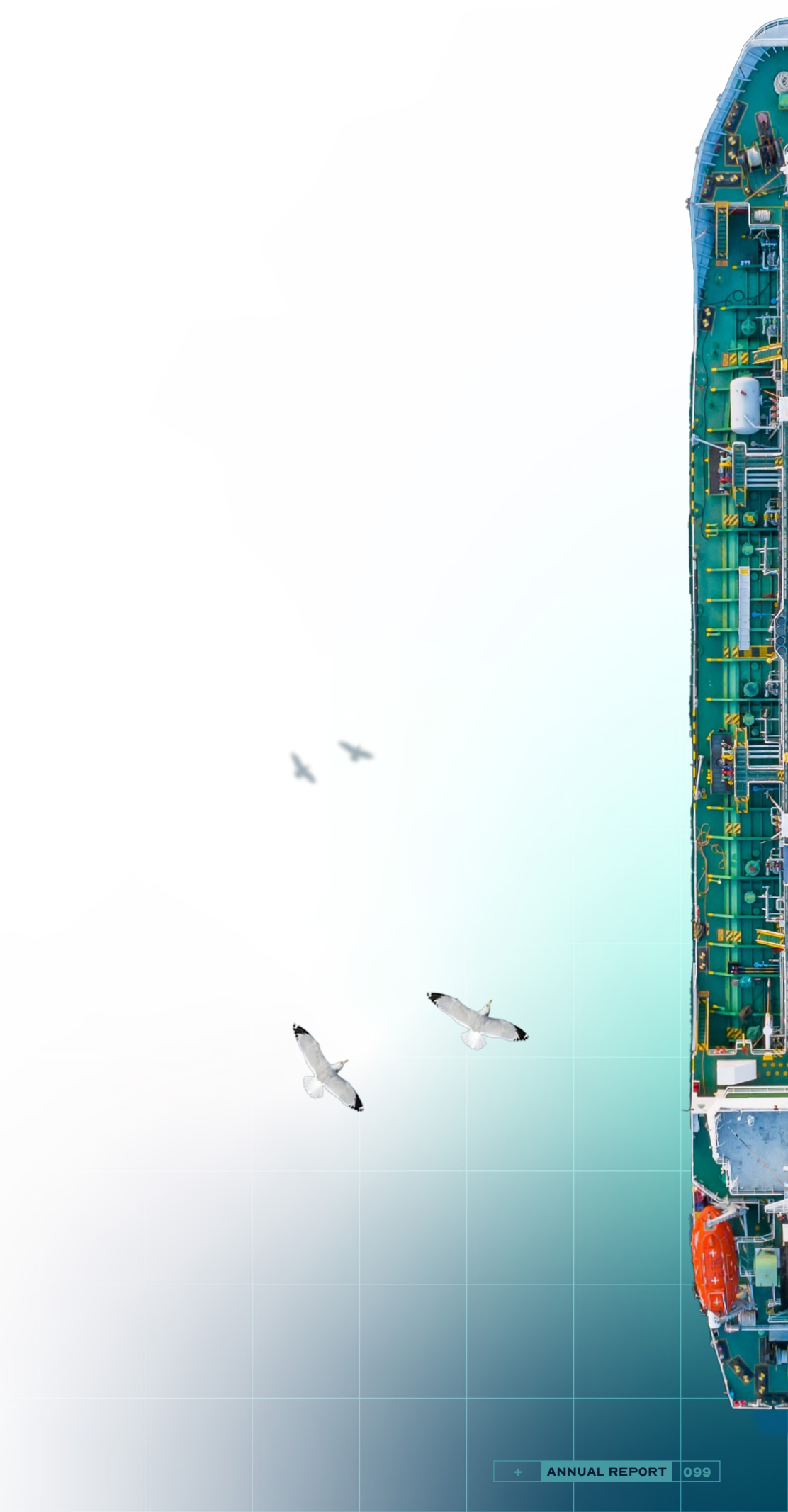
With the transition in management, Avangaad faced time and resource constraints, limiting our ability to actively engage in community service initiatives. Despite these challenges, we remain committed to giving back to the community and will explore opportunities to enhance our outreach efforts in the coming year. Moving forward, we aim to restructure and strengthen our corporate social responsibility (CSR) initiatives, ensuring meaningful and sustained contributions to the communities we serve.

AVANGAAD'S PERFORMANCE

In FY2024, Avangaad demonstrated our proactive stance towards CSR by actively engaging in three programmes to benefit the local community.

1. Offered financial assistance to employees facing bereavement or illness, ensuring support during challenging times.
2. Organised volunteer activities focused on wildlife care, including husbandry, exhibit maintenance, food preparation, and animal enrichment programs to promote animal wellbeing.
3. Refurbished and improved the crew's transit accommodation in Kuala Lumpur, by disposing of unwanted furniture, deep cleaning, and carrying out painting work to enhance living conditions.

In FY2024, Avangaad allocated RM7,037 for external community programs, reinforcing our commitment to social responsibility and community engagement. These contributions supported various initiatives aimed at fostering positive social impact and strengthening our relationship with the communities we serve.



STEERING OUR BUSINESS

In managing our business, robust governance and effective economic performance are imperative. They ensure that our operations are conducted responsibly while fostering sustained growth that generates value for our stakeholders, contributing positively to the industry.

MATERIAL SUSTAINABILITY MATTERS

- Corporate Governance and Anti Corruption
- Data Privacy and Cybersecurity
- Regulatory Compliance
- Economic Performance
- Supply Chain Management

KEY HIGHLIGHTS

- Zero reported incidents of corruption
- Zero whistleblowing cases and grievances reported
- RM 123 million economic value generated
- Zero incidents of industry-related non-compliances reported

KEY STAKEHOLDERS



SHAREHOLDERS
AND INVESTORS



REGULATORS



CUSTOMERS



EMPLOYEES



LOCAL
COMMUNITIES



SUPPLIER



MEDIA



8 DECENT WORK AND
ECONOMIC GROWTH



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS

CORPORATE GOVERNANCE AND ANTI-CORRUPTION

WHY IT MATTERS

Robust corporate governance is essential for bolstering the credibility of operations and earning the trust of stakeholders. An effective governance structure fosters a productive working culture, one that upholds high standards of integrity in compliance with applicable laws and regulations, safeguarding our reputation.

AVANGAAD'S APPROACH

We ensure the quality of our governance by establishing a clear strategic direction for the Group at the leadership level. Our Fit and Proper Policy and Board Charter set out the criteria for appointing members of the Board of Directors, defining their roles and responsibilities. This framework supports a transparent Board selection process, ensuring consistent compliance with the latest regulatory requirements and standards.

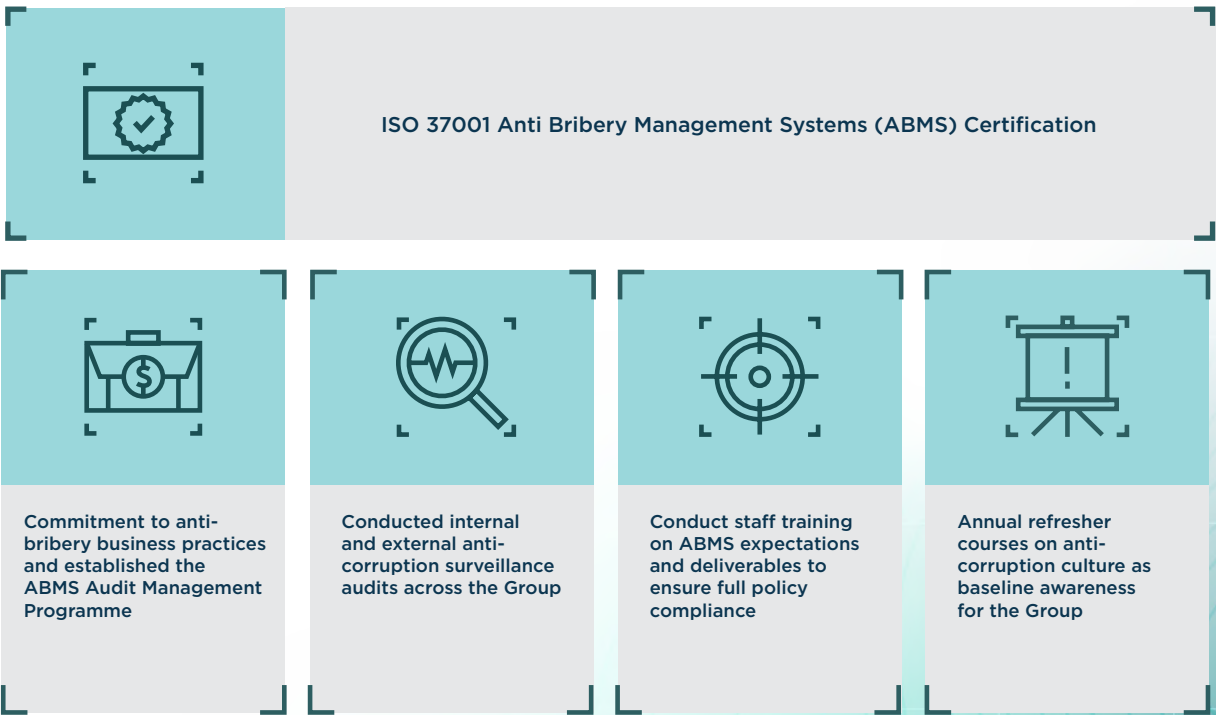
To maintain our record of zero instances of corruption, we actively communicate the responsibilities outlined in our corruption risk management policies to employees, suppliers, and other stakeholders. These policies, which include comprehensive corporate governance and anti-corruption measures, ensure strategic and effective risk management across all aspects of our operations.

Policies:

- Anti-Bribery Policy
- Whistle-blowing Policy
- Code of Ethics
- Conflict of Interest Policy
- Fit and Proper Policy
- Board Charter
- Remuneration Policy
- Sustainability Policy
- Human Rights and Labour Standards Policy

The Group's Anti-Bribery Policy in specific comprises anti-corruption procedures, compliance requirements and controls. Pursuant to the Malaysian Anti-Corruption Commission ("MACC") Act 2009 and the MACC (Amendment) Act 2018, the Policy offers clear guidance for identifying and addressing bribery and corruption issues. The Board also exercises strategic oversight on the Group's anti-corruption efforts, with support from the Risk and Governance Committee.

To raise the bar for ethical corporate governance, Avangaad aligned all our operations with critical anti-bribery business procedures and achieved the ISO 37001 Anti-Bribery Management Systems Certification in 2021.



AVANGAAD'S PERFORMANCE

In FY2024, the Group underwent a significant management transition, which included the appointment of a new Board of Directors. This change reflects our commitment to strengthening leadership and aligning with the company's strategic objectives. The newly appointed Board brings fresh perspectives and expertise to guide the Group toward sustainable growth and continued success.

Board Composition		
Independence	Diversity (Gender)	Diversity (Age)
43% independent Board members	14% women Board members	71% Board members aged above 50

DIVERSITY OF AVANGAAD'S BOARD OF DIRECTORS

Gender	FY2022 (%)	FY2023 (%)	FY2024 (%)
Male	83	80	86
Female	17	20	14
Age Group	FY2022 (%)	FY2023 (%)	FY2024 (%)
<30 years old	0	0	0
30-50 years old	0	0	29
>50 years old	100	100	71

CORRUPTION RISK ASSESSMENT

	FY2022 (%)	FY2023 (%)	FY2024 (%)
Percentage of operations assessed for corruption risk	100	100	100

CORRUPTION-RELATED TRAINING

Employee Category	FY2022 (%)	FY2023 (%)	FY2024 (%)
Senior Management	33	100	0
Management	20	22	11
Executive	91	100	28
Non-Executive	1	1	9

Due to a change in management, the Group had minimal anti-corruption training to account for the transition in personnel. Additionally, there is no mandatory requirement to conduct such training annually to all Senior Management and we plan to resume anti-corruption training in FY2025.

CORRUPTION INCIDENTS

	FY2022	FY2023	FY2024
Number of confirmed incidents of corruption	0	0	0







REGULATORY COMPLIANCE

WHY IT MATTERS

Compliance with regulatory requirements and standards forms the foundation of our approach to managing risks and opportunities, driving sustainable growth. As a marine transportation and logistics service provider for the oil and gas industry, Avangaad operates under the framework of marine and shipping laws, regulations, and guidelines applicable across the local and international jurisdictions where we conduct our business.

AVANGAAD’S APPROACH

We strategically ensure compliance with Malaysian shipping industry requirements, as well as organisational geographical, and environmental laws and regulations, including the Bursa Malaysia Main Market Listing Requirements. Our adherence extends to all national and international regulations relevant to our industry. As part of our standard practice, the Group conducts reviews of regulatory obligations twice a month to maintain full compliance. The following highlights some major industry-based requirements that Avangaad adheres to.

					
International Safety Management Code (ISM Code)	International Ship & Port Facility Security Code (ISPS Code)	International Convention on Load Lines 1966	International Convention for Safety of Life at Sea 1974 (SOLAS)	International Convention for The Prevention of Pollution from Ships 1973/1978 (MARPOL)	International Convention on Standards of Training, Certification and Watchkeeping for Seafarers 1978 (STCW)

We implemented training programmes to ensure full compliance of applicable laws and regulations, including via new joiners’ induction programmes as well as regular compliance updates on board our vessels and offshore.

AVANGAAD’S PERFORMANCE

In FY2024, we achieved zero non-compliances with respect to local and international laws as well as regulations, together with zero grievance cases reported under the whistle-blowing mechanism.

We also aligned 100% of Avangaad Berhad alongside Johor Shipyard and Engineering Sdn. Bhd. (“JSE”) onshore operations with the ISO 37001:2016 Anti-Bribery Management System.

Furthermore, we achieved full alignment of Avangaad’s service management operations (offshore, including onboard our vessels) with the spectrum of ISO standards accredited to our Group.

CUSTOMER PRIVACY AND DATA PROTECTION

WHY IT MATTERS

Advancements in digitisation have driven the integration of digital technologies and infrastructure into our service delivery and stakeholder engagement processes. Recognising the importance of cybersecurity and managing data breach risks, we have implemented robust systems and initiatives to safeguard data privacy and protect the Group from potential threats.

AVANGAAD’S APPROACH

Avangaad has set procedures to ensure appropriate management of potential cybersecurity and data privacy risks throughout our operations.

- Software and online protection - cybersecurity threat management
- Policies or procedures for cybersecurity and protection
- Review the integrity of the current database to identify potential risks
- Improving existing data-related processes

In compliance with the Personal Data Protection Act of 2010 (“PDPA”), the Group ensures that all data collected from stakeholders with their full consent and understanding. The data is protected from third-party involvement unless consent is obtained or if mandated by law or enforcement agencies.

AVANGAAD’S PERFORMANCE

In FY2024, there were no complaints related to breaches of customer privacy or data losses. Additionally, for the past three years, there have been no reported instances of noncompliance with IT or cybersecurity laws and regulations, reflecting our commitment to maintaining robust data protection and regulatory adherence.

ECONOMIC PERFORMANCE

WHY IT MATTERS

Our economic performance directly affects employment opportunities, standards of living as well as stakeholder and customer confidence. As such, we support national economic growth objectives through the distribution of economic value via our tax contribution, service provision, job creation, business engagement and our capital and infrastructural investments.

AVANGAAD’S APPROACH

We adhere to the best practices of the marine industry to consistently provide high-quality services in a timely and efficient manner, addressing challenges stemming from market fluctuations.

To uphold service quality, we prioritise regular maintenance and focus on improving the productivity of our vessels. Several strategies as outlined below have been implemented to enhance the Group’s economic sustainability.

Consistent periodic maintenance	Initiatives for direct cost reductions
Savings from fuel efficiencies	Monitoring monthly budget and financial statements
Reduced breakdowns	Harnessing the group synergy strategy for better cost savings, quality of services and manpower competencies
Reduced costs of spare parts	
Reduced downtime	Building long-term relationships with reliable vendors by implementing the preferred vendor system
Reduced number of vessels’ unhired	Thorough inspection of items to be purchased without compromising on quality to reduce environmental impact

AVANGAAD'S PERFORMANCE

In FY2024, we focused on strengthening our economic performance to maintain our financial health and enhance shareholders' value.



SUPPLY CHAIN MANAGEMENT

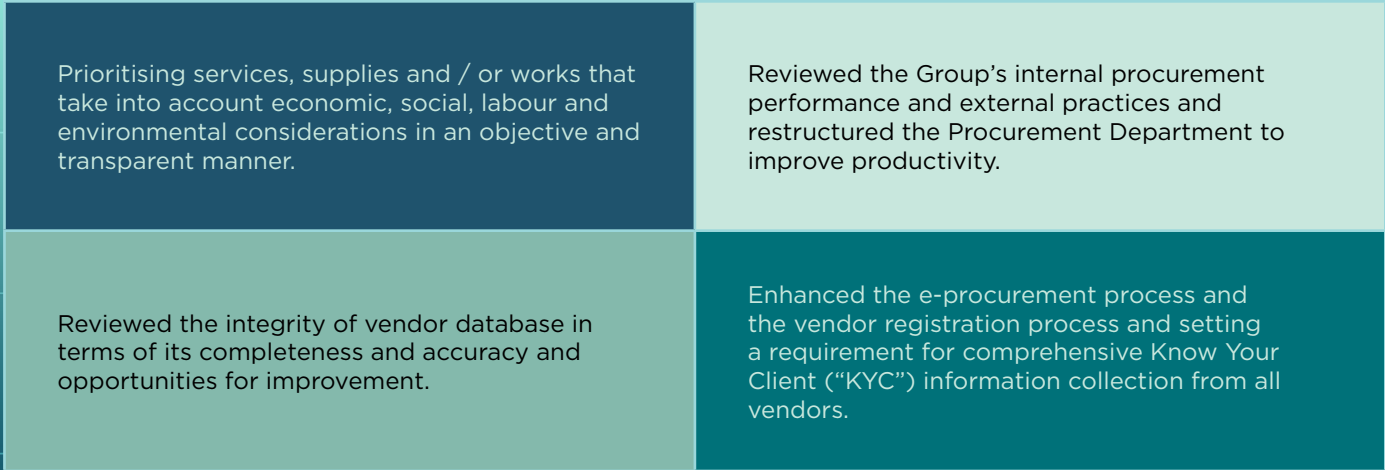
WHY IT MATTERS

Strong supply chain management plays a vital role in enhancing operational performance and maintaining a competitive position in our marine transport and logistics services. Relying on local suppliers helps to improve supply chain resilience while driving socio-economic progress in the communities we serve. By focusing on local sourcing, we establish collaborative partnerships that support sustainable growth and create lasting value.

AVANGAAD'S APPROACH

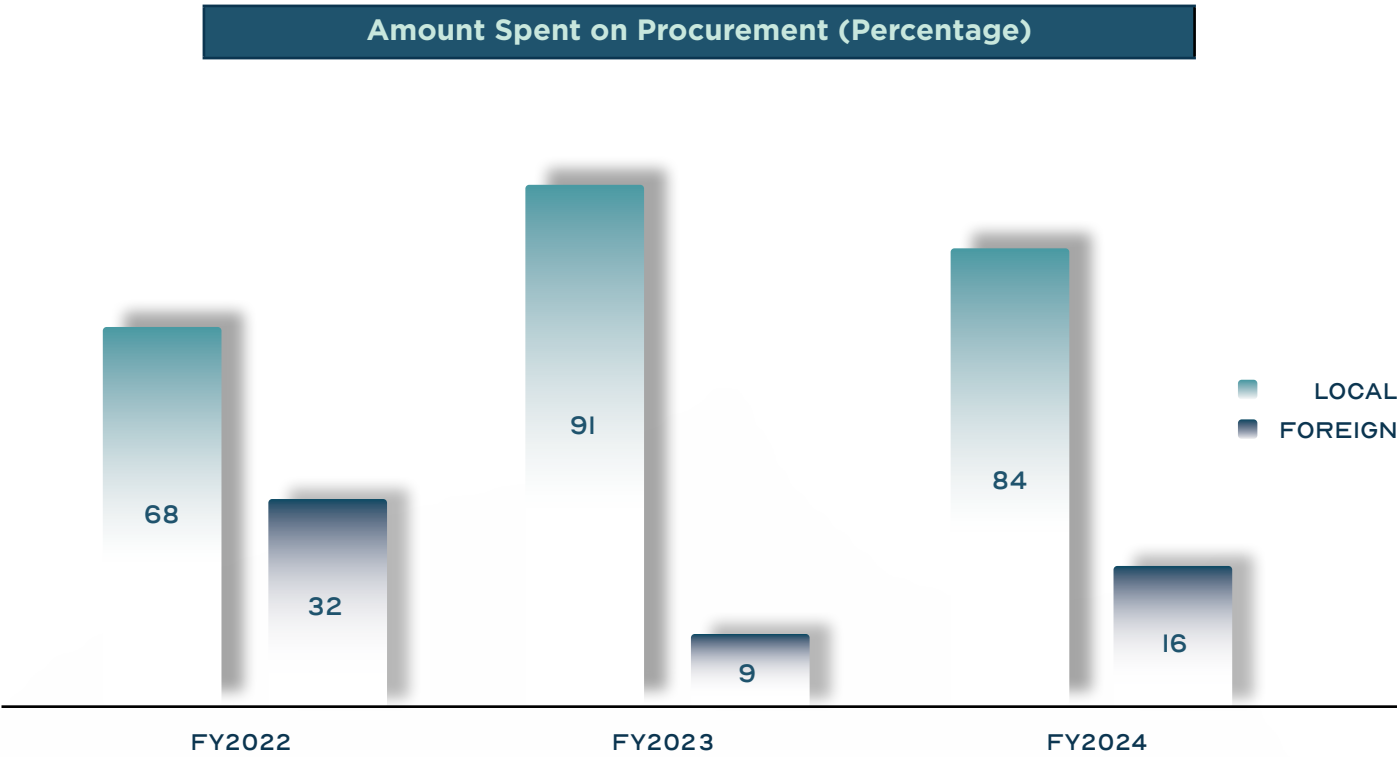
We prioritise local procurement and services whenever feasible to positively impact the economy. Vendors and suppliers who can deliver quality supplies and services meeting the required specifications at competitive prices and within stipulated timelines will be prioritised.

In our procurement process, we also emphasised our Responsible Procurement initiatives.



AVANGAAD'S PERFORMANCE

We track the value of our expenditure on local suppliers each year. This year, we have a decrease of 7% of our spending on local suppliers in comparison with the previous year. The reduction is due to the time-sensitive nature of ship repair and the parts had to be sourced from foreign suppliers.



Note:
Supplier expenditure data only covers operational expenditure.

BURSA MALAYSIA COMMON

MATERIAL MATTERS DISCLOSURES (PRACTICE NOTE 9A)

INDICATOR	UNIT	FY2024
Bursa B1 Anti-corruption		
Bursa B1(a) Percentage of employees who have received training on anti-corruption by employee category	Percentage	0
• Senior Management	Percentage	11
• Management	Percentage	28
• Executive	Percentage	9
• Non-executive	Percentage	100
Bursa B1(b) Percentage of operations assessed for corruption-related risks	Percentage	0
Bursa B1(c) Confirmed incidents of corruption and action taken	Number	
Bursa B2 Community/Society		
Bursa B2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	Amount (RM)	7,037
Bursa B2(b) Total number of beneficiaries of the investment in communities	Number	1
Bursa B3 Diversity		
Bursa B3(a) Percentage of employees by age group for each employee category		
Senior Management	Below 30 30-50 Above 50	Percentage Percentage Percentage
		0 43 57
Management	Below 30 30-50 Above 50	Percentage Percentage Percentage
		4 86 10
Executive	Below 30 30-50 Above 50	Percentage Percentage Percentage
		25 68 7
Non-Executive	Below 30 30-50 Above 50	Percentage Percentage Percentage
		35 55 10
Bursa B3(a) Gender Group by Employee Category		
Senior Management	Male Female	Percentage Percentage
		57 43
Management	Male Female	Percentage Percentage
		76 24
Executive	Male Female	Percentage Percentage
		61 39
Non-Executive	Male Female	Percentage Percentage
		75 25
Bursa B3(b) Percentage of directors by gender and age group	Male Female Below 30 30-50 Above 50	Percentage Percentage Percentage Percentage Percentage
		86 14 0 29 71

INDICATOR	UNIT	FY2024
Bursa B4 Energy Management		
Bursa B4(a) Total Energy Consumption	Gigajoule	863,965
Bursa B5 Health and Safety		
Bursa B5(a) Number of work-related fatalities	Number	0
Bursa B5(b) Lost time incident rate ("LTIR")	Number	0
Bursa B5(c) Number of employees trained on health and safety standards	Number	438
Bursa B6 Labour practices and standards		
Bursa B6(a) Total hours of training by employee category		
Senior Management	Hours	240
Management	Hours	1,331
Executive	Hours	2,640
Non-executive	Hours	352
Bursa B6(b) Percentage of employees that are contractors or temporary staff	Percentage	80
Bursa B6(c) Total number of employee turnover by employee category		
Senior Management	Number	2
Management	Number	2
Executive	Number	14
Non-executive	Number	12
Bursa B6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa B7 Supply Chain Management		
Bursa B7(a) Proportion of spending on local suppliers	Percentage	84
Bursa B8 Data privacy and Security		
Bursa B8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa B9 Water		
Bursa B9(a) Total volume of water used	Cubic Metre	19,995

ESG PERFORMANCE DATA

Disclosure	Measurement Unit	FY2022	FY2023	FY2024
Energy				
Total fuel consumption	Gigajoule	608,961	811,677	863,403
Total electricity consumption	Gigajoule	539	565	562
Total energy consumption	Gigajoule	609,500	812,242	863,965
GHG Emissions				
Total Emission	Tonnes of CO2e	43,821	58,190	61,782
Scope 1 Emission	Tonnes of CO2e	43,707	57,692	61,431
Scope 2 Emission	Tonnes of CO2e	114	119	117
Scope 3 Emission (Business Travel & Employee Commute)	Tonnes of CO2e		379	234
Air Quality				
Sulphur Oxide (SO _x)	Tonne	11.24	16.73	16.40
Nitrogen Oxides (NO _x)	Tonne	208.81	241.48	269.30
Methane (CH ₄)	Tonne	1.77	2.05	3.81
Water Consumption				
Total Volume of Water Use	Cubic Metre	19,063	23,462	19,995
Waste Generated				
Scheduled Waste	Tonne	45	34	6
Non-Scheduled Waste	Tonne	278	56	38
Recycled Waste	Tonne		18	6
Bilge Water	Tonne			27
Sewage	Tonne			162
Ballast Water	Tonne			125
No of minor environmental spills	Number	0	0	1
No of major environmental spills	Number	0	0	0
Total volume of environmental spills	Litre	0	0	10
Supply Chain Management				
Total spent on procurement	RM Mil	47.31	36.18	25.38
Total spent on local suppliers	RM Mil	32.00	32.98	21.36
Total spent on foreign suppliers	RM Mil	15.31	3.19	4.02
Proportion of spending on local supplies	Percentage	68	91	84
Total number of registered vendors	Number	367	329	406
Number of registered local vendors	Number	322	269	330
Percentage of registered local vendors	Percentage	88	82	81

Disclosure		Measurement Unit	FY2022	FY2023	FY2024
Workforce Diversity					
Total number of employees		Number	457	475	463
Local employees		Percentage	94	96	93
Non-local employees		Percentage	6	4	7
Total contract employees		Percentage	92	77	80
Senior Management	Male	Percentage	33	50	57
	Female	Percentage	67	50	43
Management	Male	Percentage	28	33	76
	Female	Percentage	72	67	24
Executive	Male	Percentage	42	39	61
	Female	Percentage	58	61	39
Non-Executive	Male	Percentage	30	26	75
	Female	Percentage	70	74	25
Senior Management	Below 30	Percentage	0	0	0
	30-50	Percentage	0	0	43
	Above 50	Percentage	100	100	57
Management	Below 30	Percentage	0	0	4
	30-50	Percentage	74	81	86
	Above 50	Percentage	26	19	10
Executive	Below 30	Percentage	24	30	25
	30-50	Percentage	69	64	68
	Above 50	Percentage	7	6	7
Non-Executive	Below 30	Percentage	43	37	35
	30-50	Percentage	39	52	55
	Above 50	Percentage	18	11	10
New Hires and Turnover					
Total new hires		Number	200	158	29
Gender	Male	Percentage	90	94	69
	Female	Percentage	10	6	31
Age Group	Below 30	Number	78	60	14
	30-50	Number	91	86	14
	Above 50	Number	31	12	1
Total Turnover		Number	229	139	30

Disclosure		Measurement Unit	FY2022	FY2023	FY2024
New Hires and Turnover (Continued)					
Gender	Male	Number	218	133	22
	Female	Number	11	6	8
Age Group	Below 30	Number	83	48	10
	30-50	Number	109	74	15
	Above 50	Number	37	17	5
Employee Category	Senior Management	Number	0	0	2
	Management	Number	5	3	2
	Executive	Number	13	14	14
	Non-Executive	Number	211	122	12
Number of substantiated complaints concerning human rights violations		Number	0	0	0
Staff Training					
Total training hours		Hours	1,560	4,608	4,563
Average training hours per employee		Hours	29	23	49
Average training hours by employee category	Senior Management	Hours	48	126	240
	Management	Hours	392	896	1,331
	Executive	Hours	808	2,653	2,640
	Non-Executive	Hours	312	933	352
Number of staff trained on health and safety standards		Number			438
Employee Benefit and Remuneration					
Number of staff receiving performance appraisal		Percentage	100	100	100
Total payments made to employees in terms of salaries, bonuses and benefits		RM Mil	28.18	29.71	31.21
No. of employees who took paternity leave		Number	0	12	1
No. of employees who took maternity leave		Number	0	1	1
No. of employees return to work after parental leave ended that were still employed 12 months after their return to work		Number	0	0	0

Disclosure		Measurement Unit	FY2022	FY2023	FY2024
Community Engagement					
Total amount invested in the community where the target beneficiaries are external to the listed issuer		RM	5,241	11,500	7,037
Total number of beneficiaries of the investment in communities		Number	2	2	1
HSE Performance					
Total manhours worked		Hours	1,324,458	1,042,703	1,026,522
Number of work-related fatalities		Number	0	0	0
Number of work-related illness or injuries		Number	0	0	0
Lost time incident rate / LTIR		Rate	0	0	0
Anti-corruption					
Percentage of operations assessed for corruption risk		Percentage	100	100	100
Percentage of employee attended corruption-related training by employee category					
Senior Management		Percentage	33	100	0
Management		Percentage	20	22	11
Executive		Percentage	91	100	28
Non-Executive		Percentage	1	1	9
Number of confirmed incidents of corruption		Number	0	0	0
Data Privacy and Security					
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.		Number	0	0	0

STATEMENT OF
ASSURANCE

To enhance the credibility of our reporting, selected sections of this Sustainability Statement have undergone an internal review by the Company’s internal auditors. This process ensures the accuracy, reliability, and integrity of our disclosures, reinforcing our commitment to transparency and accountability in sustainability reporting.

Type of Assurance	Material Matters	Subject Matter	Scope
Internal review	Energy management	<ul style="list-style-type: none">Total Energy Consumption	Operations assessed: 1. Avangaad 2. JSE 3. LPP
	Emissions management	<ul style="list-style-type: none">Scope 1 (tCO2e) – fuelScope 2 (tCO2e) – electricity	
	Health and safety	<ul style="list-style-type: none">Total safe manhoursNumber of work-related fatalitiesLost time incident rate (LTIR)	
	Labour practices and standards	<ul style="list-style-type: none">Total hours of trainingPercentage of permanent and contract employeesTotal number of turnover and new hiresNumber of substantiated complaints concerning human rights violations	
	Anti-corruption	<ul style="list-style-type: none">Percentage of employees who have received training on anticorruption by employee categoryPercentage of operations assessed for corruption-related riskConfirmed incidents of corruption and action taken	
	Supply chain management	<ul style="list-style-type: none">Proportion of spending on local suppliers.	

We are committed to continuously enhancing the accuracy and quality of our data to further strengthen our disclosures. In the future, we will explore external assurance for our GHG emissions to ensure precision and reliability in our environmental impact assessments.

VOYAGING TOWARDS
A SUSTAINABLE TOMORROW

As we conclude this statement, we reflect on the impactful milestones achieved throughout our sustainability journey. From maintaining our ISO Certifications for safety and quality management system to empowering communities through social contributions, our steadfast commitment to sustainable practices is embedded into our marine support services. In steering our course towards a sustainable future, we aim to build on our current achievement and seek opportunities that positively impact the environment, uplift local communities and contribute meaningfully to the broader maritime and O&G industries.

PERFORMANCE DATA TABLE REFERENCE

Indicator	Location (Page)		
	FY2022	FY2023	FY2024
ENVIRONMENT			
Bursa B4(a) Total Energy Consumption	82	82	82
Bursa B9(a) Total volume of water used	87	87	87
SOCIAL			
Bursa B2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	113	113	113
Bursa B2(b) Total number of beneficiaries of the investment in communities	113	113	113
Bursa B3(a) Percentage of employees by age group for each employee category			
Senior Management below 30 years old	97	97	97
Senior Management between 30 and 50 years old	97	97	97
Senior Management above 50 years old	97	97	97
Management below 30 years old	97	97	97
Management between 30 and 50 years old	97	97	97
Management above 50 years old	97	97	97
Executive below 30 years old	97	97	97
Executive between 30 and 50 years old	97	97	97

Indicator	Location (Page)		
	FY2022	FY2023	FY2024
SOCIAL			
Executive above 50 years old	97	97	97
Non-Executive below 30 years old	97	97	97
Non-Executive between 30 and 50 years old	97	97	97
Non-Executive above 50 years old	97	97	97
Bursa B3(a) Gender Group by Employee Category			
Senior Management Male	97	97	97
Senior Management Female	97	97	97
Management Male	97	97	97
Management Female	97	97	97
Executive Male	97	97	97
Executive Female	97	97	97
Non-Executive Male	97	97	97
Non-Executive Female	97	97	97
Bursa B3(b) Percentage of directors by gender and age group			
Male	103	103	103
Female	103	103	103
Below 30 years old	103	103	103
Between 30 and 50 years old	103	103	103
Above 50 years old	103	103	103
Bursa B5(a) Number of work-related fatalities	91	91	91
Bursa B5(b) Lost time incident rate ("LTIR")	91	91	91
Bursa B5(c) Number of employees trained on health and safety standards	N/A	N/A	112
Bursa B6(a) Total hours of training by employee category			
Senior Management	95	95	95

Indicator	Location (Page)		
	FY2022	FY2023	FY2024
SOCIAL			
Management	95	95	95
Executive	95	95	95
Non-executive	95	95	95
Bursa B6(b) Percentage of employees that are contractors or temporary staff	97	97	97
Bursa B6(c) Total number of employee turnover by employee category			
Senior Management	95	95	95
Management	95	95	95
Executive	95	95	95
Non-executive	95	95	95
Bursa B6(d) Number of substantiated complaints concerning human rights violations	104	104	104
GOVERNANCE			
Bursa B1(a) Percentage of employees who have received training on anticorruption by employee category			
Senior Management	103	103	103
Management	103	103	103
Executive	103	103	103
Non-executive	103	103	103
Bursa B1(b) Percentage of operations assessed for corruption-related risks	103	103	103
Bursa B1(c) Confirmed incidents of corruption and action taken	103	103	103
Bursa B8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	105	105	105

GRI CONTENT INDEX

Statement of use	Avangaad Berhad has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	60-61
	2-2 Entities included in the organisation's sustainability reporting	60
	2-3 Reporting period, frequency and contact point	60-61
	2-5 External assurance	114
	2-7 Employees	90-98
	2-9 Governance structure and composition	67
	2-11 Chair of the highest governance body	67
	2-12 Role of the highest governance body in overseeing the management of impacts	67
	2-14 Role of the highest governance body in sustainability reporting	67
	2-16 Communication of critical concerns	68-69
	2-23 Policy commitments	102
	2-24 Embedding policy commitments	102
	2-27 Compliance with laws and regulations	104
	2-28 Membership associations	61
	2-29 Approach to stakeholder engagement	68-69
GRI 3: Material Topics 2021	3-1 Process to determine material topics	70
	3-2 List of material topics	71
	3-3 Management of material topics	72
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	74-76
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	107
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	103
	205-2 Communication and training about anti-corruption policies and procedures	103
	205-3 Confirmed incidents of corruption and actions taken	103
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	83
	302-3 Energy intensity	83
	302-4 Reduction of energy consumption	83
	302-5 Reductions in energy requirements of products and services	83

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	87
	303-2 Management of water discharge-related impacts	85
	303-3 Water withdrawal	87
	303-4 Water discharge	86
	303-5 Water consumption	87
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	83
	305-2 Energy indirect (Scope 2) GHG emissions	83
	305-3 Other indirect (Scope 3) GHG emissions	83
	305-5 Reduction of GHG emissions	83
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	85-86
	306-2 Management of significant waste-related impacts	85-86
	306-3 Waste generated	86
	306-4 Waste diverted from disposal	86
	306-5 Waste directed to disposal	86
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	95-96
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	94
	401-3 Parental leave	94
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	90
	403-2 Hazard identification, risk assessment, and incident investigation	90-91
	403-3 Occupational health services	90-91
	403-4 Worker participation, consultation, and communication on occupational health and safety	68-69
	403-5 Worker training on occupational health and safety	91
	403-9 Work-related injuries	91
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	95
	404-2 Programmes for upgrading employee skills and transition assistance programmes	91
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	96-98
GRI 406: Nondiscrimination 2016	406-1 Incidents of discrimination and corrective actions taken	104
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	98
	413-2 Operations with significant actual and potential negative impacts on local communities	98
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	105

CALENDAR OF EVENTS

JANUARY

DATE: 24 JANUARY 2024



EVENT:
CELEBRATION OF 7 MILLION
SAFE MAN-HOURS WITHOUT
LOST TIME INJURY.

DATE: 24 JANUARY 2024



EVENT:
WEIGHT LOSS COMPETITION "DARE
TO LOVE YOURSELF" DURING THE
HSE 7 MILLION SAFE MAN-HOURS
WITHOUT LOST TIME INJURY EVENT.

MARCH

DATE: 1 MARCH 2024



EVENT:
ANNUAL DINNER 2024.

DATE: 18 MARCH 2024



EVENT:
"MAJLIS BUKA PUASA 2024" AT
SAPRAH RESTAURANT.

CALENDAR
OF EVENTS

MAY

DATE: 6 MAY 2024



EVENT:
HARI RAYA AIDIL FITRI OPEN HOUSE
2024 CELEBRATION.

JUNE

DATE: 24 JUNE 2024



EVENT:
E.A. TECHNIQUE (M) BERHAD'S 30TH
ANNUAL GENERAL MEETING (AGM)
AND EXTRAORDINARY GENERAL
MEETING (EGM).

JUNE

28 JUNE 2024



EVENT:
E.A. TECHNIQUE (M) BERHAD'S BOOTH
PARTICIPATION AT SEAFARERS'
FESTIVAL AT STRAITS QUAY MARINA,
PENANG.

AUGUST

DATE: 3 AUGUST 2024



EVENT:
WON 2ND RUNNER-UP PLACEMENT
AT THE MOSVA FUTSAL DATO' DR.
ROSLAN AHMAD TOURNAMENT CUP
AT SPORTS PLANET AMPANG, KUALA
LUMPUR.

CALENDAR OF EVENTS

AUGUST

DATE: 5 AUGUST 2024



EVENT:

INTRODUCTION DINNER OF NEW DIRECTORS TO THE MANAGEMENT TEAM.

SEPTEMBER

DATE: 14 SEPTEMBER 2024



EVENT:

CSR "GREEN PROJECT" PROGRAM - 30 DEDICATED EMPLOYEES VOLUNTEERED A TOTAL OF 120 HOURS AT ZOO NEGARA MALAYSIA.

OCTOBER

DATE: 13 OCTOBER 2024



EVENT:

ATTENDED THE SHIPBOARD SENIOR OFFICE FORUM & SEAFARERS TEAM BUILDING 2024 AND MONSOON AWARENESS CAMPAIGN 2024.

DATE: 16 OCTOBER 2024

EVENT:

AWARENESS BRIEFING - HSSEQ ANNUAL BUILDING EVACUATION & SECURITY DRILL 2024.



DECEMBER

DATE: 20 DECEMBER 2024



EVENT:

CSR PROGRAM TO REFURBISH E.A TECHNIQUE (M) BERHAD'S CREW TRANSIT ACCOMODATION AT IDAMAN SUTERA CONDOMINIUM, KUALA LUMPUR.

05 CORPORATE GOVERNANCE

- * CORPORATE GOVERNANCE OVERVIEW STATEMENT
- * DIRECTORS' STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
- * AUDIT COMMITTEE REPORT
- * ADDITIONAL COMPLIANCE INFORMATION





CORPORATE GOVERNANCE OVERVIEW STATEMENT

AS OF 04 APRIL 2025

The Board of Directors (“Board”) of Avangaad Berhad (“Avangaad”) is pleased to present this Corporate Governance Overview Statement, providing insights into our commitment to sound corporate governance practices during the financial year ended 31 December 2024. Avangaad remains committed to upholding the highest standards of corporate governance, recognizing its importance in ensuring transparency, accountability, and sustainable value creation for all stakeholders.

In a landscape marked by evolving challenges, our commitment to maintaining resilience and sustainability remains steadfast. Upholding the principles of accountability and ethical conduct, the Board, alongside Top Management, continues to provide effective leadership and foster a culture of excellence in corporate governance throughout the organization.

Aligned with the Malaysian Code on Corporate Governance (“MCCG”), our governance framework aims to enhance transparency, accountability, and value creation for our stakeholders. The Board diligently oversees the implementation of corporate governance practices, ensuring compliance with regulatory requirements and industry standards.

This Statement is prepared in accordance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and should be read in conjunction with Avangaad’s full Corporate Governance Report 2024 (“CG Report”), available on our website at www.avangaad.com. We take pride in our commitment to transparency and accountability, as reflected in our governance disclosures. As outlined in the MCCG, our governance practices adhere to three fundamental principles:



OUR PN17 RESPONSE

The Board announced that the Group was classified as an affected listed issuer under Practice Note 17 (“PN17”) of the MMLR of Bursa Malaysia on 25 February 2022. On 1 June 2022, the Group appointed Malacca Securities Sdn. Bhd. (“Malacca Securities”) as the principal adviser for the proposed regularisation plan. The Group also appointed the necessary advisers (i.e., solicitors, independent market researcher, internal control reviewer, and reporting accountant) for the proposed regularisation plan.

To address its PN17 status, the Group actively pursued the formulation of a Regularisation plan. On 7 November 2023, Malacca Securities, on behalf of the Board, announced the plan, which included a proposed share issuance, a proposed exemption, and the proposed establishment of an employee share scheme. The plan was formally submitted to Bursa Malaysia on 10 November 2023 and subsequently approved on 30 May 2024.

Following the shareholders’ approval at an Extraordinary General Meeting (EGM) held on 24 June 2024, the Regularisation plan was successfully implemented on 27 June 2024. With the completion of the Regularisation Plan, Avangaad has regularised its financial condition and achieved two consecutive quarters of profitability, namely Q3 and Q4 2024.

Bursa Malaysia, vide its letter dated 19 February 2025, noted that with the completion of the Company’s Regularisation Plan, Avangaad has regularised its financial condition and no longer triggers any of the criteria under Paragraph 2.1 of PN17 of the Listing Requirements. After due consideration of all facts and circumstances of the Upliftment Application, Bursa Securities has decided to approve the Upliftment Application. The upliftment of Avangaad from being classified as a PN17 company will be effective from 9.00 a.m., Thursday, 20 February 2025.

This successful upliftment marks a significant milestone for Avangaad, demonstrating its resilience and commitment to financial stability and regulatory compliance. The Company is now well-positioned to pursue its growth strategies and deliver sustainable value to its stakeholders.

SUSTAINABILITY

Avangaad remains dedicated to advancing sustainability practices within its business operations, continually striving to integrate Environmental, Social, and Governance (“ESG”) considerations into its core processes and organizational culture. Recognizing the significance of sustainability in shaping our long-term success, we are committed to achieving a harmonious balance between our business objectives and our responsibility to environmental stewardship and social welfare.

Guided by a commitment to safety and environmental protection, Avangaad has implemented robust policies such as the Statement of Policy on Quality, Health, Safety And Environment Protection (“QHSSE Policy”). These policies are designed to ensure safe practices in ship operation, enhance safety management skills, and prepare for safety and environmental protection emergencies. In addition to our QHSSE Policy, we have recently introduced a Human Rights Policy to further strengthen our commitment to ESG principles. This policy underscores our dedication to upholding human rights throughout our operations and supply chain.

We are pleased to report that Avangaad has achieved the majority of its ESG KPIs for FY2024. Details of our ESG performance can be found in the Sustainability Report, which provides comprehensive insights into our initiatives, progress, and targets. Effective communication of our sustainability targets and performance to stakeholders remains a cornerstone of our approach. We believe in transparent reporting and accountability, providing stakeholders with a clear understanding of our sustainability journey.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The Responsibilities of the Board

The Board of Avangaad, under the leadership of the Group Chairman, holds a steadfast commitment to shareholders and stakeholders, ensuring the creation and delivery of sustainable value and long-term success in alignment with the company’s vision and mission.

At the core of its responsibilities, the Board sets strategic goals for the Company, ensuring alignment with its overarching vision and mission. The Board oversees risk management and internal control frameworks, ensuring the identification and mitigation of principal risks across all aspects of business operations. Furthermore, it establishes policies and procedures to ensure the adequacy and effectiveness of these systems, fostering a culture of accountability and compliance within the organization.

Operating within the framework of integrity and transparency, the Board exercises due diligence and care in discharging its duties, adhering to relevant rules, regulations, and corporate governance principles. It acts in the best interests of shareholders, employees, customers, and the broader community, emphasizing ethical conduct and sustainable value creation in all decision-making processes.

It is important to note that Avangaad’s Board underwent a significant transformation in 2024. Four (4) out of the five (5) previous board members are no longer with the company, with only the chairman remaining. Six (6) new Directors were appointed during the year, bringing the current total to seven (7) board members.

Despite these substantial changes, the Board’s responsibilities remain unchanged and are still considered the most critical factors in the company’s success. The Board remains steadfast in its dedication to upholding the highest standards of governance, providing effective oversight, and guiding Avangaad towards a sustainable and prosperous future.

Limits of Authority

The corporate governance framework is reinforced by the Company’s Limits of Authority (“LOA”), which delineates decision-making boundaries for each level of management within the organization. The LOA manual serves as a comprehensive guide, clearly defining matters reserved for the Board’s approval and those delegated to senior management.

Within this framework, the LOA manual outlines authority over various aspects such as payments, investments, capital and revenue expenditure spending limits, budget approvals, contract commitments, and non-financial matters. By establishing these clear parameters, the LOA manual fosters accountability and facilitates decision-making processes at the appropriate levels within the organizational hierarchy.

In 2024, Avangaad revised its LOA to ensure it remains aligned with the company’s current structure and operations. This revision considered the appointment of new Executive Directors to the Board and aimed to empower them and the CEO to make efficient decisions, particularly concerning the company’s ordinary course of business.

The updated LOA is more concise and structured to avoid unnecessary overlap with internal Standard Operating Procedures and to provide greater clarity and efficiency in decision-making processes. This proactive approach enables efficient and effective governance, empowering management to make informed decisions while upholding transparency and accountability throughout the organization.

Separation of Chairman and Chief Executive Officer (“CEO”)

Avangaad recognizes the critical importance of governance structures that support effective leadership and oversight. In accordance with this principle, the roles of Group Chairman and Chief Executive Officer (“CEO”) are distinctly separated. This strategic delineation of responsibilities ensures a robust balance of authority within the organization, promoting accountability and focused leadership.

The Group Chairman, in a non-executive capacity, provides direction to the Board, steers Board meetings, and champions the organization’s governance framework. Functioning as a key liaison, the Chairman facilitates communication between the Board and Management, ensuring alignment with strategic objectives.

Conversely, the CEO, holds executive responsibility for the Group’s overall management and operations, reporting directly to the Board. The CEO is accountable for the Group’s performance and operational effectiveness and drives the execution of Board policies, strategies, and decisions.

The Board and Top Management engage collaboratively to ensure the Group’s operations are conducted prudently, with regular reviews of key policies, business plans, and strategies. This cooperative dynamic reinforces the Board’s commitment to enhancing long-term shareholder value and safeguarding stakeholder interests.

By upholding this separation of roles, Avangaad cultivates an environment of checks and balances, thereby strengthening transparency, accountability, and sound decision-making across the organization.

Board Charter

The Board Charter serves as a comprehensive guide for Directors, delineating matters concerning the Board and its procedures. Additionally, it defines the roles and obligations of the Group Chairman, the CEO, and the Board collectively.

BOARD – Roles & Responsibilities	CHAIRMAN – Dato’ Mohd Redza Shah Bin Abdul Wahid	CEO – Nasrul Asni Bin Muhammad Dain
<ul style="list-style-type: none">Reviewing and adopting a strategic plan for the CompanyOverseeing the conduct of the Company’s businessIdentifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measuresSuccession planningOverseeing the development and implementation of shareholder communication policy for the CompanyReviewing the adequacy and integrity of the Company’s management information and internal control system	<ul style="list-style-type: none">Providing leadership to the BoardChairing meetings of the Board in such a manner that will stimulate debate on issues before the Board and encourage the most effective contribution from each memberChairing meetings of shareholdersEnsuring the Board’s full discharge of its dutiesIdentifying guidelines for the conduct of Directors, and ensuring that each Director is making a significant contributionActing as liaison between the Board and managementEnsuring that the Board’s strategic direction and planning process is establishedWorking with the Nomination Committee and Remuneration Committee	<ul style="list-style-type: none">Foster a corporate culture that promotes ethical practice, encourages individual integrity and fulfil social responsibilityDevelops and recommends to the Board a long-term strategy and vision for the Group that led to the creation of shareholders’ valueDevelops and recommends to the Board the Group’s operational plans and budget that support the Group’s short to long-term strategyEnsure achievement of objectives and goals, as contained in the strategic planManage the overall business and oversee the day-to-day operation of the GroupFormulate and oversee the implementation of significant corporate policies
The roles of Chairman and CEO are held by two (2) separate individuals		

Formalised Ethical of Standards

The Board of Directors of Avangaad Berhad views honesty, fairness, and integrity as paramount to our operational success and stakeholder trust. As stewards of the organization, Avangaad are dedicated to promoting exemplary business conduct and cultivating a strong corporate culture where these values are central. Avangaad’s governance framework is designed to embed integrity, transparency, and fairness into every aspect of our operations. To ensure the practical application of these principles, the following ethical standards have been implemented, with full details available in the CG Report. These standards include:

- 1) Code of Ethics
- 2) Whistle-blowing Policy
- 3) Anti-Bribery Policy

Code of Ethics

Avangaad maintains a robust Code of Ethics (COE), readily accessible to all stakeholders on our corporate website, www.avangaad.com. This Code provides a vital framework that outlines the ethical principles, expected conduct, and behavioral standards for all members of the Avangaad Group, including Directors and employees. It reinforces the importance of ethical behavior, integrity, and accountability across all our business activities and operations. Strict adherence to the provisions of this Code of Ethics is mandatory for every member of the Avangaad Group.

Whistle-blowing Policy

Avangaad’s Whistle-blowing Policy is designed to foster a culture of transparency, integrity, and accountability throughout our operations. This policy enables employees to report unethical or illegal conduct without fear of reprisal. Confidential disclosures can be made through established channels. The Company is committed to promptly investigating all reports and ensuring the protection of the whistle-blower’s identity. This policy demonstrates our commitment to upholding high ethical standards and addressing concerns effectively.

Anti-Bribery Policy

The Anti-Bribery Policy at Avangaad, further solidifying our Code of Conduct & Business Ethics, underscores our unwavering commitment to eradicating bribery and corruption. The Company achieved Anti-Bribery Management System (ABMS) certification on 6 May 2021 and has been actively engaged in its implementation since 2020. This policy is designed to ensure that all employees understand their critical responsibility in upholding stringent anti-bribery measures within the organization.

The Composition of the Board

The Board of Directors of Avangaad Berhad has undergone a significant transformation following Voultier Sdn. Bhd.’s acquisition of Avangaad on 27 June 2024. This pivotal event led to substantial changes in the Board’s composition, with multiple appointments and resignations taking effect, marking a new chapter in the Company’s governance.

Previously, the Board was comprised of experienced individuals who contributed to the Company’s oversight. The following Directors have since tendered their resignation:

No.	Director	Directorship
1.	Abdul Azmin Bin Abdul Halim (Demised w.e.f. 3 January 2024)	Independent Non-Executive Director
2.	Datuk Mohd Nasir Bin Ali (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director
3.	Rozan Bin Mohd Sa’at (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director
4.	Aziah Binti Ahmad (Resigned w.e.f. 22 August 2024)	Non-Independent Non-Executive Director
5.	Ir. Dr. Mohd Shahreen Zainooreen Bin Madros (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director

Dato’ Mohd Redza Shah Bin Abdul Wahid remains on the Board, providing continuity and maintaining his position as the Independent Non-Executive Chairman of Avangaad, a role in which he provides leadership to the Board and ensures the Board’s effective discharge of its duties.

In line with the Company’s commitment to robust governance and strategic leadership, the Board has been strengthened with the appointment of the following new Directors, each bringing valuable expertise and a fresh perspective:

No.	Director	Directorship
1.	Datuk Wira Mubarak Hussain Bin Akhtar Husin (Appointed w.e.f. 10 July 2024)	Executive Director
2.	Dato’ Lai Keng Onn (Appointed w.e.f. 10 July 2024)	Executive Director
3.	Dato’ Seri Nazir Hussin Bin Akhtar Hussin (Appointed w.e.f. 23 July 2024)	Executive Director
4.	Michael Cheah Choy Chin (Appointed w.e.f. 23 July 2024)	Independent Non-Executive Director
5.	Tong Siut Moi (Appointed w.e.f. 23 July 2024)	Independent Non-Executive Director
6.	Mohd Faris Adli Bin Shukery (Appointed w.e.f. 22 August 2024)	Non-Independent Non-Executive Director

The Board currently comprises seven (7) members of whom three (3) members are Independent Non-Executive Directors as follows:-

No.	Director	Directorship
1.	Dato’ Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman
2.	Datuk Wira Mubarak Hussain Bin Akhtar Husin (Appointed w.e.f. 10 July 2024)	Executive Director
3.	Dato’ Lai Keng Onn (Appointed w.e.f. 10 July 2024)	Executive Director
4.	Dato’ Seri Nazir Hussin Bin Akhtar Hussin (Appointed w.e.f. 23 July 2024)	Executive Director
5.	Michael Cheah Choy Chin (Appointed w.e.f. 23 July 2024)	Independent Non-Executive Director
6.	Tong Siut Moi (Appointed w.e.f. 23 July 2024)	Independent Non-Executive Director
7.	Mohd Faris Adli Bin Shukery (Appointed w.e.f. 22 August 2024)	Non-Independent Non-Executive Director

All three (3) Independent Non-Executive Directors fulfill the criteria of independence, as defined in the MMLR of Bursa Securities.

This refreshed Board represents a blend of continuity and new perspectives, bringing together a wealth of experience and diverse skills that are expected to significantly benefit Avangaad. The Board is confident that the collective expertise of its members will provide robust leadership and strategic direction to the Company, ensuring the creation and delivery of sustainable value and long-term success as Avangaad navigates future opportunities and challenges in the dynamic shipping and logistics industry.

Fit and Proper Policy

High governance standards are a priority for Avangaad, and the Company ensures its Board of Directors possesses the necessary qualities for effective leadership. The Fit and Proper Policy, detailing the criteria for assessing candidates for Director appointments and evaluating existing Directors, is available on the website at <https://avangaad.com/ir/corporate-governance>. This policy ensures that Directors demonstrate the character, experience, integrity, competence, independence (for Independent Directors), and time to effectively discharge their duties.

Guiding the Nomination and Remuneration Committee (“NRC”) and the Board of Directors in the selection and evaluation process, the Fit and Proper Policy provides stakeholders confidence that the Company’s leadership meets stringent criteria, including:

- **Character and Integrity**
- **Experience and Competence**
- **Time and Commitment**
- **Independence (for Independent Directors)**

Fit and proper evaluations are conducted before appointments, for re-elections, and when concerns arise. To maintain its effectiveness, the Nomination and Remuneration Committee reviews the policy annually. Ultimately, this policy strengthens Avangaad’s governance, ensuring the Company is guided by high-calibre individuals.

Board Meetings and Supply of Information

Directors are furnished with meticulously prepared agendas and comprehensive Board papers in advance of each meeting, allowing for thorough review and thoughtful consideration. These materials encompass a spectrum of critical documents, ranging from previous meeting minutes to financial statements, corporate updates, and proposals for strategic initiatives.

The Board adheres to a structured meeting schedule, convening no fewer than four (4) times annually, with additional sessions scheduled as necessary to address emergent matters. Notably, Special Board meetings are promptly called to deliberate on urgent proposals or significant developments.

During the fiscal year ended 31 December 2024, the Board convened eight (8) times, as evidenced by the attendance record provided below:

No.	Director	Directorship	No. of Meetings Attended
1.	Dato’ Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman	8/8
2.	Datuk Wira Mubarak Hussain Bin Akhtar Husin (Appointed w.e.f. 10 July 2024)	Executive Director	3/3
3.	Dato’ Lai Keng Onn (Appointed w.e.f. 10 July 2024)	Executive Director	2/3
4	Dato’ Seri Nazir Hussin Bin Akhtar Hussin (Appointed w.e.f. 23 July 2024)	Executive Director	3/3
5	Michael Cheah Choy Chin (Appointed w.e.f. 23 July 2024)	Independent Non-Executive Director	3/3
6	Tong Siut Moi (Appointed w.e.f. 23 July 2024)	Independent Non-Executive Director	3/3
7	Mohd Faris Adli Bin Shukery (Appointed w.e.f. 22 August 2024)	Non-Independent Non-Executive Director	2/2
8	Abdul Azmi Bin Abdul Halim (Demised w.e.f. 3 January 2024)	Independent Non-Executive Director	-
9	Datuk Mohd Nasir Bin Ali (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	5/5
10	Rozan Bin Mohd Sa’at (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	5/5
11	Aziah Binti Ahmad (Resigned w.e.f. 22 August 2024)	Non-Independent Non-Executive Director	6/6
12	Ir. Dr. Mohd Shahreen Zainooreen Bin Madros (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	5/5

Board Committees

The Board has instituted several specialized committees (“Board Committees”), each operating under its own set of terms of reference (“TOR”), namely:

- 1) Nomination and Remuneration Committee (“NRC”)
- 2) Audit Committee (“AC”)
- 3) Risk & Governance Committee (“RGC”)

Board committees play a crucial role in supporting the Board’s oversight responsibilities, focusing on key governance and compliance aspects as defined in their respective TORs. These committees provide in-depth review and analysis, with reports detailing their decisions, actions, and recommendations presented to the Board in accordance with their TORs. These TORs are readily accessible on the Company’s website, ensuring transparency and accountability.

The Board receives regular updates on committee activities through agenda items in meeting notices, which are followed by comprehensive discussions during Board meetings. Notably, the AC and RGC Chairpersons provide detailed briefings on significant audit findings and risk management issues, enabling informed Board deliberations and appropriate management actions.

To further enhance oversight, the External Auditors offer valuable insights to AC members on the Malaysian Financial Reporting Standards relevant to the Group’s financial statements. Moreover, Directors maintain open and direct access to Top Management, facilitating the timely acquisition of information and clarifications pertaining to Avangaad’s operations and affairs.

Company Secretaries

The Board acknowledges the crucial role of Company Secretaries in providing guidance on statutory compliance, regulatory adherence, and corporate governance standards. Previously, the Board was supported by two (2) qualified Company Secretaries, certified under the Companies Act 2016. Effective 30 August 2024, there have been changes in this role. The former Company Secretaries have resigned from their positions. To ensure the continuity of expert guidance and support, Securities Services (Holdings) Sdn. Bhd. has been appointed as the new Company Secretary.

This appointment ensures that the Board and Management continue to receive expert advice in navigating complex regulatory landscapes and that Avangaad’s operations align with established governance norms. The Company Secretaries will play a pivotal role in advising on matters ranging from the constitution to Board policies and procedures, keeping abreast of regulatory developments through ongoing training and industry engagement. These professional services will ensure that meetings are well-organized, records are accurately maintained, and regulatory obligations are met. Additionally, the Company Secretary will provide timely updates to the Board on material announcements and changes in regulatory requirements, enabling proactive responses to evolving market dynamic.

Training and Development of Directors

Avangaad is committed to the continuous professional development of its Directors. The Board recognizes the importance of staying abreast of evolving laws, financial reporting standards, and risk management practices to ensure effective governance and strategic leadership. To achieve this, Directors actively participate in various development activities, including seminars, conferences, and training sessions, both individually and collectively, to enhance their skills and knowledge.

The Company Secretaries plays a crucial role in facilitating training logistics and providing Directors with updates on relevant regulatory training programs. In addition, external auditors contribute by providing insights on updates to financial reporting standards. The Group further supports development through in-house and external training sessions focused on leadership development, technical skills enhancement, and industry updates.

Through participation in these diverse programs and courses, Directors maintain a strong understanding of regulatory changes and emerging business trends, ensuring they are well-equipped to fulfil their roles effectively and contribute to the Company’s success.

No.	Name Of Director	Conference/Seminar/Training Attended
1.	Dato’ Mohd Redza Shah Bin Abdul Wahid	1. Bursa Saham Mandatory Accreditation Programme II hosted by Bursa Academy 2. Educational Work Trip to USA – Mayo Clinic hosted by KPJ Healthcare Berhad 3. KPJ Integrity Summit 2024 hosted by KPJ Healthcare Berhad 4. INCEIF Discourse Series – wakaf in Malaysia hosted by INCEIF University 5. ICDM Group Mentoring Training hosted by Institute of Corporate Director Malaysia 6. JCorp. Forum Leadership hosted by JCorp. 7. Malaysia Reit Forum 2024 hosted by Malaysian REIT Manager Association 8. Sharing Session: MCMC & Partners on Innovation Centre & Digital Transformation for Healthcare hosted by MCMC & Partners 9. Malaysian International Healthcare (MIH) Megatrends hosted by KPJ Healthcare Berhad & KKM
2.	Datuk Wira Mubarak Hussain Bin Akhtar Husin	1. Bursa Malaysia Mandatory Accreditation Programme hosted by Institute of Corporate Directors Malaysia
3.	Dato’ Lai Keng Onn	1. Climate Change and GHG Inventory hosted by Eco-Ideal Consulting Sdn. Bhd. 2. Activity based learning: Communication and Teamwork hosted by OBS Vision
4.	Dato’ Seri Nazir Hussin Bin Akhtar Hussin	1. Bursa Malaysia Mandatory Accreditation Programme hosted by Institute of Corporate Directors Malaysia
5.	Michael Cheah Choy Chin	1. Bursa Malaysia Mandatory Accreditation Programme hosted by Institute of Corporate Directors Malaysia 2. Malaysia Institute of Accounts Member Induction Course hosted by Malaysian Institute of Accountants 3. Recent Amendments to Listing Requirements: Enhanced Conflict of Interest Framework hosted by CKM Advisory 4. Key Disclosure Requirements of a Listed Company hosted by CKM Advisory
6.	Tong Siut Moi	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP) hosted by Institute of Corporate Directors Malaysia
7.	Mohd Faris Adli Bin Shukery	1. Maju Johor 2030: PWC Briefing to JCorp. Senior Management hosted by JCorp. 2. Johor Conversations 2024: Pursuing Growth through Infrastructure, Innovation, Technology & Sustainability hosted by JCorp. 3. JCorp. Leadership Forum 2024 hosted by JCorp. 4. Invitation to Knowledge Sharing Session: Milano Innovation District & Federated Innovation 5. Johor Conversations 2024 Series 2: Technologies & Sustainability: The Two Pillars in Transforming Tomorrow’s Cities hosted by JCorp. 6. Project Overview - Sap Analytics Cloud (SAC) Planning & Digital Governance Framework

Nomination and Remuneration Committee (“NRC”)

Effective corporate governance requires a robust framework for Board nomination, succession planning, and executive remuneration. The NRC is entrusted with this responsibility at Avangaad. The committee ensures that the Company’s leadership structure and compensation practices align with its strategic goals and promote accountability and performance. To further enhance the efficiency and effectiveness of Board nomination, succession planning, and remuneration processes, Avangaad has consolidated the Nomination Committee and the Remuneration Committee into a single Nomination and Remuneration Committee (NRC).

This restructuring included changes to the committee’s membership, with Directors resigning from their previous roles and new Directors being appointed. The tables below provide comprehensive details of these changes.

Remuneration Committee			
Director	Directorship	Designation	No. of Meetings Attended
Dato’ Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman	Chairman	2/2
Rozan Bin Mohd Sa’at (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Member	1/1
Datuk Mohd Nasir Bin Ali (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Member	1/1

Nomination Committee			
Director	Directorship	Designation	No. of Meetings Attended
Dato’ Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman	Chairman	2/2
Abdul Azmi Bin Abdul Halim (Demised w.e.f. 3 January 2024)	Independent Non-Executive Director	Member	-
Rozan Bin Mohd Sa’at (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Member	-
Ir. Dr. Mohd Shahreen Zainooreen Bin Madros (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Member	-

Nomination and Remuneration Committee			
Director	Directorship	Designation	No. of Meetings Attended
Tong Siut Moi (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	Chairperson	2/2
Michael Cheah Choy Chin (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	Member	2/2
Dato’ Mohd Redza Shah Bin Abdul Wahid	Independent Non-Executive Chairman	Member	3/3

The details of the remuneration received and receivable by the Non-Executive Directors (“NEDs”) for the Financial Year 2024 are set out in the table below:

COMPANY LEVEL						
No.	Name	Board Fees (RM)	Other Remuneration (RM)	Salary, Bonus and Defined Contribution (RM)	Benefits (RM)	Total (RM)
Non-Executive Directors						
1.	Dato’ Mohd Redza Shah Bin Abdul Wahid	95,860	53,000	-	-	148,860
2.	Abdul Azmin Bin Abdul Halim (Demised w.e.f. 3 January 2024)	463	-	-	-	463
3.	Datuk Mohd Nasir Bin Ali (Resigned w.e.f. 24 July 2024)	54,839	17,000	-	-	71,839
4.	Rozan Bin Mohd Sa’at (Resigned w.e.f. 24 July 2024)	54,343	17,000	-	-	71,343
5.	Ir. Dr. Mohd Shahreen Zainooreen Bin Madros (Resigned w.e.f. 24 July 2024)	59,913	17,000	-	-	76,913
6.	Aziah Binti Ahmad (Resigned w.e.f. 22 August 2024)	54,634	10,000	-	-	64,634
7.	Michael Cheah Choy Chin (Appointed w.e.f. 23 July 2024)	50,199	24,000	-	-	74,199
8.	Tong Siut Moi (Appointed w.e.f. 23 July 2024)	45,978	21,000	-	-	66,978
9.	Mohd Faris Adli Bin Shukery (Appointed w.e.f. 22 August 2024)	23,597	6,000	-	-	29,597
Grand Total		439,826	165,000	-	-	604,826

Key Management remuneration paid or payable for the financial year ended 31 December 2024 is as follows: -

Total Amount of Remuneration	Number of Key Management
MYR100,000 and below	2
MYR100,001 to MYR200,000	-
MYR200,001 and above	2
Total	4

Following a comprehensive review, the Board has resolved that the current policy regarding the aggregate disclosure of Key Management remuneration remains the most prudent course of action for the Group. This approach enables a focus on cultivating a cohesive and performance-driven leadership team while ensuring that compensation aligns with strategic objectives and drives shareholder value. The Board is dedicated to maintaining a robust and equitable remuneration framework that recognizes the contributions of Key Management to the Group’s success.

The NRC met twice (2) during the financial year under review for undertaking the following activities:-

- a. Review of Bonus Payment for Office Staff and Tugboat Crews at the Group;
- b. Proposed special incentive performance payments to the Senior Management of the Company;
- c. Evaluate the proposed candidates for the proposed appointment of additional board members based on the Fit and Proper Criteria, ensuring they meet the necessary standards of integrity, competence, independence, and financial soundness. Additionally, assess whether the board has the right composition;
- d. Evaluated the proposed employment of the Chief Operating Officer and the Chief Compliance Officer which includes deliberation on the capabilities and competences of the candidates;
- e. Reviewed and revised the Term of Reference of the Nomination and Remuneration Committee;
- f. Evaluated the contribution and performance of each individual Director;
- g. Reviewed and assessed the annual performance and effectiveness of the Board and the Board Committees as a whole;
- h. Reviewed the term of office and performance of the AC and each of its members;
- i. Reviewed and assessed the annual independence assessment of the Independent Directors;
- j. Reviewed and assessed the composition of the Board Committees; and
- k. Reviewed and assessed the performance and make recommendations to the Board regarding the Directors who are seeking for re-election at the Annual General Meeting (“**AGM**”)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

The Audit Committee of the Board

The Audit Committee (“AC”) forms an integral part of Avangaad’s governance structure, with key responsibilities in financial oversight and compliance. To provide necessary historical context and clarity on the committee’s present state, the following table delineates the changes in the AC’s composition, encompassing both previous and current members.

Director	Directorship	Designation	No. of Meetings Attended
Michael Cheah Choy Chin (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	Chairman	2/2
Dato’ Mohd Redza Shah Bin Abdul Wahid (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Chairman	Member	2/2
Tong Siut Moi (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	Member	2/2
Abdul Azmin Bin Abdul Halim (Demised w.e.f. 3 January 2024)	Independent Non-Executive Director	Member	-
Datuk Mohd Nasir Bin Ali (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Chairman	2/2
Ir. Dr. Mohd Shahreen Zainooreen Bin Madros (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Member	2/2
Aziah Binti Ahmad (Resigned w.e.f. 30 July 2024)	Non-Independent Non-Executive Director	Member	2/2

The AC provides crucial oversight of the Group’s financial integrity and compliance. The AC effectively discharged its duties and responsibilities during the financial year. The key activities undertaken by the AC are summarized as follows:

- a. Oversight of quarterly financial results and announcements, ensuring accuracy and alignment with the Group’s performance.
- b. Review of the Group’s compliance with accounting standards and regulatory requirements.
- c. Review and recommendation of the External Auditors’ Report, with a focus on key audit matters and recommendations.
- d. Review and approval of the Internal Audit Plan and monitoring its implementation.
- e. Oversight of the appointment of the independent firm for the outsourcing of the internal audit function.
- f. Monitoring of related party transactions and potential conflicts of interest.

Further details concerning the AC’s responsibilities, meeting frequency, and member attendance are provided in the Audit Committee Report featured within the Company’s Annual Report.

Risk & Governance Committee of the Board

Avangaad recognizes the importance of proactive risk management and robust governance structures. The Risk & Governance Committee (“RGC”) supports the Board in providing oversight of the Risk Management and governance framework across the Avangaad Group of Companies.

In line with the Company’s evolving risk and governance landscape, there have been changes to the RGC’s composition. In 2024, the RGC experienced a transition with the resignation of all its members, allowing for a restructuring of the committee to bring in new perspectives and expertise. The RGC membership is now comprised of the following individuals:

Director	Directorship	Designation	No. of Meetings Attended
Michael Cheah Choy Chin (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	Chairman	2/2
Dato’ Mohd Redza Shah Bin Abdul Wahid (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Chairman	Member	2/2
Tong Siut Moi (Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	Member	2/2
Ir. Dr. Mohd Shahreen Zainooreen Bin Madros (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Chairman	3/3
Datuk Mohd Nasir Bin Ali (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Member	3/3
Rozan Bin Mohd Sa’at (Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	Member	3/3

The RGC will continue to provide critical support to the Board by overseeing the Risk Management & Governance framework. Its core function is to routinely evaluate the framework’s adequacy and effectiveness, ensuring alignment with the Company’s strategic objectives and regulatory requirements.

Risk Management and Internal Control Framework

Avangaad’s Board of Directors has established a robust risk management and internal control framework to safeguard the Group’s assets and interests. The Board regularly reviews these systems for effectiveness, adequacy, and integrity, ensuring appropriate responses to business environment changes.

Risk management and internal controls are overseen by:

- The Risk & Governance Committee (“RGC”) at the board level is responsible for governance, internal control, and financial matters.
- The Risk Management Committee (“RMC”) at the Management level, which is responsible for risk management.

Avangaad’s risk management and internal control processes have been effective. Throughout the year, no significant internal control weaknesses were identified that could result in material loss or uncertainty for the Company. Details of the Risk Management and Internal Control Framework are in the Company’s Annual Report under the Statement of Risk Management and Internal Control. Avangaad Berhad is committed to maintain effective risk management and internal control practices, providing assurance to stakeholders.

Relationship with External Auditors

Avangaad continues its engagement with Messrs KPMG PLT (“KPMG”), the Group’s external auditors, as appointed in the prior Annual General Meeting. The Audit Committee (“AC”) fosters a collaborative relationship with KPMG through regular meetings, held at a minimum of twice per year. These meetings facilitate in-depth discussions on various audit dimensions, including its nature, scope, audit program, internal controls, and any issues necessitating attention from the AC or the Board.

To uphold the independence of the external audit function, the AC conducts thorough reviews of contracts related to KPMG’s provision of non-audit services. This scrutiny is essential to mitigating potential conflicts of interest. The AC ensures that services such as management consulting, strategic decision-making, internal audit activities, and the creation of standard operating policies and procedures documentation are explicitly excluded from KPMG’s contractual obligations, thereby preserving objectivity and independence.

Moreover, the AC provides governance oversight by approving all non-audit services rendered by KPMG on a case-by-case basis, with careful consideration of the impact on independence and objectivity. The terms of engagement for both statutory audits and non-audit services are subject to detailed review by the AC and subsequent approval by the Board. This robust process demonstrates Avangaad Berhad’s dedication to upholding stringent governance and accountability standards in the audit process.

The details of the statutory audit, audit-related and non-audit fees paid/payable in 2024 to the external auditors are set out below:

Fees Paid / Payable to KPMG	RM
Audit	376,000
Non-audit Fees	548,000
Grand Total	924,000

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

Communication with Stakeholders

Effective communication with its stakeholders, including institutional investors and the investing public, is a priority for the Board of Directors. This communication is essential for providing a clear and comprehensive understanding of the Group’s performance and strategic direction.

The Company prioritizes proactive disclosure through various channels, with the Annual Report serving as a key communication tool. Furthermore, the Company has enhanced its digital presence with a revamped corporate website. The new website, located at <https://avangaad.com>, offers a refreshed look and provides stakeholders with easy access to current and comprehensive information about Avangaad Berhad. This includes Board member profiles, details of the Group’s business operations, announcements to Bursa Malaysia, press releases, share information, financial results, corporate governance information, and corporate news. These initiatives support strong investor relations and ensure stakeholders are well-informed.

Corporate Disclosure Policy

Corporate communication practices are governed by a Corporate Disclosure Policy, demonstrating a commitment to continuous disclosure. This policy delineates Management’s responsibilities and the procedures to ensure adherence to disclosure regulations.

The policy specifically addresses how the company identifies and disseminates material information, particularly price-sensitive information. It also outlines the conditions for maintaining confidentiality and sets forth restrictions on insider trading. Internal procedural guidelines are established within the policy to support implementation and ensure consistent disclosure practices across Avangaad.

Annual General Meeting (“AGM”)

The Annual General Meeting (“AGM”) and other general meetings serve as the principal forums for shareholders to directly interact with the Board, facilitating discussions on matters such as the Annual Report, Audited Financial Statements, corporate developments, proposed resolutions, and the Group’s operations.

The Chairman plays a pivotal role during the AGM, ensuring constructive dialogue between shareholders and the Board, and providing adequate time for discussion before each resolution is proposed. In compliance with regulatory standards, all resolutions tabled at the AGM are voted upon using electronic polling facilities (e-polling), with poll results verified by appointed scrutineers prior to the Chairman’s announcement.

The previous AGM was held at the St. Giles Southkey, Johor Bahru, on 24 June 2024. Scheduled ahead of the new financial year, the AGM allows Board members to plan their participation accordingly. Notification of the AGM was issued to shareholders more than 28 days in advance, with the Notice of AGM published in a national newspaper and made available on the Company’s website. This practice aligns with the Company’s commitment to transparency and accessibility, providing shareholders with ample time to prepare or appoint proxies for attendance and voting. The AGM also serves as a platform for the Executive Directors to present the Company’s performance and highlight key items to shareholders, fostering engagement and clarity on the Group’s affairs.

Dialogue Between the Company and Investors

Avangaad recognizes the importance of providing accessible and timely information to its shareholders and the investment community. Avangaad is dedicated to ensuring investors have the resources to make well-informed decisions about it.

To achieve this, Avangaad utilizes various communication platforms:

- **Quarterly Financial Reporting:** The Company releases quarterly financial results to provide regular updates on its performance.
- **Annual Report:** The Company publishes an Annual Report containing detailed information on its operations and financial results.
- **Bursa Malaysia Announcements:** The Company complies with listing requirements by making necessary announcements through Bursa Malaysia Securities Berhad.
- **Press Releases:** The Company issues press releases to communicate key developments and corporate news.
- **Investor Relations Website:** The Company’s website at <https://avangaad.com> includes a dedicated Investor Relations section where shareholders and investors can access financial reports, announcements, and other pertinent information.

The Company is committed to maintaining open lines of communication and ensuring that investors have access to the information they need in a timely and efficient manner. Shareholders, investors, and the public can direct inquiries, feedback, or proposals to the Company through a designated email channel, public-relations@avangaad.com.

STATEMENT ON COMPLIANCE

Sound corporate governance is a priority of the Board of Directors. In the financial year ending 31 December 2024, the company achieved substantial compliance with the practices detailed in the Malaysian Code on Corporate Governance (MCCG). The Board of Directors is focused on continuously strengthening the application of corporate governance practices and procedures across the Group. This focus underscores a commitment to protecting the interests of all shareholders and stakeholders. Detailed information on the company’s adherence to the MCCG principles can be found in the Corporate Governance Report on the Avangaad Berhad website.

The Statement of Corporate Governance received approval from the Board of Directors on 23 April 2025.



DIRECTORS' STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

This Statement outlines the risk management and internal control systems of Avangaad Berhad (formerly known as E.A. Technique (M) Berhad) for the financial year ended 31 December 2024. It aligns with Bursa Malaysia Securities Berhad's (Bursa Securities) Main Market Listing Requirements (MMLR) on the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

1. BOARD RESPONSIBILITY

The Board of Directors (the Board) is ultimately responsible for establishing, overseeing, and maintaining a sound risk management and internal control system to safeguard shareholders' investments, the Group's assets, and other stakeholders' values and interests. This includes reviewing the system's effectiveness, adequacy, and integrity to ensure it manages significant risks and adapts to the changing business environment.

The Board has established the Risk and Governance Committee (RGC) and the Audit Committee (AC) to assist in fulfilling these responsibilities. The RGC oversees the Group's risk management and governance framework, ensuring its adequacy and effectiveness. It evaluates the Enterprise Risk Management system, assesses principal risks, reviews risk exposures, and recommends risk management strategies and policies to the Board.

The AC focuses on financial reporting, internal control, and audit matters. It reviews the financial statements, assesses the effectiveness of internal control systems, and oversees the internal and external audit functions. The Board retains overall responsibility for risk management and internal control, with the RGC and AC playing key roles in assisting the Board in fulfilling its fiduciary duties.

2. RISK MANAGEMENT FRAMEWORK

The Group has adopted a comprehensive Enterprise Risk Management (ERM) framework to ensure effectiveness in identifying, analysing, and mitigating risks. Aligned with ISO 31000 Risk Management - Principles and Guidelines, the framework provides a structured and consistent approach for making informed decisions and managing risks in daily operations.

Risks are identified and assessed across various segments, including strategic, operational, financial, compliance, cybersecurity, safety, and regulatory. Multiple methodologies, including qualitative and quantitative analysis, scenario planning, and key risk indicators, are employed for risk assessment to understand their potential impact and likelihood of occurrence. This analysis considers the root causes of the risk and its possible financial and non-financial impacts.

Risks are evaluated based on their likelihood and potential impact using a risk rating matrix for prioritisation. The effectiveness of existing controls is considered in the evaluation process. Risk treatment involves selecting and implementing appropriate actions to modify the risk, including accepting the risk, reducing the likelihood or impact, transferring the risk, or avoiding it altogether. Risk treatment options are documented, outlining the implementation process, responsible personnel, timelines, and mitigation performance.

Risks and the effectiveness of risk management strategies are continuously monitored and reviewed to ensure they remain relevant and effective in the Group's changing operating environment. The risk rating determines the frequency of review, with higher-rated risks being reviewed more frequently.

3. INTERNAL CONTROL SYSTEM

The Group maintains a robust internal control system designed to provide reasonable assurance against events that could hinder the achievement of its goals and objectives. This system safeguards shareholders' investments and the Group's assets. The key components of the internal control system are outlined below.

3.1 Risk and Governance Committee (RGC)

The RGC is a committee of the Board of Directors responsible for overseeing the Group's risk management and governance processes. The RGC comprises three members, who are Independent Directors and is chaired by an Independent Non-Executive Director who is not the Chairman of the Board.

The RGC's primary role is to provide strategic guidance and direction to the Group's risk management activities. This includes quarterly evaluating the effectiveness of the Enterprise Risk Management framework and the process of assessing and managing the Group's principal risks. The RGC also reviews and evaluates risk identification assessment and recommends changes to risk management policies, frameworks, standards, and procedures to the Board. The RGC is responsible for reviewing risk management strategies, policies, and risk appetite for the Board's approval.

Furthermore, the RGC is responsible for overseeing the Group's sustainability strategy and initiatives. This includes reviewing the Group's sustainability performance, identifying, and assessing sustainability risks and opportunities, and recommending appropriate actions to the Board.

To ensure effective implementation of risk management strategies, the RGC is supported by the Risk Management Committee (RMC), which comprises of senior management team members. The RMC is responsible for embedding risk management practices into the Group's day-to-day operations while ensuring compliance with its risk management framework.

The RGC plays a crucial role in making certain that the Group's risk management, governance, and sustainability frameworks are deemed robust and effective. Its oversight and guidance, combined with the RMC's operational implementation, contribute to the Group's ability to achieve its objectives while safeguarding the interests of its stakeholders and promoting sustainable practices.

3.2 Board Committee

In addition to the RGC, the Group is also supported by the Nomination Committee (NC), Remuneration Committee (RC), and Audit Committee (AC), who are tasked with assisting the Board in fulfilling its oversight responsibilities. These committees provide independent oversight of the Group's management and operate within their respective terms of reference.

In the financial year 2024, the Nomination Committee and Remuneration Committee were combined and renamed as the Board Nomination & Remuneration Committee. This consolidation aims to enhance efficiency and effectiveness, streamlining the approach to these crucial areas of corporate governance.

3.3 Organisational Structure

The Group's internal control system is strengthened by a clearly defined organisational structure with distinct lines of authority and responsibility. Qualified and experienced management personnel are appointed to oversee the achievement of the Group's goals and objectives. This well-defined structure, with its clear reporting lines, formalised responsibilities, and delegation of authority, ensures effective control mechanisms in terms of reporting lines and accountability.

3.4 Limit Of Authority (LOA)

To ensure effective governance and risk management, the Group has established the LOA for the management team. The LOA outlines the delegated authority for business transactions and operational matters, including those requiring Board approval. This ensures a clear segregation of duties and minimises the risk of abuse of authority.

The LOA provides a clear line of accountability and responsibility, facilitating efficient decision-making at various levels of the organisation. It was updated in 2024 to reflect the appointment of Executive Directors to the Board, empowering them and the CEO to make decisions, particularly those pertaining to the Group's ordinary course of business.

3.5 Quarterly Performance Review

The AC reviews the Group's performance quarterly. These reviews encompass key financial and operational indicators and the progress of strategic initiatives undertaken by the Group. This regular oversight by the AC ensures that the Group's performance is closely monitored, and any necessary corrective actions are taken in a timely manner.

3.6 Internal Audit (IA) Department

The IA Department plays a crucial role in the Group’s internal control system by providing independent and objective assurance on the effectiveness of risk management, control, and governance processes.

To enhance the internal audit function further, the Group has engaged an external consultant, Baker Tilly Monteiro Heng Governance Sdn. Bhd. to assist in reviewing the Group’s risk management and internal control framework. This collaboration ensures a comprehensive and independent assessment of the Group’s risk management and internal control environment.

The IA’s findings and recommendations, along with those of the external consultant, are reported to the Audit Committee (AC) for review and deliberation. This robust internal audit process, complemented by external expertise, provides the Board and management with valuable insights for strengthening the Group’s risk management and internal control systems.

3.7 Policies and Procedures

The Group has established comprehensive policies and procedures approved by the Board and regularly reviewed to ensure their effectiveness and relevance. These policies and procedures guide employees in their daily activities, promoting consistency, transparency, and accountability. The Group’s policies cover a wide range of areas, including:

- ✦ Code of Ethics
- ✦ Corporate Disclosure Policy
- ✦ Anti-Bribery Corruption Policy
- ✦ Gift Policy
- ✦ Whistle-blowing Policy
- ✦ Statement of Policy on Quality, Health, Safety, and Environmental Protection
- ✦ Substance Misuse Policy
- ✦ Policy Statement for Safe Navigation
- ✦ Stop Work Policy
- ✦ Rest Hour Policy
- ✦ Security Policy
- ✦ Cyber Security Risk Management Policy
- ✦ Policy Statement for Squat, Under Keel Clearance, and Ship Interaction (Tanker)
- ✦ Human Rights and Labour Policy

The Group is committed to maintaining a robust policy framework that supports its risk management and internal control objectives.

3.8 Regulatory Compliance

The Group is committed to upholding the highest standards of safety, health, and environmental performance. To achieve this, the Group adheres to strict standards and controls, continuously improving the application and performance of its Safety Management System. The Group operates an integrated Quality, Safety, Health, and Environment Management System that meets the requirements of:

- ✦ ISO 9001:2015 (Quality Management Systems)
- ✦ ISM Code for Vessel Safe Operation and Pollution Prevention
- ✦ International Ship and Port Facility Security Code

This commitment to regulatory compliance ensures the Group’s operations are conducted safely, responsibly, and in accordance with international standards.

4. COMMENTARY ON THE ADEQUACY AND EFFECTIVENESS

The Board has received assurance from the Top Management and Internal Audit Department that the Group’s risk management and internal control system is operating effectively and adequately in all material aspects for the financial year under review and up to the date of approval of this Statement.

5. BOARD ASSURANCE AND LIMITATIONS

The Board of Directors acknowledges its responsibility for establishing and maintaining an effective risk management and internal control system for the Group. The Board has conducted a comprehensive review of the system’s effectiveness and is satisfied that it is adequate and operating effectively in all material aspects as of the date of this statement.

However, the Board recognises that risk management and internal control systems have inherent limitations. These limitations include the possibility of human error, collusion, or management override of controls. Additionally, such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss. The Board is committed to continuously improving the Group’s risk management and internal control systems by addressing evolving risks and challenges.

This Statement was presented and approved at the meeting of the Board of Directors held on 23 April 2025.

6. PRACTICE NOTE 17

The Board announced that the Group is classified as an affected listed issuer under Practice Note 17 (PN17) of the MMLR of Bursa Malaysia on 25 February 2022. On 1 June 2022, the Group appointed Malacca Securities Sdn. Bhd. (Malacca Securities) as the principal adviser for the proposed regularisation plan. The Group had also appointed the necessary advisers (i.e. solicitors, independent market researcher, internal control reviewer, and reporting accountant) for the proposed regularisation plan.

The Group Scheme of Arrangement with creditors has taken effect on 12 January 2023 following the lodgement of the Sanction Order with the Companies Commission of Malaysia. The Group had represented that it intends to raise funds for the repayment to the scheme creditors via an asset disposal programme and fund-raising exercises, which is envisaged to be addressed via the regularisation plan.

To address its PN17 status, the Group actively pursued the formulation of a Regularisation Plan. On 7 November 2023, Malacca Securities, acting on behalf of the Board, announced the plan, which included a proposed share issuance, a proposed exemption, and the proposed establishment of an employee share scheme. The plan was formally submitted to Bursa Malaysia on 10 November 2023 and subsequently approved on 30 May 2024.

Following the shareholders’ approval at an Extraordinary General Meeting (EGM) held on 24 June 2024, the Regularisation Plan was successfully implemented on 27 June 2024. Note that with the completion of the Regularisation Plan, EATECH has regularised its financial condition and achieved two consecutive profit quarter, namely Q3 and Q4 2024. Bursa Malaysia had vide its letter dated 19 February 2025, approved the upliftment of EATECH from its PN17 status, effective from 9.00 a.m., Thursday, 20 February 2025.

7. CONCLUSION

The Board is of the opinion that the Group’s risk management and internal control system is adequate and sound to provide reasonable assurance in safeguarding shareholders’ investments, the Group’s assets, and other stakeholders’ interests and in addressing the key risks impacting the Group’s business operations. The Board is committed to continuously improving the system to ensure it remains adequate and effective in the face of the fast-changing business environment.

8. REVIEW OF STATEMENT BY THE EXTERNAL AUDITORS

In accordance with Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia, the external auditors have reviewed this Statement on Risk Management and Internal Control. The review was conducted in accordance with the scope set out in the Audit and Assurance Practice Guide 3 - Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

The purpose of this review was to assess whether the Statement on Risk Management and Internal Control is supported by the documentation prepared by or for the Directors and appropriately reflects the process the Directors have adopted in reviewing the adequacy and integrity of the Group’s system of internal control.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement is not prepared, in all material aspects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is it factually inaccurate.

AUDIT COMMITTEE REPORT

The Audit Committee (AC) provides critical oversight of the Group financial reporting process; monitoring the external and internal auditing processes, compliance with relevant legal and statutory matters, and other matters delegated by the Board to the AC through its approved Terms of Reference.

1. AUDIT COMMITTEE COMPOSITION AND MEETINGS HELD

The AC composition, type of directorship, and attendance of meetings held in the financial year ended 31 December 2024 are set out below.

No.	Name	Directorship	No. of Meetings Attended
1.	Datuk Mohd Nasir Bin Ali (Former Chairman – Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	2/2
2.	Ir Dr Mohd Shahreen Zainooreen Bin Madros (Former Member – Resigned w.e.f. 24 July 2024)	Independent Non-Executive Director	2/2
3.	Aziah Binti Ahmad (Former Member – Resigned w.e.f. 30 July 2024)	Non-Independent Non-Executive Director	2/2
4.	Michael Cheah Choy Chin (Chairman – Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	2/2
5.	Dato' Mohd Redza Shah Bin Abdul Wahid (Member – Appointed w.e.f. 30 July 2024)	Independent Non-Executive Chairman	2/2
6.	Tong Siut Moi (Member – Appointed w.e.f. 30 July 2024)	Independent Non-Executive Director	2/2

The composition of the AC is in line with Paragraph 15.09 of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia), where:

- All AC members are Non-Executive Directors and all of them are Independent Directors, including the Chairman
- No alternate Director is appointed as a member
- The Chairman, Michael Cheah Choy Chin, is a Fellow of the Institute of Chartered Accountants in England and Wales and also a Member of the Malaysia Institute of Accountants, fulfilling the requirement stated in paragraph 15.09(1)(c)(i) of the MMLR.

The Audit Committee meetings are normally attended by the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Deputy Manager of Internal Audit, and upon invitation, the External Auditors. The outsourced professional Internal Auditors were invited to attend the Audit Committee meetings to table their respective internal audit (IA) reports. Four (4) of the meetings held were planned quarterly meetings.

The Company Secretary acts as secretary to the Audit Committee. Minutes of each meeting is distributed to each board member. The Chairman of the Audit Committee reports key matters discussed at each Board meeting.

The Terms of Reference for the Audit Committee are contained in the Board Charter which is available on the Company's website.

2. SUMMARY OF WORK DONE BY AUDIT COMMITTEE

During the financial year, the Audit Committee performed the following:

2.1 Financial Reporting and Compliance

- Reviewed the quarterly financial results of the Company and the Group on 23 February 2024, 20 May 2024, 30 August 2024, and 14 November 2024 prior to recommending them to the Board for approval. The matters reviewed and discussed were:
 - Financial and operational performance, and financial statements.
 - Budget achievement, reasons for the variances and efforts to meet targets.
 - Internal and external matters impacting financial and operational performance, and the actions to be taken.
- Reviewed quarterly announcements prior to recommending to the Board for approval to ensure that the announcements reflects the situation and are representative of their views.
- Reviewed the Group's compliance with the accounting standards and relevant regulatory requirements.

2.2 External Audit

- Reviewed and recommended to the Board the External Auditors' Report for the financial year ended 31 December 2023 on 23 February 2024, covering amongst others, the following:
 - Significant accounting and auditing matters during the year.
 - Internal control recommendations.
 - New or significant developments during the year.
 - Substantial matters relating to provisions, legal and contracts, compliance with accounting standards and legal requirements.
- Held one (1) private discussion on 23 February 2024 with the External Auditors without the Management's presence.

2.3 Internal Audit

- Reviewed and approved Internal Audit Department (IAD)'s Annual Internal Audit Plan for 2024, to ensure the adequacy of scope and coverage; competency and resources available; and that Internal Audit has the necessary authority to carry out its work.
- Reviewed and deliberated on the planned and ad hoc internal audit reports issued and the adequacy of management response and actions to address control deficiencies.
- Reviewed quarterly updates on the progress of the Annual Internal Audit Plan 2024 and the status of corrective actions pertaining to whether appropriate actions are timely taken.
- Recommended for the Board's approval, the appointment of an independent firm for outsourcing of the internal audit function of the Company, by reviewing the suitability, experience, and resources of that independent firm, and the experience of the supervisory and professional staff assigned.

2.4 Others

- Quarterly review and monitoring of recurrent related party transactions, their aggregate values and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises question on management integrity at each AC quarterly meeting.
- Reviewed the Audit Committee Report 2023 for incorporation into the Annual Report 2023 and recommended it to the Board for approval.

3. SUMMARY OF WORK DONE BY INTERNAL AUDIT FUNCTION

3.1 Internal Audit

- The Group has appointed an outsourced independent consulting firm to carry out the internal audit function, namely Baker Tilly Monteiro Heng Governance Sdn. Bhd. (Baker Tilly), providing the Board with a reasonable assurance of adequacy of the scope, function, and resources of the internal audit function. The purpose of the internal audit function is to provide the Board, through the Audit Committee, assurance of the effectiveness of the system of internal control in the Group.

Date of Appointment	2 September 2024
Partner In Charge	Heng Cheng Zin
Qualifications	<ul style="list-style-type: none">Member of Certified Practicing Accountant Australia (CPA)Chartered Member of Institute of Internal Auditors (IIA)Chartered Accountant of Malaysian Institute of Accountants (MIA)Member of Environment, Social & Governance (ESG) Association Malaysia
Experiences	<p>Zin has 18 years of internal audit, internal control review, risk management and compliance experience. She has been extensively involved in managing and executing Internal Audit and Compliance review engagements across Asia, Australia, America, Europe, and the Middle East. Zin is well-equipped with extensive knowledge in areas such as governance, risks, controls, business process design, policy and regulation compliance.</p> <p>She amassed expertise in a variety of industries which include REITs, Energy & Utilities, Oil & Gas, Mining, Pharmaceutical and Healthcare, Transportation, Property Management, and Development, Hotels, Retail, Food & Beverage, Government Departments, and non-for-profit organisations. Zin was formerly with Ernst & Young Risk Advisory, Perth, and Abbott Laboratories Singapore.</p>
Number of Resources	Baker Tilly deployed 2 to 3 personnel per audit review.

- Besides, there was one (1) auditor in IAD during the financial year.
- The Deputy Manager of Internal Audit is an Associate Member of the Institute of Internal Auditors Malaysia and has a Bachelor of Accounting (Hons).
- IAD has an independent status in the organisation, with direct reporting to the Audit Committee and administrative reporting to the Chief Operating Officer.
- IAD's purpose, objectives, authority, and responsibilities are spelt out in the IAD Charter which is endorsed and approved by the Audit Committee.
- IAD's mission is to enhance and protect the Company's and Group's values by providing an independent, risk-based, and objective assurance, advice, and insight on all areas of governance, risk management, and internal control.
- The standards and practices adopted by IAD conform to the International Professional Practices Framework issued by The Institute of Internal Auditors.
- The total amount of expenses incurred by IAD during the financial year is RM210,183 (FY2023: RM218,378).

3.2 Assurance Services

- IAD prepared a risk-based Annual Internal Audit Plan 2024 (the Plan) for the Group. The Plan was reviewed by the AC and approved for implementation.
- Quarterly updates were prepared for the AC detailing the status of the 2024 Plan on the assignments completed, in progress, and outstanding.
- A total of three (3) planned assignments were executed during the financial year and presented to the AC covering the following areas:
 - Review of the Repair & Maintenance Process
 - Review of the Procurement Process
 - Review of the Petty Cash Management Process
- Internal Audit Reports were forwarded to management of the relevant departments for the necessary corrective actions.
- Internal Audit Reports and status of corrective actions taken by management were presented to AC.

The report has been approved by the Audit Committee at its meeting on 23 April 2025.



ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS

During the financial year, the Company undertook a shares issuance of up to 795,575,000 new ordinary shares (“Subscription Shares”), representing approximately 60% of the enlarged share capital of the Company. The listing and quotation of 795,750,000 shares were completed on 27 June 2024 as part of its Regularisation plan.

A total of approximately RM79.575 million was raised through the share issuance exercise at the subscription price of RM0.10 each.

The details of proceed utilisation up to 31 December 2024 are as follows:

Details of the Use of Proceeds	Proposed Utilisation RM’000	Actual Utilisation RM’000	Balance to be Utilised RM’000	Estimated Timeframe from Date of Receipt of Proceeds
Repayment Pursuant to the SOA	30,988	30,988	-	Within 1 month
Repayment to Sindora	26,000	26,000	-	Within 1 month
General Working Capital	19,687	15,613	4,074	Within 24 months
Defray Estimated Expenses	2,900	2,900	-	Within 2 months
Total	79,575	75,501	4,074	

SHARE BUY-BACK

The Company did not have a share buy-back programme in place during the financial year ended 31 December 2024.

OPTIONS OR CONVERTIBLE SECURITIES

The Company has issued options pursuant to the Employee Share Scheme (“ESS”) up to 13,262,500 as part of its Regularisation plan on 24 June 2024 for selected eligible Directors and/or employees of the Group. The ESS shall be in force for a period of two (2) years until 26 June 2026. During the financial year ended 31 December 2024, there were no other ESS and / or options granted to eligible person(s).

DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any depository receipt programme during the financial year ended 31 December 2024.

SANCTIONS AND/OR PENALTIES

There was no material sanction and / or penalty during the financial year ended 31 December 2024.

PROFIT ESTIMATE, FORECAST OR PROJECTION

The Company did not issue any profit estimate, forecast or projection for the financial year ended 31 December 2024.

MATERIAL CONTRACTS INVOLVING DIRECTORS AND/OR MAJOR SHAREHOLDERS

There was no material contract, entered by the Company and/or its subsidiaries involving the interest of Directors and/or major shareholders, either subsisting at the end of the financial year ended 31 December 2024.

RECURRENT RELATED PARTY TRANSACTIONS

Except as disclosed, there was no recurrent related party transaction entered by the Group for the financial year ended 31 December 2024.

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CORPORATE DISCLOSURE

- * FINANCIAL STATEMENTS
- * LIST OF PROPERTIES
- * SHAREHOLDINGS STATISTICS
- * NOTICE OF ANNUAL GENERAL MEETING
- * STATEMENT ACCOMPANYING NOTICE OF 31ST ANNUAL GENERAL MEETING





DIRECTORS’ REPORT

For the Financial Year Ended 31 December 2024

The Directors have pleasure in submitting their report and the audited financial statements of the Group and the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are ship owning and operator of marine vessels for the transportation and offshore storage of oil and gas, provider of port marine services and provision of engineering, procurement, construction, installation and commissioning of floating storage and offloading vessels whilst the principal activities of the subsidiaries are as stated in Note 4 to the financial statements.

CHANGE OF COMPANY NAME

On 17 February 2025, the Company changed its name from E.A. Technique (M) Berhad to Avangaad Berhad.

HOLDING COMPANIES

The immediate and ultimate holding company of the Company is Voultier Sdn. Bhd., a company incorporated in Malaysia.

Previously, the immediate holding company was Sindora Berhad, while the ultimate holding corporation was Johor Corporation, a statutory body established under the Johor Corporation Enactment No. 4, 1968 (as amended by Enactment No. 5, 1995), through its indirect interest via Kulim (Malaysia) Berhad.

On 27 June 2024, the Company issued new ordinary shares for fundraising purposes as part of a regularisation plan. Following this exercise, Voultier Sdn. Bhd. now owns a majority stake in the Company, and has become both the immediate and ultimate holding company.

SUBSIDIARIES

The details of the Company’s subsidiaries are disclosed in Note 4 to the financial statements.

RESULTS

	Group RM’000	Company RM’000
Profit for the year attributable to: Owners of the Company	154,330	166,189

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year under review.

DIVIDEND

No dividend has been declared or paid by the Company since the end of the previous financial year. The Directors do not recommend any dividend to be paid for the financial year under review.

DIRECTORS OF THE COMPANY

The Directors of the Company in office since the beginning of the financial year to the date of this report are:

Dato’ Mohd Redza Shah Bin Abdul Wahid	
Dato’ Lai Keng Onn*	(appointed on 10 July 2024)
Datuk Wira Mubarak Hussain Bin Akhtar Husin*	(appointed on 10 July 2024)
Dato’ Seri Nazir Hussin Bin Akhtar Hussin	(appointed on 23 July 2024)
Michael Cheah Choy Chin	(appointed on 23 July 2024)
Tong Siut Moi	(appointed on 23 July 2024)
Mohd Faris Adli Bin Shukery	(appointed on 22 August 2024)
Abdul Azmin Bin Abdul Halim*	(deceased on 3 January 2024)
Datuk Mohd Nasir Bin Ali*	(resigned on 24 July 2024)
Ir. Dr. Mohd Shahreen Zainooreen Bin Madros*	(resigned on 24 July 2024)
Rozan Bin Mohd Sa’at	(resigned on 24 July 2024)
Aziah Binti Ahmad	(resigned on 22 August 2024)

* Directors of the Company and the subsidiaries.

The name of the Directors of the Company’s subsidiaries since the beginning of the financial year to the date of this report, excluding Directors who are already listed above are:

New Kok Ho	(resigned on 15 May 2024)
Nasrul Asni Bin Muhammad Dain	

DIRECTORS’ INTERESTS IN SHARES

According to the Register of Directors’ Shareholdings, the interests of the Directors in office at the end of the financial year in shares in the Company during and at the end of the financial year were as follows:

	Number of Ordinary Shares			
	At 1.1.2024 ‘000	Acquired ‘000	Sold ‘000	At 31.12.2024 ‘000
Direct Interest				
Dato’ Mohd Redza Shah Bin Abdul Wahid	-	30	-	30
Mohd Faris Adli Bin Shukery	5	-	-	5
Indirect Interest				
Dato’ Lai Keng Onn	-	676,388	-	676,388
Datuk Wira Mubarak Hussain Bin Akhtar Husin	-	676,388	-	676,388

DIRECTORS’ BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors’ benefits paid to or receivable by Directors in respect of the financial year ended 31 December 2024 are as follows:

	From the Company	
	2024 RM’000	2023 RM’000
Directors of the Company:		
- Fees	316	410
- Remuneration	428	-
- Allowance	290	269
Total short-term employee benefits	1,034	679

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued a total of 795,750,000 new ordinary shares at RM0.10 per ordinary share, for a total cash consideration of RM79,575,000, for fund-raising purpose. The new ordinary shares ranked pari-passu with the existing ordinary shares in issue.

There were no other changes in the issued and paid-up capital of the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the Employee Share Scheme (“ESS”).

On 24 June 2024, as part of its Regularisation plan, the Company’s shareholders approved the establishment of an ESS to selected eligible Directors and/or employees of the Group, with the following awards:

- (i) the right to receive new and/or existing the Company’s ordinary shares at specified dates; and/or
- (ii) ESS options which entitle the selected persons the right to exercise and receive the Company’s ordinary shares at specified dates at pre-determined prices,

provided that prior to such specified future date of vesting or exercise, as the case may be, the relevant service condition(s) of the selected persons and/or the relevant condition(s) as may be stipulated by the ESS Committee in the offer, are duly fulfilled unless the ESS Committee otherwise determines.

The options granted to take up unissued ordinary shares, along with their exercise price, are as follows:

Date of Offer	Expiry Date	Number of Options over Ordinary Shares					At 31.12.2024 '000
		Exercise Price RM	At 1.1.2024 '000	Granted '000	Exercised '000	Forfeited '000	
26.06.24	26.06.26	0.3185	-	13,263	-	-	13,263
			-	13,263	-	-	13,263

INDEMNITY AND INSURANCE COSTS

During the financial year, there was no indemnity given to or insurance effected for any Director, officer or auditor of the Company.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- (i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- (ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- (ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- (iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

OTHER STATUTORY INFORMATION (CONTINUED)

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

- (i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- (ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, except for those disclosed in Note 18 to the financial statements, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

SUBSEQUENT EVENTS

Subsequent events are as disclosed in Note 25 to the financial statements.

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors’ remuneration for the financial year ended 31 December 2024 is as follows:

	Group RM'000	Company RM'000
Audit Fees		
KPMG PLT	376	291
Non Audit Service Fees		
KPMG PLT	443	443
Local affiliates of KPMG PLT	105	74
	548	517

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Datuk Wira Mubarak Hussain Bin Akhtar Husin
Director

Dato’ Lai Keng Onn
Director

Kuala Lumpur

Date: 5 March 2025



STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets					
Property, vessels and equipment	2	395,544	393,329	398,689	397,201
Right-of-use assets	3	1,729	1,946	251	385
Investment in subsidiaries	4	-	-	5,000	5,000
Deferred tax assets	5	195	708	-	530
Total Non-Current Assets		397,468	395,983	403,940	403,116
Inventories	6	133	99	133	99
Trade and other receivables	7	57,112	31,799	57,405	36,979
Tax recoverable		103	33	-	33
Deposits	8	826	11,416	3	10,616
Cash and cash equivalents	9	19,129	31,028	17,745	28,240
		77,303	74,375	75,286	75,967
Non-current assets held for sale	10	-	14,290	-	14,842
Total Current Assets		77,303	88,665	75,286	90,809
Total Assets		474,771	484,648	479,226	493,925
Equity					
Share capital	11	259,330	179,755	259,330	179,755
Share option reserve	12	587	-	587	-
Retained earnings/(Accumulated losses)		32,028	(122,302)	36,904	(129,285)
Total Equity Attributable to Owners of the Company		291,945	57,453	296,821	50,470
Liabilities					
Loans and borrowings	13	70,830	84,266	70,830	84,266
Trade and other payables	14	-	12,849	-	12,849
Lease liabilities		2,191	2,386	128	268
Deferred tax liabilities	5	55,795	-	55,794	-
Total Non-Current Liabilities		128,816	99,501	126,752	97,383
Trade and other payables	14	35,676	286,435	37,374	305,017
Lease liabilities		195	183	140	132
Loans and borrowings	13	18,128	40,923	18,128	40,923
Current tax liabilities		11	153	11	-
Total Current Liabilities		54,010	327,694	55,653	346,072
Total Liabilities		182,826	427,195	182,405	443,455
Total Equity and Liabilities		474,771	484,648	479,226	493,925

The notes on page 170 to 204 are an integral part of these financial statements.



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	15	122,663	133,079	121,108	131,434
Cost of sales		(72,606)	(85,559)	(74,065)	(87,572)
Gross Profit		50,057	47,520	47,043	43,862
Administrative expenses		(30,739)	(21,469)	(28,689)	(19,883)
Other income		200,084	11,343	215,822	11,424
Net (loss)/gain on impairment of financial instruments		(3,425)	585	(6,758)	(1,138)
Results from Operating Activities		215,977	37,979	227,418	34,265
Finance income	16	703	243	679	229
Finance costs	17	(5,526)	(8,343)	(5,393)	(8,206)
Profit before Tax	18	211,154	29,879	222,704	26,288
Tax expense	19	(56,824)	(6,187)	(56,515)	(6,253)
Profit and total comprehensive income for the year		154,330	23,692	166,189	20,035
Profit Attributable to:					
Owners of the Company		154,330	23,692	166,189	20,035
Basic Earnings per Ordinary Share (sen)	20	16.45	4.47		
Diluted Earnings per Ordinary Share (sen)	20	16.30	-*		

*The EPS for comparative period is not diluted.

The notes on page 170 to 204 are an integral part of these financial statements.



CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2024

		/-----Attributable to owners of the company-----/ /--- Non-distributable ----/ Distributable			
Group	Note	Share Capital RM'000	Share Option Reserve RM'000	(Accumulated Losses)/ Retained Earnings RM'000	Total Equity RM'000
At 1 January 2023		179,755	-	(145,994)	33,761
Profit and total comprehensive income for the year		-	-	23,692	23,692
At 31 December 2023/1 January 2024		179,755	-	(122,302)	57,453
Profit and Total Comprehensive Income for the Year		-	-	154,330	154,330
Contributions by and distributions to owners of the Company					
Issuance of ordinary shares	11	79,575	-	-	79,575
Share-based payment transactions	12	-	587	-	587
Total Transactions with Owners of the Company		79,575	587	-	80,162
At 31 December 2024		259,330	587	32,028	291,945

The notes on page 170 to 204 are an integral part of these financial statements.



STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2024

		/-----Attributable to owners of the company-----/ /--- Non-distributable ----/ Distributable			
Company	Note	Share Capital RM'000	Share Option Reserve RM'000	(Accumulated Losses)/ Retained Earnings RM'000	Total Equity RM'000
At 1 January 2023		179,755	-	(149,320)	30,435
Profit and total comprehensive income for the year		-	-	20,035	20,035
At 31 December 2023/1 January 2024		179,755	-	(129,285)	50,470
Profit and Total Comprehensive Income for the Year		-	-	166,189	166,189
Contributions by and distributions to owners of the Company					
Issuance of ordinary shares	11	79,575	-	-	79,575
Share-based payment transactions	12	-	587	-	587
Total Transactions with Owners of the Company		79,575	587	-	80,162
At 31 December 2024		259,330	587	36,904	296,821

The notes on page 170 to 204 are an integral part of these financial statements.



STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash Flows from Operating Activities					
Profit before tax		211,154	29,879	222,704	26,288
Adjustments for:					
Property, vessels and equipment and assets held for sale:					
Net loss/(gain) on disposal	18	272	(1,254)	272	(1,254)
Depreciation	2	24,023	31,013	25,098	32,430
(Reversal of)/Impairment loss	2	(927)	(70)	(541)	227
Right-of-use assets:					
Depreciation	3	217	221	134	139
Finance costs on:					
Bank overdraft	17	-	74	-	74
Conventional financing	17	224	1,073	224	1,073
Revolving credits	17	83	189	83	189
Accretion of interest on lease liabilities	17	155	168	22	31
Profit charge on Islamic financing	17	5,064	6,839	5,064	6,839
Interest on fixed deposits	16	(703)	(243)	(679)	(229)
Waiver of scheme creditors	18	(171,089)	(3,558)	(187,126)	(3,558)
Share-based payment expenses	12	587	-	587	-
Net loss/(gain) on impairment of financial instruments	18	3,425	(585)	6,758	1,138
Unrealised foreign exchange loss	18	510	1,162	504	1,108
Operating Profit Before Changes in Working Capital		72,995	64,908	73,104	64,495
Changes in working capital:					
Inventories		(34)	943	(34)	943
Trade and other receivables		(28,738)	(6,759)	(27,184)	(11,257)
Trade and other payables		(93,029)	(15,236)	(93,870)	(10,874)
Cash (Used In)/Generated from Operations		(48,806)	43,856	(47,984)	43,307



STATEMENTS OF CASH FLOWS (Continued)

For the Financial Year Ended 31 December 2024 (Continued)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash Flows from Operating Activities (Continued)					
Interest received		703	243	679	229
Interest paid		(462)	(1,504)	(329)	(1,367)
Profit paid on Islamic financing		(5,064)	(6,839)	(5,064)	(6,839)
Tax paid		(728)	(278)	(147)	(66)
Net Cash (Used in)/Generated from Operating Activities		(54,357)	35,478	(52,845)	35,264
Cash Flows from Investing Activities					
Net withdrawal in short-term deposits, fixed and security deposits pledged					
		10,590	6,555	10,613	6,570
Acquisition of property, vessels and equipment	2	(12,838)	(26,568)	(13,020)	(27,188)
Additions to assets held for sale	10	(210)	-	(210)	-
Proceed from disposal of property, vessels and equipment and assets held for sale		1,755	21,146	1,755	21,146
Net Cash (Used In)/Generating from Investing Activities		(703)	1,133	(862)	528
Cash Flows from Financing Activities					
Proceed from issuance of ordinary share	11	79,575	-	79,575	-
Repayment of conventional financing facilities and revolving credits	(iii)	(13,273)	(22,629)	(13,273)	(22,629)
Repayment of Islamic term financing facilities	(iii)	(22,958)	(22,959)	(22,958)	(22,959)
Repayment of lease liabilities	(iii)	(183)	(175)	(132)	(126)
Net Cash Generated from/(Used In) Financing Activities		43,161	(45,763)	43,212	(45,714)
Net Decrease in Cash and Cash Equivalents		(11,899)	(9,152)	(10,495)	(9,922)
Cash and cash equivalents at the beginning of the year		31,028	40,180	28,240	38,162
Cash and Cash Equivalents at the End of the Year	(i)	19,129	31,028	17,745	28,240



STATEMENTS OF CASH FLOWS (Continued)

For the Financial Year Ended 31 December 2024 (Continued)

(i) Cash and Cash Equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term deposits		10,404	-	10,404	-
Cash and bank balances	9	8,725	31,028	7,341	28,240
		19,129	31,028	17,745	28,240

(ii) Cash Outflows for Leases as a Lessee

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in Net Cash from Operating Activities					
Payment relating to short-term leases	18	3,349	2,103	3,346	2,059
Payment relating to leases of low-value assets	18	21	30	16	22
Interest paid in relations to lease liabilities	17	155	168	22	31
Included in Net Cash from Financing Activities					
Payment of lease liabilities		183	175	132	126
Total Cash Outflows for Leases		3,708	2,476	3,516	2,238

(iii) Reconciliation of Movements of Liabilities to Cash Flows Arising from Financing Activities

	At 1.1.2023 RM'000	Acquisition of New Lease RM'000	Net Changes from Financing Cash Flows RM'000	At 31.12.2023/ 1.1.2024 RM'000	Net Changes from Financing Cash Flows RM'000	At 31.12.2024 RM'000
Group						
Islamic financing facilities	134,875	-	(22,959)	111,916	(22,958)	88,958
Conventional financing facilities	31,618	-	(20,488)	11,130	(11,130)	-
Revolving credits	4,284	-	(2,141)	2,143	(2,143)	-
	170,777	-	(45,588)	125,189	(36,231)	88,958
Lease liabilities	2,554	190	(175)	2,569	(183)	2,386
Total liabilities from financing activities	173,331	190	(45,763)	127,758	(36,414)	91,344



STATEMENTS OF CASH FLOWS (Continued)

For the Financial Year Ended 31 December 2024 (Continued)

(iii) Reconciliation of Movements of Liabilities to Cash Flows Arising from Financing Activities (Continued)

	At 1.1.2023 RM'000	Acquisition of New Lease RM'000	Net Changes from Financing Cash Flows RM'000	At 31.12.2023/ 1.1.2024 RM'000	Net Changes from Financing Cash Flows RM'000	At 31.12.2024 RM'000
Company						
Islamic financing facilities	134,875	-	(22,959)	111,916	(22,958)	88,958
Conventional financing facilities	31,618	-	(20,488)	11,130	(11,130)	-
Revolving credits	4,284	-	(2,141)	2,143	(2,143)	-
	170,777	-	(45,588)	125,189	(36,231)	88,958
Lease liabilities	336	190	(126)	400	(132)	268
Total liabilities from financing activities	171,113	190	(45,714)	125,589	(36,363)	89,226

The notes on page 170 to 204 are an integral part of these financial statements.



Avangaad Berhad (Formerly known as E.A. Technique (M) Berhad) is a public limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Setiawangsa Business Suites
Unit C-3A-3A
No. 2, Jalan Setiawangsa 11
Taman Setiawangsa
54200 Kuala Lumpur.

Level 7, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara, Damansara Heights
50490 Kuala Lumpur, W.P. Kuala Lumpur.

The immediate and ultimate holding company of the Company is Voultier Sdn. Bhd., a company incorporated in Malaysia.

On 27 June 2024, the Company issued new ordinary shares for fundraising purposes as part of a regularisation plan. Following this exercise, Voultier Sdn. Bhd. now owns a majority stake in the Company, and has become both the immediate and ultimate holding company.

These financial statements were authorised for issue by the Board of Directors on 5 March 2025.

(a) Statement of Compliance

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and by the Company:

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

(a) Statement of Compliance (Continued)

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments

- MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, if applicable:

- The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company.

The consolidated financial statements have been prepared on the historical cost basis.

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

I. BASIS OF PREPARATION (CONTINUED)

(d) Use of Estimates and Judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- (i) Note 2 - Impairment testing of property, vessels and equipment;
- (ii) Note 4 - Impairment testing of investments in subsidiaries; and
- (iii) Note 5 - Recognition of deferred tax assets.

2. PROPERTY, VESSELS AND EQUIPMENT

Group	Note	Vessels (Subject to Operating Lease)	Work-in-Progress	Buildings	Shipyard	Shipyard Under Construction	Motor Vehicle	Forklifts	Renovation	Furniture, Fittings and Office Equipment	Equipment	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost												
At 1 January 2023		697,477	-	1,697	5,517	2,110	802	364	718	1,492	19,090	729,267
Additions		26,352	-	-	-	-	-	-	27	189	-	26,568
Transfer to assets held for sale	10	(142,229)	-	-	-	-	-	-	-	-	-	(142,229)
At 31 December 2023/												
1 January 2024		581,600	-	1,697	5,517	2,110	802	364	745	1,681	19,090	613,606
Additions		9,677	2,650	-	-	-	-	-	86	425	-	12,838
Disposal		(13,801)	-	-	-	-	-	-	-	-	-	(13,801)
Transfer from assets held for sale	10	142,439	-	-	-	-	-	-	-	-	-	142,439
Written off		-	-	-	-	-	(96)	(364)	(520)	-	-	(980)
At 31 December 2024												
		719,915	2,650	1,697	5,517	2,110	706	-	311	2,106	19,090	754,102
Accumulated Depreciation and Impairment												
At 1 January 2023		289,159	-	714	2,994	2,110	802	364	716	1,324	19,090	317,273
Accumulated depreciation		278,717	-	525	879	-	802	364	716	1,324	19,090	302,417
Accumulate impairment loss		10,442	-	189	2,115	2,110	-	-	-	-	-	14,856
Depreciation for the year		30,594	-	29	293	-	-	-	8	89	-	31,013
Net reversal of impairment loss		227	-	-	(297)	-	-	-	-	-	-	(70)
Transfer to assets held for sale	10	(127,939)	-	-	-	-	-	-	-	-	-	(127,939)
At 31 December 2023												
		192,041	-	743	2,990	2,110	802	364	724	1,413	19,090	220,277

2. PROPERTY, VESSELS AND EQUIPMENT (CONTINUED)

Group	Note	Vessels (Subject to Operating Lease)								Shipyard		Furniture, Fittings and Office Equipment		Total RM'000
		Progress RM'000	Buildings RM'000	Shipyard RM'000	Under Construction RM'000	Motor Vehicle RM'000	Forklifts RM'000	Renovation RM'000	Equipment RM'000					
Accumulated Depreciation and Impairment (Continued)														
At 1 January 2024		192,041	-	743	2,990	2,110	802	364	724	1,413	19,090	220,277		
Accumulated depreciation		181,372	-	554	1,172	-	802	364	724	1,413	19,090	205,491		
Accumulated impairment loss		10,669	-	189	1,818	2,110	-	-	-	-	-	14,786		
Depreciation for the year		23,444	-	29	404	-	-	-	17	129	-	24,023		
Disposals		(11,774)	-	-	-	-	-	-	-	-	-	(11,774)		
Net reversal of impairment loss		(441)	-	-	(486)	-	-	-	-	-	-	(927)		
Transfer from assets held for sale	10	127,939	-	-	-	-	-	-	-	-	-	127,939		
Written off		-	-	-	-	-	(96)	(364)	(520)	-	-	(980)		
At 31 December 2024		331,209	-	772	2,908	2,110	706	-	221	1,542	19,090	358,558		
Accumulated depreciation		330,881	-	583	1,576	-	706	-	221	1,542	19,090	354,599		
Accumulated impairment loss		328	-	189	1,332	2,110	-	-	-	-	-	3,959		
Net Carrying Amount														
At 1 January 2023		408,318	-	983	2,523	-	-	-	2	168	-	411,994		
At 31 December 2023/ 1 January 2024		389,559	-	954	2,527	-	-	-	21	268	-	393,329		
At 31 December 2024		388,706	2,650	925	2,609	-	-	-	90	564	-	395,544		
			Vessels (Subject to Operating Lease)				Shipyard		Furniture, Fittings and Office Equipment		Total			
Company	Note	RM'000	Work-in-Progress RM'000	Buildings RM'000	Motor Vehicle RM'000	Renovation RM'000	Equipment RM'000	Equipment RM'000						
Cost														
At 1 January 2023		694,084	-	1,697	532	718	972	19,090			717,093			
Additions		26,972	-	-	-	27	189	-			27,188			
Transfer to assets held for sale	10	(143,900)	-	-	-	-	-	-			(143,900)			
At 31 December 2023/1 January 2024		577,156	-	1,697	532	745	1,161	19,090			600,381			
Additions		9,859	2,650	-	-	86	425	-			13,020			
Disposals		(13,801)	-	-	-	-	-	-			(13,801)			
Transfer from assets held for sale	10	144,111	-	-	-	-	-	-			144,111			
At 31 December 2024		717,325	2,650	1,697	532	831	1,586	19,090			743,711			
Accumulated Depreciation and Impairment														
At 1 January 2023		277,723	-	714	531	716	807	19,090			299,581			
Accumulated depreciation		267,281	-	525	531	716	807	19,090			288,950			
Accumulated impairment loss		10,442	-	189	-	-	-	-			10,631			
Depreciation for the year		32,304	-	29	1	7	89	-			32,430			
Net impairment loss		227	-	-	-	-	-	-			227			
Transfer to assets held for sale	10	(129,058)	-	-	-	-	-	-			(129,058)			
At 31 December 2023		181,196	-	743	532	723	896	19,090			203,180			

2. PROPERTY, VESSELS AND EQUIPMENT (CONTINUED)

		Vessels (Subject to Operating Lease)	Work-in- Progress	Buildings	Motor Vehicle	Renovation	Furniture, Fittings and Office Equipment	Equipment	Total
Company	Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Accumulated Depreciation and Impairment (Continued)									
At 1 January 2024		181,196	-	743	532	723	896	19,090	203,180
Accumulated depreciation		170,527	-	554	532	723	896	19,090	192,322
Accumulated impairment loss		10,669	-	189	-	-	-	-	10,858
Depreciation for the year		24,923	-	29	-	17	129	-	25,098
Disposals		(11,774)	-	-	-	-	-	-	(11,774)
Net reversal of impairment loss		(541)	-	-	-	-	-	-	(541)
Transfer from assets held for sale	10	129,059	-	-	-	-	-	-	129,059
At 31 December 2024		322,863	-	772	532	740	1,025	19,090	345,022
Accumulated depreciation		322,635	-	583	532	740	1,025	19,090	344,605
Accumulated impairment loss		228	-	189	-	-	-	-	417
Net Carrying Amount									
At 1 January 2023		416,361	-	983	1	2	165	-	417,512
At 31 December 2023/ 1 January 2024		395,960	-	954	-	22	265	-	397,201
At 31 December 2024		394,462	2,650	925	-	91	561	-	398,689

2.1 Impairment Loss and Subsequent Reversal

The Group’s main customers are from oil and gas companies involved in upstream exploration activities. The outlook for the oil prices and the demand for the marine logistics remains volatile, which heightens the risk that the carrying amount of the Group’s and the Company’s vessels may exceed their recoverable amounts, and therefore, the carrying amount may be impaired.

In the current financial year, the Group has evaluated whether the property, vessels and equipment used in the operations are stated in excess of their recoverable amounts. The Group has applied a combination of the value-in-use (“VIU”) approach and the fair value less cost of disposal (“FVLCOD”) approach, whichever is higher, in determining the recoverable amounts of the property, vessels and equipment.

The Group’s and the Company’s recoverable amounts for the relevant impairment reversals during the year, amounting to RM13,955,000 and RM9,868,000, respectively (2023: RM212,792,000 for net impairment reversal and RM208,622,000 net impairment losses), were determined using VIU calculations based on cash flow projections and FVLCOD.

Following the assessment, the Group and the Company have recognised a reversal of impairment loss of RM927,000 and RM541,000 respectively (2023: reversal of impairment loss of RM70,000 and net impairment loss of RM227,000) on property, vessels and equipment in the profit or loss, as the estimated recoverable amounts of these property, vessels and equipment are higher (2023: lower) than their carrying amounts respectively.

2. PROPERTY, VESSELS AND EQUIPMENT (CONTINUED)

2.1 Impairment Loss and Subsequent Reversal (Continued)

VIU Approach

The Group has applied the value-in-use approach on the basis that the property, vessels and equipment will continue to be in use up to the expected useful lives of the respective property, vessels and equipment. The value-in-use has been calculated by forecasting and discounting future cash flows to be generated by the respective property, vessels and equipment based on the following key assumptions:

- (i) Average daily charter rate (“DCR”) ranging from RM2,000 to RM43,750 (2023: from RM2,000 to RM43,750);
- (ii) Offhire rate of 3% - 10% (2023: 3% - 10%) depending on the age of vessels;
- (iii) Inflationary adjustment ranging from 3% - 5% (2023: 3% - 5%);
- (iv) Salvage value based on market value of scrap steel plates at USD 445 (2023: USD535) per tonne multiplied by the lightweight of the tankers;
- (v) Residual value based on market sales transactions data provided by consultant at RM4 million (2023: RM4 million) for tugboats and RM1 million (2023: RM1 million) for fast crew boats;
- (vi) Remaining useful life of 6 years to 24 years (2023: 3 years to 25 years); and
- (vii) Pre-tax discount rate ranging from 15% to 29% (2023: 14% to 24%).

The values assigned to the key assumptions are based on historical data from both external sources and internal sources as well as management’s assessment of future trends in the industry. Changes in judgements and the related estimates throughout the useful lives of the property, vessels and equipment could result in material adjustments to the carrying amounts of property, vessels and equipment, which can either be positive or negative.

FVLCOD Approach

FVLCOD was used to determine the recoverable amounts of certain property, vessels and equipment based on the market comparable approach. The fair value measurement of the property, vessels and equipment was performed by an independent valuer with appropriate qualification and recent experience in valuation of property, vessels and equipment in the relevant industry.

The following table describes the valuation technique used in the determination of fair values classified under Level 3, the significant unobservable inputs used in the valuation, and the inter-relationship between the significant unobservable inputs and the fair value measurement.

Description of Valuation Technique	The method involved determining the market value that reflects recent market transactions of similar property, vessels and equipment of similar age and specifications. In valuing the property, vessels and equipment, the independent valuer had taken into consideration the prevailing market conditions and made adjustments for differences such as age, size and specifications where necessary before arriving at the most appropriate fair value for the property, vessels and equipment.
Significant Unobservable Inputs	(i) Valuation based on comparison to market value of the type of property, vessels and equipment fitted with the same specifications of similar nature or as closed in similarity of which recently transacted around the region; (ii) Useful lives and residual values.
Inter-Relationship Between Significant Unobservable Inputs and Fair Value Measurement	(i) The estimated fair value would increase/(decrease) if the valuation of recent transactions based on similar age and specifications of which recently transacted around the region were higher/(lower). (ii) The estimated fair value would increase/(decrease) if the useful lives and the residual values of the property, vessels and equipment are higher/(lower).

2. PROPERTY, VESSELS AND EQUIPMENT (CONTINUED)

2.2 Security

Net carrying amount of assets pledged as security for Islamic term financing, overdraft and term loan facilities are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Vessels	125,342	282,496	127,448	284,941

2.3 Vessels Subject to Operating Lease

The Group and the Company lease its vessels (including capitalised drydocking expenditure) to third parties. The leases contain short and long-term contracts where the period ranges from 1 month to 5 years. Subsequent renewals are negotiated with the lessee.

The Group and the Company have classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the vessels.

The following are recognised in profit or loss:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Leasing Income	15	90,393	102,170	88,901	100,884

The estimated operating lease payments to be received are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Less than one year	76,690	83,538	75,113	80,339
One to two years	45,997	44,360	45,579	42,416
Two to three years	10,365	16,548	10,405	15,931
Three to four years	-	510	-	510
Total undiscounted lease payments	133,052	144,956	131,097	139,196

2.4 Work-in-Progress

Work-in-progress recognised of RM2.65 million relates to the amount paid in relation to the drydocking and major engine overhaul of marine vessels that have not yet been completed as at the financial year end.

2. PROPERTY, VESSELS AND EQUIPMENT (CONTINUED)

2.5 Material Accounting Policy Information

(a) Recognition and Measurement

Items of property, vessels and equipment are measured at a cost less any accumulated depreciation and any accumulated impairment losses.

(b) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, vessels and equipment from the date that they are available for use. Property, vessels and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative years are as follows:

Vessels with dry docking expenditure	2.5 - 25 years
Buildings	50 years
Shipyards	15 years
Motor vehicles	5 years
Forklifts	5 years
Renovations	5 years
Furniture, fittings and office equipment	3 - 10 years
Equipment	3 - 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting year and adjusted as appropriate.

3. RIGHT-OF-USE ASSETS

The Group has lease contracts for the lease of its shipyard and buildings used in its operations. Lease of shipyard has lease terms of 30 years while buildings have lease terms of 2 years.

	Shipyards RM'000	Buildings RM'000	Total RM'000
Group			
As at 1 January 2023	1,643	334	1,977
Depreciation for the year	(82)	(139)	(221)
Addition	-	190	190
As at 31 December 2023/1 January 2024	1,561	385	1,946
Depreciation for the year	(83)	(134)	(217)
As at 31 December 2024	1,478	251	1,729
Company			
As at 1 January 2023		334	334
Depreciation for the year		(139)	(139)
Addition		190	190
As at 31 December 2023/1 January 2024		385	385
Depreciation for the year		(134)	(134)
As at 31 December 2024		251	251

3.1 Material Accounting Policy Information

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

4. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Cost of investments	7,500	7,500
Less: Accumulated impairment	(2,500)	(2,500)
	5,000	5,000

Details of the subsidiaries are as follows:

Name of Subsidiaries	Principal Place of Business/ Country of Incorporation	Principal Activities	Effective Ownership Interest and Voting Interest	
			2024 %	2023 %
Johor Shipyard and Engineering Sdn. Bhd.	Malaysia	Shipbuilding, ship repair, minor fabrication of steel structures, engineering services and consultancy	100	100
Libra Perfex Precision Sdn. Bhd.	Malaysia	Hiring and chartering of marine vessels	100	100

4.1 Impairment Review of Investment in Subsidiaries

The recoverable amounts of the subsidiaries were estimated by reference to the underlying assets and liabilities of the subsidiaries.

Following the assessment, the Group recognised impairment loss of RM2,500,000 since prior years as the estimated recoverable amounts of the subsidiary is lower than its carrying amounts.

4.2 Material Accounting Policy Information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

5. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised Deferred Tax Assets/(Liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group						
Property, vessels and equipment	-	-	(59,260)	(61,049)	(59,260)	(61,049)
Right-of-use assets	-	-	(60)	(467)	(60)	(467)
Trade receivables	1,721	473	-	-	1,721	473
Lease liabilities	257	617	-	-	257	617
Unrealised foreign exchange	185	162	-	-	185	162
Accruals	766	1,004	-	-	766	1,004
Unabsorbed capital allowances	-	11,935	-	-	-	11,935
Unutilised tax losses	791	48,033	-	-	791	48,033
Tax assets/(liabilities)	3,720	62,224	(59,320)	(61,516)	(55,600)	708
Set off of tax	(3,525)	(61,516)	3,525	61,516	-	-
Net tax assets/(liabilities)	195	708	(55,795)	-	(55,600)	708

Company

Property, vessels and equipment	-	-	(59,260)	(60,982)	(59,260)	(60,982)
Right-of-use assets	-	-	(60)	(92)	(60)	(92)
Trade receivables	1,721	473	-	-	1,721	473
Lease liabilities	64	96	-	-	64	96
Unrealised foreign exchange	185	162	-	-	185	162
Accruals	765	957	-	-	765	957
Unabsorbed capital allowances	-	11,908	-	-	-	11,908
Unutilised tax losses	791	48,008	-	-	791	48,008
Tax assets/(liabilities)	3,526	61,604	(59,320)	(61,074)	(55,794)	530
Set off of tax	(3,526)	(61,074)	3,526	61,074	-	-
Net tax assets/(liabilities)	-	530	(55,794)	-	(55,794)	530

5. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Movement in Temporary Differences During the Financial Year

	At 1.1.2023 RM'000	Recognised in Profit or Loss (Note 19) RM'000	At 31.12.2023/ 1.1.2024 RM'000	Recognised in Profit or Loss (Note 19) RM'000	At 31.12.2024 RM'000
Group					
Property, vessels and equipment	(58,223)	(2,826)	(61,049)	1,789	(59,260)
Right-of-use assets	(122)	(345)	(467)	407	(60)
Trade receivables	452	21	473	1,248	1,721
Lease liabilities	318	299	617	(360)	257
Unrealised foreign exchange	810	(648)	162	23	185
Accruals	478	526	1,004	(238)	766
Unabsorbed capital allowances	14,883	(2,948)	11,935	(11,935)	-
Unutilised tax losses	48,008	25	48,033	(47,242)	791
Net tax assets/(liabilities)	6,604	(5,896)	708	(56,308)	(55,600)
Company					
Property, vessels and equipment	(58,098)	(2,884)	(60,982)	1,722	(59,260)
Right-of-use assets	(80)	(12)	(92)	32	(60)
Trade receivables	452	21	473	1,248	1,721
Lease liabilities	81	15	96	(32)	64
Unrealised foreign exchange	1,107	(945)	162	23	185
Accruals	447	510	957	(192)	765
Unabsorbed capital allowances	14,883	(2,975)	11,908	(11,908)	-
Unutilised tax losses	48,008	-	48,008	(47,217)	791
Net tax assets/(liabilities)	6,800	(6,270)	530	(56,324)	(55,794)

5.1 Recognised Deferred Tax Assets

The management considered it probable that future taxable profits will be available against which the deferred tax assets can be utilised. The management has applied the key assumptions as stated in Note 2.1 in arriving at the projected future taxable profits.

The estimation of future taxable profits requires management to make judgements, estimates and assumptions about future events that are inherently uncertain. Accordingly, the deferred tax assets recognised are subject to estimation uncertainty and may be adjusted in subsequent periods as a result of changes in the accounting estimates.

5.2 Unrecognised Deferred Tax Assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deductible temporary differences	122	11,079	-	-
Unabsorbed capital allowances	141	111	-	-
Unutilised tax losses	12,963	70	-	-
	13,226	11,260	-	-

5. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

5.2 Unrecognised Deferred Tax Assets (Continued)

The unutilised tax losses arising from a subsidiary can be carried forward for a maximum of ten consecutive years of assessment, as follows:

	2024 RM'000	2023 RM'000
Expiring in 2033	70	70
Expiring in 2034	12,893	-
	12,963	70

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom.

5.3 Global Minimum Top-Up Tax

On 2 June 2023, the MASB has issued the Amendments to MFRS 112 Income Taxes International Tax Reform - Pillar Two Model Rules. This pronouncement is effective from annual period beginning on or after 1 January 2023. On 29 December 2023, Pillar Two legislation has been enacted in Malaysia, which will come into effect on 1 January 2025.

The Amendments to MFRS 112 introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two Model Rules as well as disclosure requirements on the exposure to Pillar Two income taxes upon adoption.

Based on the assessment carried out as at 31 December 2024, the Pillar Two effective tax rates in which the Group and the Company operates are above 15%. Therefore, the Group and the Company does not expect a potential exposure to Pillar Two top-up taxes.

6. INVENTORIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Materials and consumables	133	99	133	99
Recognised in profit or loss: Inventories recognised as part of cost of services	(34)	943	(34)	943

6.1 Material Accounting Policy Information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is measured based on first-in, first-out basis.

7. TRADE AND OTHER RECEIVABLES

	Note	2024 RM'000	2023 RM'000
Group			
Trade			
Trade receivables		12,823	8,464
Accrued revenue from charter hire		9,602	10,339
Less: Allowance for impairment		(4,103)	(732)
		18,322	18,071
Non-Trade			
Other receivables		25,105	1,420
Less: Allowance for impairment		(33)	-
Security deposits	7.1	11,469	10,841
Prepayments		2,249	1,467
		38,790	13,728
		57,112	31,799
Company			
Trade			
Trade receivables		8,598	5,796
Accrued revenue from charter hire		6,569	7,848
Amount due from a subsidiary	7.2	7,466	4,765
Less: Allowance for impairment		(3,764)	(711)
		18,869	17,698
Non-Trade			
Other receivables		25,071	1,386
Security deposits	7.1	11,216	10,790
Prepayments		2,249	1,467
Amount due from a subsidiary	7.2	5,428	7,361
Less: Allowance for impairment		(5,428)	(1,723)
		38,536	19,281
		57,405	36,979

7.1 Security Deposits

Included in the deposits of the Group and the Company is a security deposit of RM10.75 million (2023: RM10.46 million) held in an escrow account by the scheme trustee for legal claims. The balance will be distributed to scheme creditors upon final resolution of the case with no further appeal.

7.2 Amount Due from a Subsidiary

Amounts due from a subsidiary is unsecured and is repayable on demand.

8. DEPOSITS

Included in the deposits of the Group and the Company in prior year were restricted amounts of RM10.45 million in relation to the asset disposal program under the scheme of arrangement, placed in an escrow account with a licensed bank.

The remaining amount consists of fixed security deposit held by the Group and the Company in licensed banks and pledged as part of banking facilities.

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits placed with licensed banks	10,404	-	10,404	-
Cash and bank balances	8,725	31,028	7,341	28,240
	19,129	31,028	17,745	28,240

Fixed and security deposits with licensed banks of the Group and the Company earn interest ranging from 2.4% to 3% (2023: Nil) per annum and have maturity periods ranging from 30 days to 365 days.

10. NON-CURRENT ASSETS HELD FOR SALE

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January		14,290	19,892	14,842	19,892
Additions		210	-	210	-
Transfer from property, vessels and equipment	2	-	14,290	-	14,842
Transfer to property, vessels and equipment	2	(14,500)	-	(15,052)	-
Disposal during the year		-	(19,892)	-	(19,892)
At 31 December		-	14,290	-	14,842

During the financial year, the Group and the Company had reclassified 1 vessel amounting to RM14,500,000 and RM15,052,000 respectively back to property, vessels and equipment, as immediate sale is not expected.

II. SHARE CAPITAL

	2024		2023	
	Number of Shares '000	Amount RM'000	Number of Shares '000	Amount RM'000
Group and Company				
Issued and fully paid shares with no par value classified as equity instruments:				
At 1 January	530,500	179,755	530,500	179,755
Issue of shares	795,750	79,575	-	-
At 31 December	1,326,250	259,330	530,500	179,755

During the financial year, the Company has issued 795,750,000 new ordinary shares for a total cash consideration of RM79,575,000 for fund-raising purpose. The new ordinary shares ranked pari-passu with the existing ordinary shares in issue.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

12. SHARE OPTION RESERVE

Share Option Programme (Equity Settled)

On 26 June 2024, the Group granted share options to key management personnel under the Employee Share Option Scheme (“ESOS”), which was approved by shareholders on 24 June 2024. Under this scheme, the holders of vested options are entitled to purchase shares in the Company at an exercise price of RM0.3185 per share.

The terms and conditions related to the grants of the share option programme are as follows:

Grant Date	Number of Options ('000)	Vesting Conditions	Contractual Life of Options
26 June 2024	13,263	2 years of service	5 years

The number and exercise price of share options are as follows:

	Exercise Price (RM)	Number of Options ('000)
Outstanding at 1 January 2023/ 31 December 2023/1 January 2024	-	-
Granted during the year	0.3185	13,263
Outstanding at 31 December 2024	0.3185	13,263
Exercisable at 31 December 2024	0.3185	13,263

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using trinomial option pricing model, with the following inputs:

	Key Management Personnel 2024
Fair Value of Share Options and Assumptions	
Fair value at grant date	0.1770
Exercise price	0.3185
Expected volatility	50.23%
Expected dividends	0%
Risk-free interest rate (based on Malaysian government bonds)	3.64%

Value of Employee Services Received for Issue of Share Options

	Group and Company 2024 RM'000
Share options granted	587
Total expense recognised as share-based payments	587

13. LOANS AND BORROWINGS

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-Current - Secured					
Islamic financing facilities	13.1	70,830	84,266	70,830	84,266
Current - Secured					
Islamic financing facilities	13.1	18,128	27,650	18,128	27,650
Conventional financing facilities	13.2	-	11,130	-	11,130
Revolving credit	13.3	-	2,143	-	2,143
		18,128	40,923	18,128	40,923
Total loans and borrowings		88,958	125,189	88,958	125,189

13.1 Islamic Financing Facilities

The Islamic financing facilities have tenures of 2 to 8 years (2023: 2 to 9 years) which bear profit as at the reporting date at rates ranging from 5% to 5.29% (2023: 5% to 8.27%) per annum.

Included in the Islamic financing facilities in prior year were two loans denominated in United States Dollar (“USD”) amounting to USD2,026,649 which approximated to RM9,307,000.

13.2 Conventional Financing Facilities

The conventional financing facilities in the prior year had tenures ranging from 5 to 9 years, with interest rates between 5.16% and 5.41% per annum as at the reporting date. During the year, the Group fully settled the loan.

13.3 Revolving Credit

The revolving credits in the prior year were repayable on demand and bore interest at rates ranging from 3.98% to 5.03% per annum as at the reporting date. During the year, the Group fully settled the revolving credit.

13.4 Security

The Islamic financing facilities are secured by way of the following:

- (i) Duly executed and enforceable Memorandum of Deposit in the form of Al Mudharabah General Investment Account (“GIA”) throughout the financing period respectively;
- (ii) Assignment of the relevant insurance coverage over the vessels indicating the bank as loss payee (“beneficiary”), namely:
 - (a) Hull and machinery;
 - (b) Mortgage interest; and
 - (c) Protection and Indemnity Club (“P&I”) acceptable to the Bank.

The amount to be covered by insurance shall not be less than the outstanding amount of the facilities;

- (iii) Guarantee given by certain direct and indirect shareholders of the Company for the certain loans; and

13. LOANS AND BORROWINGS (CONTINUED)

13.4 Security (Continued)

- (iv) The securities in relation to the loan for Pontian 2 and Kluang 2:
- (a) Deed of Covenant accompanying First statutory legal mortgage over the vessels;
 - (b) Specific Debenture over the vessels;
 - (c) Legal assignment of contract proceeds related to the vessels to be channelled into Designated Collection Account (“DCA”) with the bank;
 - (d) Legal Assignment over DCA related to the vessels;
 - (e) Legal Assignment of insurances for the vessels;
 - (f) Legal Assignment of Shipbuilding Agreement;
 - (g) Legal Assignment of Refund Guarantee from the seller of the vessels via a bank acceptable to the lender;
 - (h) Security Sharing Agreement and Coordinating Agent Agreement between RHBi, third-party financial institution(s) and the Company; and
 - (i) Supplemental Assignments of Contract Proceeds from all vessels charged to RHB Banking Group to cover RHBi and third-party financial institution(s)’s new facilities during construction of the vessels.

13.5 Significant Covenants

In connection with financing facilities, the Company have agreed on the following significant financial covenants with certain lenders:

- (i) The Company’s total financing to tangible net worth (“Gearing ratio”) will not exceed 2.5 times at all time as per the following formula:-

$$\frac{\text{Total Financing}}{\text{Tangible Net Worth + Subordination of Shareholders and Directors Advances}}$$

- (ii) The Customer and/or any of its Subsidiaries is dissolved or enters into any scheme of arrangement (including but not limited to a scheme under Section 366 of the Companies Act 2016, either by court order or otherwise), or a winding up order has been made against the Customer or a resolution to wind up the Customer and/or any of its Subsidiaries has been passed.

The Company breached certain non-financial covenants in the financial year ended 2024. However, the Company successfully obtained the indulgence letter from certain lender prior to the financial year end.

14. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-Current Trade					
Amount due to a corporate shareholder/former immediate holding company	14.3	-	12,849	-	12,849
Current Trade					
Trade payables	14.1	7,702	58,666	7,155	56,524
Trade accruals		1,749	1,865	1,364	1,865
Amount due to a subsidiary		-	-	-	19,629
		9,451	60,531	8,519	78,018
Non-Trade					
Amounts due to					
- corporate shareholders/former holding companies	14.2	9,273	196,006	9,214	195,931
- related companies	14.2	81	270	-	2
- subsidiaries	14.2	-	-	3,081	2,330
Amounts due to other shareholders	14.2	591	15,119	591	15,119
Advances for charter hire income		5,163	2,713	5,163	2,713
Other payables		909	4,766	761	3,959
Accruals		10,208	7,030	10,045	6,945
		26,225	225,904	28,855	226,999
		35,676	286,435	37,374	305,017
		35,676	299,284	37,374	317,866

14.1 Trade Payables

Credit terms granted to the Group and to the Company vary from 30 to 90 days (2023: 30 to 90 days).

14.2 Amounts Due to Corporate Shareholders/Former Holding Companies, Related Companies, Subsidiaries and Other Shareholders

The amounts due to corporate shareholders/former holding companies, related companies, subsidiaries and other shareholders are unsecured, interest free and repayable on demand.

14.3 Amounts Due to a Corporate Shareholder/Former Immediate Holding Company

The amount due to a corporate shareholder/former holding company was unsecured, interest free and repayable with 3-year instalment after the finalisation of the Regularisation Plan, which were completed on 27 June 2024.

14.4 Scheme of Arrangement

With classification as a PN17 Issuer, the Company announced a regularisation plan, which comprised a proposed shares issuance, an exemption of mandatory general offer and the establishment of an employees’ shares scheme. The funds raised would be utilised for repayment pursuant to the scheme of arrangement (“SOA”), repayment to related party and as working capital. In prior year, the Company lodged with the Companies Commission of Malaysia the sealed SOA, sanctioning the Company’s SOA. A total of RM59,954,628 was raised through the asset disposal program and shares issuance, which was paid to the scheme creditors on 28 June 2024, on a pari-passu basis. A remaining balance of RM10,462,325.75, representing the net proceeds from the sale of the Divestment Vessel “M.T. Nautica Muar” was deposited as Security Deposit for Karina Shipping Ltd.’s claims in the Kuala Lumpur High Court Admiralty In Rem No: WA- 27NCC-12-02/2021 (“In Rem Action”), and is subject to the outcome of the In Rem Action, including any appeals.

15. REVENUE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Leasing income	90,393	102,170	88,901	100,884
Revenue from contract with customersZ	32,270	30,909	32,207	30,550
	122,663	133,079	121,108	131,434

15.1 Disaggregation of the Group's and of the Company's Revenue from Contracts with Customers:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue from Contracts with Customers				
Crew and other services	32,270	30,909	32,207	30,550
Timing of Revenue Recognition:				
Over time	32,270	30,909	32,207	30,550

The following information reflects the typical transactions of the Group and of the Company:

Nature of Goods or Services	Timing of Recognition or Method Used to Recognise Revenue	Significant Payment Terms
Crew and other services	Revenue is recognised over time as and when the customer simultaneously receives and consumes the benefits provided by the Group and by the Company using the time lapsed method.	Credit period of 30 days from invoice date.

15.2 Transaction Price Allocated to the Remaining Performance Obligations

The remaining unsatisfied performance obligations represent the transaction price allocated to services for which the Group and the Company have a material right but work has not yet been performed. The transaction price includes both the base transaction price and variable consideration.

As at 31 December 2024, the aggregate estimated transaction price allocated to the remaining unsatisfied performance obligations is RM48.2 million for the Group and RM46.8million for the Company (2023: RM43.9 million and RM42.1 million, respectively). The Group and the Company expect to recognise this revenue over the next 1 to 3 years (2023: 1 to 4 years).

16. FINANCE INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income of financial assets calculated using the effective interest method that are:				
- at amortised cost	703	243	679	229

17. FINANCE COSTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expense of financial liabilities				
- Bank overdraft	-	74	-	74
- Conventional financing	224	1,073	224	1,073
- Revolving credits	83	189	83	189
Profit paid on Islamic financing	5,064	6,839	5,064	6,839
	5,371	8,175	5,371	8,175
Interest expense on lease liabilities	155	168	22	31
	5,526	8,343	5,393	8,206

18. PROFIT BEFORE TAX

	Group		Company	
Note	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit Before Tax is Arrived at After Charging/(Crediting):				
Auditors' remuneration				
- Audit fees				
KPMG PLT	376	366	291	291
- Non audit service fees				
KPMG PLT	443	478	443	478
Local affiliates of KPMG PLT	105	86	74	86
Depreciation on property, vessels and equipment	24,023	31,013	25,098	32,430
Depreciation on right-of use assets	217	221	134	139
(Reversal of)/Impairment losses on property, vessels and equipment and assets held for sale	(927)	(70)	(541)	227
Net loss/(gain) on disposal of property, vessels and equipment and assets held for sale	272	(1,254)	272	(1,254)
Net loss/(gain) on impairment of financial instruments	3,425	(585)	6,758	1,138
Realised foreign exchange loss/(gain)	47	131	46	(13)
Unrealised foreign exchange loss	510	1,162	504	1,108
Low value leases:				
Rental of office equipment	21	30	16	22
Short-term leases:				
Rental of office	345	323	342	323
Rental of shipyard	-	44	-	-
Rental of third-party vessels	3,004	1,736	3,004	1,736
Personnel expenses (including key management personnel):				
- Wages, salaries and others	27,458	26,498	26,385	25,402
- Contributions to Employees Provident Fund ("EPF")	3,748	3,215	3,577	3,056
Waiver of scheme creditors	18.1 (171,089)	(3,558)	(187,126)	(3,558)
Claims from customer and insurance	(25,470)	(3,417)	(25,470)	(3,417)
Share-based payment expenses	587	-	587	-

18.1 Waiver of Scheme Creditors

The settlement arrangements with scheme creditors under the SOA enabled the Group and the Company to recognise a one-off net income of RM171.09 million and RM187.13 million respectively (2023: RM3.56 million) during the year, arising from the debt waiver.

19. TAX EXPENSE

Recognised in Profit or Loss

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current Tax Expense				
Current year	493	287	170	33
Prior year	23	4	21	(50)
	516	291	191	(17)
Deferred Tax Expense				
Current year	54,498	4,885	54,509	5,259
Prior year	1,810	1,011	1,815	1,011
	56,308	5,896	56,324	6,270
	56,824	6,187	56,515	6,253

Reconciliation of Tax Expense

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	211,154	29,879	222,704	26,288
Income tax calculated using Malaysian statutory tax rate of 24% (2023: 24%)	50,677	7,171	53,449	6,309
Non-deductible expenses	5,151	1,350	2,539	1,161
Non-taxable income	(637)	(1,476)	(637)	(305)
Tax exempted income	(672)	(1,873)	(672)	(1,873)
Effect of deferred tax assets not recognised	472	-	-	-
Under provision in prior years	1,833	1,015	1,836	961
	56,824	6,187	56,515	6,253

20. EARNINGS PER SHARE

20.1 Basic earnings per ordinary share

The calculation of basic earnings per ordinary share as at 31 December 2024 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	2024	2023
Profit for the financial year attributable to owners of the Company (RM'000)	154,330	23,692
Weighted average number of ordinary shares in issue ('000)	918,186	530,500
Basic earnings per ordinary share (sen)	16.45	4.47

20. EARNINGS PER SHARE (CONTINUED)

20.2 Diluted Earnings Per Ordinary Share

The calculation of diluted earnings per ordinary share was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	2024	2023
Profit for the financial year attributable to ordinary shareholders (diluted) (RM'000)	154,330	-
Weighted average number of ordinary shares at 31 December (basic) ('000)	938,186	-
Effect of share options on issue ('000)	8,491	-
Weighted average number of ordinary shares at 31 December (diluted)	946,677	-
Diluted earnings per ordinary share (sen)	16.30	-

The average market value of the Company's shares for purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

21. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services, and has only one reportable segment.

The Group's reportable segment consists solely of vessel charter hire segment, which is the operator of marine vessels for the transportation and offshore storage of oil and gas, provider of port marine services.

The performance of the segment is measured based on revenue, as included in the internal management report. Hence, no other disclosure for segment assets, segment liabilities and segment capital expenditures.

	Charter hire RM'000
31 December 2024	
Revenue:	
External customers	122,663
31 December 2023	
Revenue:	
External customers	133,079

Geographical Segments

The geographical location of customers predominantly operates within Malaysia.

Major Customers

There are four external customers (2023: four) in charter of hire segment, who contribute 83% (2023: 75%) on total revenues of the Group and the Company amounting to RM102,774,000 and RM101,282,000 (2023: RM100,390,000 and RM98,570,000) respectively.

22. FINANCIAL INSTRUMENTS

22.1 Categories of Financial Instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC"):

	Carrying Amount RM'000	AC RM'000
2024		
Financial Assets		
Group		
Trade and other receivables, excluding prepayments	54,863	54,863
Deposits	826	826
Cash and cash equivalents	19,129	19,129
	74,818	74,818
Company		
Trade and other receivables, excluding prepayments	55,156	55,156
Deposits	3	3
Cash and cash equivalents	17,745	17,745
	72,904	72,904
Financial Liabilities		
Group		
Trade and other payables	(35,676)	(35,676)
Loans and borrowings	(88,958)	(88,958)
	(124,634)	(124,634)
Company		
Trade and other payables	(37,374)	(37,374)
Loans and borrowings	(88,958)	(88,958)
	(126,332)	(126,332)
2023		
Financial Assets		
Group		
Trade and other receivables, excluding prepayments	30,332	30,332
Deposits	11,416	11,416
Cash and cash equivalents	31,028	31,028
	72,776	72,776
Company		
Trade and other receivables, excluding prepayments	35,512	35,512
Deposits	10,616	10,616
Cash and cash equivalents	28,240	28,240
	74,368	74,368
Financial liabilities		
Group		
Trade and other payables	(299,284)	(299,284)
Loans and borrowings	(125,189)	(125,189)
	(424,473)	(424,473)
Company		
Trade and other payables	(317,866)	(317,866)
Loans and borrowings	(125,189)	(125,189)
	(443,055)	(443,055)

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.2 Net Losses Arising from Financial Instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets at amortised cost	(2,722)	828	(6,078)	(909)
Financial liabilities at amortised cost	(5,881)	(5,910)	(5,875)	(5,712)
Net losses	(8,603)	(5,082)	(11,953)	(6,621)

22.3 Financial Risk Management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

22.4 Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from receivables from customers and a subsidiary, and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Company trade only with recognised and creditworthy third parties. It is the Group's and the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an ongoing basis in view of reducing the Group's and the Company's exposure to bad debts.

The Group and the Company have 30 days (2023: 30 days) credit term policy in place and the exposure to credit risk is monitored on an ongoing basis.

Exposure to Credit Risk

As at the end of the reporting year, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position. The Group and the Company have only invested in fixed deposits and maintain current accounts with licensed banks.

A significant portion of these receivables are regular customers that have been transacting with the Group and the Company. The Group and the Company use ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

Credit Risk Concentration Profile

The Group and the Company determine concentration of credit risk by monitoring individual profile of their trade receivables on an ongoing basis. The Group's significant concentration of credit risks are in the form of five (2023: four) major customers which constitute approximately 74% (2023: 75%) of the total trade receivables. The Company's significant concentration of credit risks are in the form of four (2023: four) major customers which constitute approximately 66% (2023: 75%) of the total trade receivables.

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit Risk (Continued)

Impairment of Financial Assets

The Group's and the Company's financial assets that are subject to the expected credit loss ("ECL") model include trade receivables, accrued revenue from charter hire and other receivables. While bank balances and deposits are also subject to the impairment requirements of MFRS 9, the impairment loss is expected to be immaterial.

(i) *Trade receivables and accrued revenue from charter hire using simplified approach*

The Group and the Company apply the MFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and accrued revenue from charter hire.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and accrued revenue from charter hire which are grouped together as they are expected to have similar risk nature.

	2024			2023		
	Gross Carrying Amount RM'000	Loss Allowances RM'000	Net Balance RM'000	Gross Carrying Amount RM'000	Loss Allowances RM'000	Net Balance RM'000
Group						
Not past due	13,501	-	13,501	16,736	-	16,736
Past due 0-30 days	1,992	-	1,992	-	-	-
Past due 31-60 days	382	-	382	404	-	404
Past due 61-90 days	-	-	-	500	-	500
Past due more than 90 days	2,447	-	2,447	431	-	431
	18,322	-	18,322	18,071	-	18,071
Credit Impaired						
Not past due	2,021	(2,021)	-	-	-	-
Past due 0-30 days	-	-	-	-	-	-
Past due 31-60 days	-	-	-	-	-	-
Past due 61-90 days	-	-	-	-	-	-
Past due more than 90 days	2,082	(2,082)	-	732	(732)	-
	22,425	(4,103)	18,322	18,803	(732)	18,071
Company						
Not past due	14,048	-	14,048	11,974	-	11,974
Past due 0-30 days	1,992	-	1,992	-	-	-
Past due 31-60 days	382	-	382	404	-	404
Past due 61-90 days	-	-	-	500	-	500
Past due more than 90 days	2,447	-	2,447	4,820	-	4,820
	18,869	-	18,869	17,698	-	17,698
Credit Impaired						
Not past due	2,021	(2,021)	-	-	-	-
Past due 0-30 days	-	-	-	-	-	-
Past due 31-60 days	-	-	-	-	-	-
Past due 61-90 days	-	-	-	-	-	-
Past due more than 90 days	1,743	(1,743)	-	711	(711)	-
	22,633	(3,764)	18,869	18,409	(711)	17,698

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit Risk (Continued)

Impairment of Financial Assets (Continued)

(i) *Trade receivables and accrued revenue from charter hire using simplified approach (continued)*

The movements in the allowance for impairment in respect of trade receivables and accrued revenue from charter hire during the year are shown below.

	Group Credit Impaired RM'000	Company Credit Impaired RM'000
Balance at 1 January 2023	1,906	1,885
Amounts written off	(589)	(589)
Net remeasurement of loss allowance	(585)	(585)
Balance at 31 December 2023/1 January 2024	732	711
Amounts written off	(21)	-
Net remeasurement of loss allowance	3,392	3,053
Balance at 31 December 2024	4,103	3,764

(ii) *Bank balances and deposits*

The bank balances and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

(iii) *Other receivables*

Credit risk on other receivables are mainly receivables from third party which arose from claims from a customer and insurance, sale of equipment, as well as disposal of vessel.

The following table provides information about the exposure and ECL for other receivables.

	Gross Carrying Amount RM'000	Loss Allowances RM'000	Net Balance RM'000
Group			
2024			
Low credit risk	25,072	-	25,072
Credit impaired	33	(33)	-
	25,105	(33)	25,072
2023			
Low credit risk	1,420	-	1,420

The movements in the allowance for impairment in respect of other receivables are shown below.

	Group Credit Impaired RM'000
Balance at 1 January 2023/31 December 2023/1 January 2024	-
Net remeasurement of loss allowance	33
Balance at 31 December 2024	33

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit Risk (Continued)

Impairment of Financial Assets (Continued)

(iv) *Inter-companies*

Expected credit loss of inter-companies are determined individually after considering the financial strength of the inter-companies. As at the end of the reporting period, the Company recognised allowance for impairment losses.

The following table provides information about the exposure to credit risk and ECL for amount from a subsidiary as at 31 December 2024.

	Gross Carrying Amount RM'000	Loss Allowances RM'000	Net Balance RM'000
2024			
Credit Impaired			
Past due more than 90 days	5,428	(5,428)	-
2023			
Past due more than 90 days	5,638	-	5,638
Credit Impaired			
Past due more than 90 days	1,723	(1,723)	-
	7,361	(1,723)	5,638
			Company Credit Impaired RM'000
Balance at 1 January 2023/31 December 2023/1 January 2024			1,723
Net remeasurement of loss allowance			3,705
Balance at 31 December 2024			5,428

Impairment losses on trade receivables, other receivables and intercompanies are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

22.5 Liquidity Risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.5 Liquidity Risk (Continued)

Maturity Analysis

The following table demonstrates the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on the contractual undiscounted repayment obligations:

	Carrying Amount RM'000	Contractual Interest Rate/ Coupon/ Discount Rate %	Contractual Cash Flows RM'000	Under 1 Year RM'000	1 - 2 Years RM'000	2 - 5 Years RM'000	More than 5 Years RM'000
2024							
Group							
Islamic Financing Facilities							
Murabahah Tawarruq	46,847	5.0	57,095	10,790	9,949	19,578	16,778
Murabahah Tawarruq*	42,111	i-COF+1.50	50,002	7,528	6,697	18,911	16,866
Others							
Trade and other payables	35,676	-	35,676	35,676	-	-	-
Lease liabilities	2,386	6.16 - 6.40	3,888	338	317	575	2,658
	127,020		146,661	54,332	16,963	39,064	36,302
Company							
Islamic Financing Facilities							
Murabahah Tawarruq	46,847	5.0	57,095	10,790	9,949	19,578	16,778
Murabahah Tawarruq*	42,111	i-COF+1.50	50,002	7,528	6,697	18,911	16,866
Others							
Trade and other payables	37,374	-	37,374	37,374	-	-	-
Lease liabilities	268	6.40	285	153	132	-	-
Financial guarantee	-		750	750	-	-	-
	126,600		145,506	56,595	16,778	38,489	33,644
2023							
Group							
Islamic Financing Facilities							
Commodity Murabahah*	9,277	i-COF+2.50	9,468	9,468	-	-	-
Murabahah Tawarruq	55,454	5.0	68,044	11,048	10,781	23,404	22,811
Murabahah Tawarruq*	47,185	i-COF+2.00	57,227	7,606	7,338	20,406	21,877
Conventional Financing Facilities							
Conventional term loan*	11,130	COF+1.50	11,594	11,594	-	-	-
Others							
Revolving credit*	2,143	COF+1.50	2,241	2,241	-	-	-
Trade and other payables	299,284	-	299,284	286,435	12,849	-	-
Lease liabilities	2,569	6.16 - 8.84	4,031	338	470	556	2,667
	427,042		451,889	328,730	31,438	44,366	47,355

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.5 Liquidity Risk (Continued)

Maturity Analysis (Continued)

	Carrying Amount RM'000	Contractual Interest Rate/ Coupon/ Discount Rate %	Contractual Cash Flows RM'000	Under 1 Year RM'000	1 - 2 Years RM'000	2 - 5 Years RM'000	More than 5 Years RM'000
Company							
Islamic Financing Facilities							
Commodity Murabahah*	9,277	i-COF+2.50	9,468	9,468	-	-	-
Murabahah Tawarruq	55,454	5.0	68,044	11,048	10,781	23,404	22,811
Murabahah Tawarruq*	47,185	i-COF+2.00	57,227	7,606	7,338	20,406	21,877
Conventional Financing Facilities							
Conventional term loan*	11,130	COF+1.50	11,594	11,594	-	-	-
Others							
Revolving credit*	2,143	COF+1.50	2,241	2,241	-	-	-
Trade and other payables	317,866	-	317,866	305,017	12,849	-	-
Lease liabilities	400	8.84	438	153	285	-	-
Financial guarantee	-	-	750	750	-	-	-
	443,455		467,628	347,877	31,253	43,810	44,688

* Floating rates vary based on cost of funds (“COF”) or Islamic COF (“i-COF”)

22.6 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group’s and the Company’s financial position or cash flows.

22.6.1 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group and the Company are exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group and of the Company. The currencies giving rise to this risk is primarily United States Dollar (“USD”), Singapore Dollar (“SGD”), Euro (“EURO”), Japanese Yen (“JPY”) and Great British Pound (“GBP”). The Group and the Company maintain a natural hedge, whenever possible, by borrowing currency that matches the future revenue streams to be generated from its operations.

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.6 Market Risk (Continued)

22.6.1 Foreign Currency Risk (Continued)

Exposure to Foreign Currency Risk

The Group’s and the Company’s exposure to foreign currency risk, based on carrying amounts as at the end of the reporting date was:

	USD RM'000	Denominated in	
		SGD RM'000	JPY RM'000
As at 31 December 2024			
Group			
Trade and other receivables	1,005	-	-
Cash and bank balances	53	-	-
Trade and other payables	(534)	(24)	(185)
Net Exposure	524	(24)	(185)
Company			
Trade and other receivables	1,005	-	-
Cash and bank balances	53	-	-
Trade and other payables	(269)	(24)	(185)
Net Exposure	789	(24)	(185)

	Denominated in			
	USD RM'000	SGD RM'000	EURO RM'000	GBP RM'000
As at 31 December 2023				
Group				
Trade and other receivables	3,155	-	-	-
Cash and bank balances	113	-	-	-
Trade and other payables	(1,218)	(149)	(11)	(4)
Loans and borrowings	(9,307)	-	-	-
Net Exposure	(7,257)	(149)	(11)	(4)
Company				
Trade and other receivables	963	-	-	-
Cash and bank balances	113	-	-	-
Trade and other payables	(870)	(149)	(11)	(4)
Loans and borrowings	(9,307)	-	-	-
Net Exposure	(9,101)	(149)	(11)	(4)

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.6 Market Risk (Continued)

22.6.1 Foreign Currency Risk (Continued)

Exposure to Foreign Currency Risk (Continued)

The following table demonstrates the sensitivity of the Group's and of the Company's profit/(loss) net of tax to a reasonably possible change in the USD, SGD, EURO, JPY and GBP exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

Group	Profit Net of Tax	
	2024 RM'000	2023 RM'000
USD/RM		
- strengthened 10% (2023: 10%)	40	(552)
- weakened 10% (2023: 10%)	(40)	552
SGD/RM		
- strengthened 10% (2023: 10%)	(2)	(11)
- weakened 10% (2023: 10%)	2	11
EURO/RM		
- strengthened 10% (2023: 10%)	-	(1)
- weakened 10% (2023: 10%)	-	1
JPY/RM		
- strengthened 10% (2023: 10%)	(14)	-
- weakened 10% (2023: 10%)	14	-
Company		
USD/RM		
- strengthened 10% (2023: 10%)	60	(692)
- weakened 10% (2023: 10%)	(60)	692
SGD/RM		
- strengthened 10% (2023: 10%)	(2)	(11)
- weakened 10% (2023: 10%)	2	11
EURO/RM		
- strengthened 10% (2023: 10%)	-	(1)
- weakened 10% (2023: 10%)	-	1
JPY/RM		
- strengthened 10% (2023: 10%)	(14)	-
- weakened 10% (2023: 10%)	14	-

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.6 Market Risk (Continued)

22.6.2 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. Borrowings issued at variable rates expose the Group and the Company to cash flow interest rate risk. The Group and the Company manage the interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

Exposure to Interest Rate Risk

The interest rate profile of the Group's and of the Company's significant interest bearing financial instruments, based on carrying amounts as at the end of the reporting period were:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed Rate Instruments				
Financial assets	11,230	11,416	10,407	10,616
Financial liabilities	(49,233)	(58,023)	(47,115)	(55,854)
Floating Rate Instruments				
Financial liabilities	(42,111)	(69,735)	(42,111)	(69,735)

Interest Rate Risk Sensitivity Analysis

- (i) Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

- (ii) Cash flow sensitivity analysis for the variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would result in equity and post-tax (loss) increased/(decreased) by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Profit/(Loss) Net of Tax	
	100 bp Increase RM	100 bp Decrease RM
Group and Company		
31 December 2024		
Floating rate instruments	(320)	320
31 December 2023		
Floating rate instruments	(530)	530

22.7 Fair Value Information

The carrying amounts of bank balances, deposits, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.7 Fair Value Information (Continued)

The table below analyses other financial instruments at fair value.

	Fair Value of Financial Instruments				Fair Value of Financial Instruments Not				Total Fair Value	Carrying Amount
	Carried at Fair Value				Carried at Fair Value					
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group and Company										
2024										
Financial Liabilities										
Islamic financing facilities	-	-	-	-	-	-	87,503	87,503	87,503	88,958
2023										
Financial Liabilities										
Islamic financing facilities	-	-	-	-	-	-	108,150	108,150	108,150	111,916
Conventional financing facilities	-	-	-	-	-	-	13,273	13,273	13,273	13,273
Trade and other payables	-	-	-	-	-	-	11,713	11,713	11,713	12,849
	-	-	-	-	-	-	133,136	133,136	133,136	138,038

Policy on Transfer Between Levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 Fair Value

Level 1 fair value is derived from quoted price (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Fair Value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Non-derivatives financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Transfer Between Level 1 and Level 2 Fair Values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2023: no transfer in either direction).

Level 3 Fair Value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial Instruments Not Carried at Fair Value

Type	Description of Valuation Technique and Inputs Used
Islamic financing facilities and trade and other payables	Discounted cash flows using a rate based on the current market rate of borrowing of the Group at the reporting date.

23. CAPITAL MANAGEMENT

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group and the Company include within net debt, loans and borrowings, trade and other payables, less cash and cash equivalents and short-term deposits. Capital includes equity attributable to the owners of the Company.

	Note	2024 RM'000	2023 RM'000
Group			
Loans and borrowings	13	88,958	125,189
Lease liabilities		2,386	2,569
Trade and other payables	14	35,676	299,284
Less: Cash and bank balances	9	(19,129)	(31,028)
Less: Deposits	8	(826)	(11,416)
Net debt		107,065	384,598
Equity attributable to the owners of the Company		291,945	57,453
Capital and net debt		399,010	442,051
Gearing ratio		27%	87%
Company			
Loans and borrowings	13	88,958	125,189
Lease liabilities		268	400
Trade and other payables	14	37,374	317,866
Less: Cash and bank balances	9	(17,745)	(28,240)
Less: Deposits	8	(3)	(10,616)
Net debt		108,852	404,599
Equity attributable to the owners of the parent		296,821	50,470
Capital and net debt		405,673	455,069
Gearing ratio		27%	89%

There has been breach in certain non-financial covenants during the financial year. However, the Group and the Company successfully obtain the indulgence letter for the breach of covenant from certain lender prior to the financial year end.

24. RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company have the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Group and the Company have related party relationship with its corporate shareholders/former holding companies, subsidiaries, related parties and key management personnel.

24. RELATED PARTIES (CONTINUED)

Significant Related Party Transactions

In addition to the transactions detailed elsewhere in the financial statements, the following significant transactions between the Group and the Company and related parties took place at terms agreed between the parties during the financial year.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries:				
Johor Shipyard and Engineering Sdn. Bhd.				
- Construction of vessels	-	-	1,220	5,387
- Accounting fee	-	-	(63)	(63)
- Warehouse rental	-	-	240	-
Libra Perfex Precision Sdn. Bhd.				
- Charter hire of vessels	-	-	(30,345)	(25,963)
- Accounting fee	-	-	(26)	(26)
Other Corporate Shareholders/Former Holding Companies:				
Kulim (Malaysia) Berhad				
- Secretarial fee	53	97	53	89
Sindora Berhad				
- Payment on behalf	-	1,085	-	1,085
Other Related Parties:				
Larkin Sentral Sdn. Bhd.				
- Secretarial costs	-	92	-	92
Sumber Shipyard and Engineering Sdn. Bhd.				
- Rental of land	228	221	-	-
Extreme Edge Sdn. Bhd.				
- Supply services	-	38	-	38

The Directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms that are no more favourable to the related parties than those arranged with independent third parties.

Information regarding outstanding balances arising from related party transactions are disclosed in Notes 7 and 14.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Key Management Personnel				
Directors				
- Fees	316	410	316	410
- Remuneration	662	232	428	-
- Allowance	290	269	290	269
- Other short-term employee benefits	125	-	-	-
Total short-term employee benefits	1,393	911	1,034	679

25. SUBSEQUENT EVENTS

Subsequent to the financial year end, the Company had changed its name from E.A. Technique (M) Berhad to Avangaad Berhad on 17 February 2025. The Company had also been uplifted from being classified as a PN17 company effective from 20 February 2025.

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 162 to 204 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Datuk Wira Mubarak Hussain Bin Akhtar Husin

Director

Dato' Lai Keng Onn

Director

Kuala Lumpur,

Date: 5 March 2025

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Ang Jia Ping, the officer primarily responsible for the financial management of Avangaad Berhad (formerly known as E.A. Technique (M) Berhad), do solemnly and sincerely declare that the financial statements set out on pages 162 to 204 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Ang Jia Ping, MIA CA 51555, at Setiawangsa in Kuala Lumpur on 5 March 2025.

Ang Jia Ping

Before me:

INDEPENDENT AUDITORS’ REPORT
TO THE MEMBERS OF AVANGAAD BERHAD

(Formerly known as E.A. Technique (M) Berhad)
(Registration No. 199301001779 (256516-W)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Avangaad Berhad (formerly known as E.A. Technique (M) Berhad), which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 162 to 204.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matter

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

We have determined the matter described below to be the key audit matter to be communicated in our auditors’ report.

Key Audit Matter (Continued)

Impairment of Vessels

Refer to Note 2 – Property, vessels and equipment.

The Key Audit Matter	How the Matter was Addressed in Our Audit
<p>As at 31 December 2024, the carrying amount of the Group’s and the Company’s vessels, which totalled RM388,706,000 and RM394,462,000 respectively, represented approximately 82% of total assets of the Group and of the Company.</p> <p>The outlook for the oil prices and the demand for marine logistics remains volatile, which heightens the risk that the carrying amount of the Group’s and the Company’s vessels may exceed their recoverable amounts, and therefore, the carrying amount may be impaired. Similarly, an assessment of the reversal of impairment must be performed when indicators support the reversal of impairment for previously impaired vessels.</p> <p>We have identified the aforesaid valuation of the carrying values of the Group’s and the Company’s vessels as a key audit matter because:</p> <ul style="list-style-type: none">of its significance to total assets in the consolidated financial statements; andthe estimation of recoverable amount involved a significant degree of judgement and assumptions i.e. forecasting and discounting future cash flows to be generated by the respective marine vessels, as well as comparison with recent market transactions of similar vessels of similar age and specifications. <p>As a result of the impairment review, the Group and the Company recognised a reversal of impairment loss of RM441,000 and RM541,000, respectively for the current financial year ended 31 December 2024.</p>	<p>Our audit procedures included, amongst others as follows:</p> <p>Value In Use (“VIU”):</p> <p>We evaluated and challenged the key assumptions relating to daily charter rates, inflationary adjustment, residual values and discount rate used by the Group and the Company by:</p> <ul style="list-style-type: none">comparing the daily charter rates to the charterer hire contracts;comparing the discount rate with the market rate used by similar industry players;considering the future business plans, including any long-term charter hires already contracted by the Group and the Company;evaluate the Group’s and the Company’s past forecasts to actual performance.assessing the reasonableness of the residual value used by management. <p>Fair Value Less Costs of Disposal (“FVLCOD”):</p> <ul style="list-style-type: none">we assessed the methodologies used by the external valuers to estimate the fair values less cost of disposal;we evaluated and challenged the key assumptions used to estimate the fair value less cost of disposal based on our knowledge of the marine logistics industry;we evaluated and interviewed the independent external valuer’s competence, capabilities and objectivity; andwe evaluated the key input provided by the Group and the Company to the external valuer. <p>We also considered the adequacy of the Group’s disclosures about the key assumptions to which the outcome of the impairment assessment was most sensitive.</p>

Information Other than the Financial Statements and Auditors’ Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors’ Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors’ report thereon), which we obtained prior to the date of this auditors’ report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Information Other than the Financial Statements and Auditors’ Report Thereon (Continued)

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors’ Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

Auditors’ Responsibilities for the Audit of the Financial Statements (Continued)

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya
Date: 5 March 2025

Ameenuddin Bin Khali Kasman
Approval Number: 03470/11/2025 J
Chartered Accountant

LIST OF
PROPERTIES

Registered Owners	Address	Tenure/Ex piry of Lease	Description Existing Use	Date of Issuance of Certificate of Fitness for Occupation/ Certificate of Completion and Compliance	Approxi mate Age of Building (Years)	Total Build Up Area and Land Area (square feet)	Net Book Value as at 31 Dec 2024 (RM'000)
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Setiawangsa Business Suite, C-3A-3A, No. 2,Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	Freehold	Commercial unit at fourth (4th) floor of a five (5) – storey office block held for our head office	8 February 2007	17	Built-up: 6,565.98 Land area: N/A	804
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	No. C-15-1, No. 2, Jalan 13/21D, Medan Idaman, Gombak, Kuala Lumpur	Freehold	Apartment for seafarers intransit	6 July 2004	20	Built-up 850.35 Land area: N/A	120
Johor Shipyard and Engineering Sdn. Bhd.	Lot PT8436-A, Parit 21, Mukim Hutan Melintang, 36400 Daerah Hilir Perak, Perak Darul Ridzuan	This building is built on a leased land	Ship construction, repairs and all such shipyard activities and other related activities	9 December 2014	10	Built-up 16,000 Land area: N/A	2,608

Tenant	Registered Owner	Address	Tenure/Expiry of Lease	Description Existing Use	Total Build Up Area and Land Area (square feet)
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Kertih Port Sdn. Bhd.	Lot 3633, (PN 3387) Kawasan Bukit Tengah, KM 105, Jalan Kuantan, Kuala Terengganu	Three (3) years tenancy commencing from 1 January 2025 and expiring on 31 December 2027.	Parcel of office/ business premises	Built-up: 331 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Dato’ Ahmad Fathiri Bin Ahmad Fadzlah	Unit C-3-3, Unit C-3-3A, Block C, Setiawangsa Business Suite, Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	Two (2) years plus two (2)years (optional) tenancy commencing from 1 November 2022 and expiring on 31 October 2026	Commercial unit at third (3rd) floor of a five (5) – storey office block held for our office use	Built-up: 3,283 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Northport (Malaysia) Bhd	Level 1, Marine Services Building, Jalan Pelabuhan, Pelabuhan Utara, 42000 Port Klang, Selangor	One (1) year tenancy commencing from 1 July 2024 and expiring on 30 June 2025	Office space at first (1st) floor of Marine Services Building for office use	Built-up: 697 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Northport (Malaysia) Bhd	Storage room in front of Marine Office Building at Northport (Malaysia) Bhd	One (1) year tenancy commencing from 1 July 2024 and expiring on 30 June 2025	Storage space	Built-up: 651 Land area: not applicable
Avangaad Berhad (FKA E.A Technique (M) Berhad)	Wan Kamariah Binti Abu Bakar	No 38-1, Jalan Setiawangsa 11A, Taman Setiawangsa, 54200 Kuala Lumpur	One (1) year tenancy commencing from 01 February 2025 and expiring on 31 January 2026	Office space at first (1st) floor for archiving purpose	Built-up: 1,646 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Oasis Marine Enterprise (Sg. Udang Office)	Lot 1255, Batu 91/2 Pantai Kundur, 76400 Tanjung Keling, Melaka	One (1) year tenancy commencing from 1 July 2023 and expiring on 30June 2024 (Early Termination on January 2024)	Office space for port operations at Sg. Udang	Built-up: 200 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Super Enhance Sdn. Bhd. (Sg. Udang office)	No.16, Jalan Seri Buana 3, Taman Tangga Batu, 76400 Tanjung Keling, Melaka	Two (2) year tenancy commencing from 1 April 2024 and expiring on 31 March 2026	Office space for port operations at Sg. Udang	Built-up: 1540 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	KK Machinery Sdn. Bhd.	Lot 4, First Floor & Wisma KKM, Mile 5, Jalan Tuaran, 88450 Kota Kinabalu, Sabah	Two (2) years tenancy commencing from 15 May 2023 until 14 May 2025	Office	Built-up: 1,290 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Ng Mui Kyun (Kota Kinabalu Office)	Lot 16-2, Lorong Lintas Plaza, Lintas Plaza, Terminated Kota Kinabalu, Sabah	Two (2) years tenancy commencing from 1 November 2022 and expiring on 31 October 2024	Office space for port operations at Kota Kinabalu	Built-up: 1,108.68 Land area: not applicable
Avangaad Berhad (FKA E.A. Technique (M) Berhad)	Kamariah Binti Baharudin	Unit A-2-12, Block A, Setiawangsa Business Suite, Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	One (1) year tenancy commencing from 1 December 2024 and expiring on 30 November 2025.	Office space at first (1st) floor for our office use	Built-up: 1,700 Land area: not applicable
Johor Shipyard and Engineering Sdn. Bhd.	Sumber Shipyard and Engineering Sdn. Bhd.	Lot PT8436-A, Parit 21, Mukim Hutan Melintang, 36400 Daerah Hilir Perak, Perak Darul Ridzuan	Twenty (20) years tenancy expiring on 30 November 2032 with an option to renew for another ten (10) years	Option which included but not limited to ship construction, repairs and all such shipyard activities and other related activities	Built-up: 13,000 Land area: 435,626

SHAREHOLDINGS STATISTICS

ANALYSIS OF SHAREHOLDINGS AS AT 4 APRIL 2025

Total number Issued Shares as at 4 April 2025	:	1,326,250,000 ordinary shares
Treasury Shares as at 4 April 2025	:	-
Adjusted Capital (after netting treasury shares as at 4 April 2025)	:	1,326,250,000 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One (1) vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS AS PER RECORD OF DEPOSITORS AS AT 4 APRIL 2025

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF ISSUED CAPITAL
1 - 99	105	3.01	613	0.00
100 - 1,000	532	15.27	225,680	0.02
1,001 - 10,000	1,155	33.16	7,164,306	0.54
10,001 - 100,000	1,266	36.35	49,257,401	3.71
100,001 - 66,312,499*	422	12.12	327,714,500	24.71
66,312,500 and above**	3	0.09	941,887,500	71.02
TOTAL	3,483	100.00	1,326,250,000	100.00

* Less than 5% of Issued Holdings

** 5% and above of Issued Holdings

SUBSTANTIAL SHAREHOLDERS AS AT 4 APRIL 2025

The substantial shareholders based on the Register of Substantial Shareholders of the Company and their shareholdings are as follows:-

Name of Shareholders	Nationality/ Incorporated in	No. of shares beneficially held			
		Direct	%	Indirect	%
Sindora Berhad	Malaysia	265,500,000	20.02	-	-
Voultier Sdn. Bhd.	Malaysia	676,387,500	51.00	-	-
Kulim (Malaysia) Berhad	Malaysia	12,884,300	0.97	265,500,000 ⁽¹⁾	20.02
Johor Corporation	Malaysia	-	-	265,500,000 ⁽¹⁾	20.02
Datuk Wira Mubarak Hussain Bin Akhtar Husin	Malaysian	-	-	676,387,500 ⁽²⁾	51.00
Dato' Lai Keng Onn	Malaysian	-	-	676,387,500 ⁽²⁾	51.00

Notes:-

- Deemed interest through shares held by Sindora Berhad pursuant to Section 8 of the Companies Act 2016 (“the Act”).
- Deemed interest through shares held by Voultier Sdn. Bhd. pursuant to Section 8 of the Act.

DIRECTORS’ SHAREHOLDINGS AS AT 4 APRIL 2025

The Directors’ shareholdings based on the Register of Directors’ Shareholdings of the Company are as follows:-

Name of Directors	Nationality	No. of shares beneficially held			
		Direct	%	Indirect	%
Dato’ Mohd Redza Shah Bin Abdul Wahid	Malaysian	30,000	0.00	-	-
Dato’ Lai Keng Onn	Malaysian	-	-	676,387,500 ⁽¹⁾	51.00
Datuk Wira Mubarak Hussain Bin Akhtar Husin	Malaysian	-	-	676,387,500 ⁽¹⁾	51.00
Dato’ Seri Nazir Hussin Bin Akhtar Hussin	Malaysian	-	-	-	-
Michael Cheah Choy Chin	Malaysian	-	-	-	-
Tong Siut Moi	Malaysian	-	-	-	-
Mohd Faris Adli Bin Shukery	Malaysian	5,000	0.00	-	-

Notes:-

- (1) Deemed interest through shares held by Voultier Sdn. Bhd. pursuant to Section 8 of the Act

LIST OF THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS AT 4 APRIL 2025 (ORDINARY SHARES)

NO.	NAME	NO. OF SHARES BENEFICIALLY HELD	%
1.	Malacca Equity Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Voultier Sdn. Bhd.	450,000,000	33.93
2.	Sindora Berhad	265,500,000	20.02
3.	RHB Nominees (Tempatan) Sdn. Bhd. OSK Capital Sdn. Bhd. for Voultier Sdn. Bhd.	226,387,500	17.07
4.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Southcorp Capital Sdn. Bhd.	33,156,200	2.50
5.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt An For Citibank New York (Norges Bank 22)	29,749,200	2.24
6.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for Areca Equitytrust Fund (211882)	22,000,000	1.66
7	Kulim (Malaysia) Berhad	12,884,300	0.97
8	CIMB Group Nominees (Tempatan) Sdn. Bhd. CIMB Commerce Trustee Berhad - Kenanga Growth Fund	12,166,200	0.92
9	Apex Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Shave Huat (Margin)	8,826,100	0.67
10	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ong Kah Hoe	6,666,000	0.50
11	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Private Wealth Management for Mohammed Azman Bin Aziz Mohammed (PW-M01005)(422318)	6,037,200	0.46

NO.	NAME	NO. OF SHARES BENEFICIALLY HELD	%
12	UOBM Nominees (Asing) Sdn. Bhd. UOB Asset Management (Malaysia) Berhad for FWD Aggressive Fund	5,600,000	0.42
13.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Low Kok Yew (MY3041)	4,076,200	0.31
14.	TA Nominees (Asing) Sdn. Bhd. Pledged Securities Account for Chen,Quanqing	4,050,000	0.31
15.	New Kok Ho	3,450,000	0.26
16.	Mohd Yusuf Ali Bin Abdullah	3,400,000	0.26
17.	Ang Yee Hooi	3,370,000	0.25
18.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB For Soon Seong Keat (PB)	3,000,000	0.23
19.	Sze Kooi Hoe	2,894,000	0.22
20.	Gan Siok Yen	2,550,000	0.19
21.	Ahmad Mustaffa Bin Abdul Manaf	2,280,000	0.17
22.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chan Hin Yee (KLC/UOB)	2,033,000	0.15
23.	Selvarajan A/L Maruthamuthu	1,750,000	0.13
24.	Citigroup Nominees (Asing) Sdn. Bhd. SBL Exempt An for UBS AG	1,658,300	0.13
25.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Mohd Johar Bin Ismail	1,656,500	0.12
26.	Kenanga Nominees (Tempatan) Sdn. Bhd. Exempt An For Phillip Securities Pte. Ltd. (Client Account)	1,640,000	0.12
27.	Eng Sau Ling	1,636,100	0.12
28.	Ahmad Zuki Zainal Bin Zainal	1,625,000	0.12
29.	Soon Seong Keat	1,600,000	0.12
30.	Maybank Nominees (Tempatan) Sdn. Bhd. Low Tuan Lee	1,596,300	0.12
	TOTAL	1,123,238,100	84.69



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-First Annual General Meeting (“**31ST AGM**”) of Avangaad Berhad (*formerly known as E.A. Technique (M) Berhad*) (“Avangaad” or “the Company”) will be physically held at Majestic 2, Level 3, The Majestic Hotel of 5, Jalan Sultan Hishamuddin, Tasik Perdana, 50000 Kuala Lumpur, Wilayah Persekutuan, Wednesday, 28 May 2025 at 9:00 a.m., or at any adjournment thereof, for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1.

To receive the Audited Financial Statements for the financial year ended 31 December 2024 and the Reports of the Directors and Auditors thereon.

(Please refer to Explanatory Note 1)
2.

To re-elect Dato’ Mohd Redza Shah Bin Abdul Wahid, who is retiring in accordance with Clause 27.1 of the Company’s Constitution, and being eligible, have offered himself for re-election.

(Resolution 1)
3.

To re-elect the following Directors who are retiring in accordance with Clause 24.2 of the Company’s Constitution, and being eligible, have offered themselves for re-election:-

(a)

Dato’ Lai Keng Onn

(Resolution 2)

(b)

Datuk Wira Mubarak Hussain Bin Akhtar Husin

(Resolution 3)

(c)

Michael Cheah Choy Chin

(Resolution 4)

(d)

Dato’ Seri Nazir Hussin Bin Akhtar Hussin

(Resolution 5)

(e)

Tong Siut Moi

(Resolution 6)

(f)

Mohd Faris Adli Bin Shukery

(Resolution 7)
4.

To approve the payment of Fees of up to RM480,000/- for the Non-Executive Directors (“NEDs”) from the conclusion of the 31st AGM until the conclusion of the next AGM of the Company.

(Resolution 8)
5.

To approve the Benefits payable of up to RM193,000/- to the NEDs from the conclusion of the 31st AGM until the conclusion of the next AGM of the Company.

(Resolution 9)
6.

To re-appoint Messrs. KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Board of Directors to determine their remuneration.

(Resolution 10)

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without any modification, to pass the following resolution as Ordinary Resolution:-

7.

Ordinary Resolution
- Authority to Issue Shares pursuant to the Companies Act 2016

(Resolution 11)

“**THAT**, subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND THAT pursuant to Section 85 of the Act to be read together with Clause 8.6 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to this mandate;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

8. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

CHUA SIEW CHUAN (SSM PC No. 201908002648) (MAICSA 0777689)
CHENG CHIA PING (SSM PC No. 202008000730) (MAICSA 1032514)
Company Secretaries

Kuala Lumpur
28 April 2025

NOTES:

(A) APPOINTMENT OF PROXY

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on **21 May 2025 (“General Meeting Record of Depositors”)** shall be eligible to participate, speak and vote at the Meeting.
2. A member entitled to participate and vote at the Meeting shall be entitled to appoint more than one (1) proxy to participate, speak and vote in his stead. Where a member appoints more than one (1) proxy, he shall specify the proportions of his shareholdings to be represented by each proxy, failing which the appointments shall be invalid.
3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the Meeting of the Company shall have the same rights as the member to speak at the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the member/appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of its officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (**“SICDA”**) which holds ordinary shares in the Company for multiple beneficial owners in one securities account (**“omnibus account”**), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. The Form of Proxy or other instruments of appointment must be deposited at the office of the Share Registrar of the Company, Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia or lodged electronically via SS e-Portal at <https://sshsb.net.my/> not later than 48 hours before the time fixed for holding the forthcoming 31st AGM or any adjournment thereof. Kindly refer to the Procedures for Electronic Submission of Proxy Form in Appendix A.

(B) AUDITED FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Agenda 1 is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require formal approval of the members/shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

EXPLANATORY NOTES:

1. Resolution 1 - Re-election of Director who is retiring in accordance with Clause 27.1 of the Company’s Constitution

Dato’ Mohd Redza Shah Bin Abdul Wahid is retiring as Director of the Company and being eligible, have offered himself for re-election at the 31st AGM.

The Board of Directors has through the Nomination and Remuneration Committee carried out the necessary assessment on the aforesaid Director and concluded that he met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge his role as Director.

The profile of the Director standing for re-election is provided in the Directors’ profile section of the 2024 Annual Report.

2. Resolutions 2, 3, 4, 5, 6, and 7 - Re-election of Directors who are retiring in accordance with Clause 24.2 of the Company’s Constitution

In determining the eligibility of the Directors to stand for re-election at the forthcoming 31st AGM of the Company, the Nomination and Remuneration Committee (“NRC”), as guided by the requirements of Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities has recommended Dato’ Lai Keng Onn, Datuk Wira Mubarak Hussain Bin Akhtar Husin, Michael Cheah Choy Chin, Dato’ Seri Nazir Hussin Bin Akhtar Hussin, Tong Siut Moi, Mohd Faris Adli Bin Shukery for re-election as Directors pursuant to the Constitution of the Company (“Retiring Directors”). The Board has conducted a separate assessment and being satisfied with the performance/ contribution of the Retiring Directors. Therefore, the Board recommended that the same to be tabled to the shareholders of the Company for approval at the forthcoming 31st AGM of the Company under Resolutions 2, 3, 4, 5, 6 and 7 respectively.

The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2024 of the Company. All the Retiring Directors have consented to their re-election, and abstained from deliberations and voting in relation to their individual re-election at the NRC and Board Meetings, respectively. The Retiring Directors also provided the fit and proper declarations in the prescribed forms in accordance with the Directors’ Fit & Proper Policy adopted by the Company.

3. Resolution 8 and 9 - Payment of Directors’ fees and benefits

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

In this respect, the Board wishes to seek shareholders’ approval at the 31st AGM on the two (2) separate resolutions as below: -



Ordinary Resolution 8 on payment of Directors’ fees from the conclusion of the 31st AGM until the conclusion of the next AGM of the Company

In this respect, the Board wishes to seek shareholders’ approval at the 31st AGM of the Company for the payment of Directors’ fees of up to RM480,000/- from the conclusion of the 31st AGM until the conclusion of the next AGM of the Company. If the Directors’ fees are insufficient due to the enlarged Board size, approval will be sought at the next AGM for additional fees to meet the shortfall.

✦ Ordinary Resolution 9 on payment of Directors’ benefits

This is in respect of the meeting allowance payable for attendance of Board and/or Board Committee meetings by the Non-Executive Directors of the Company from the conclusion of the 31st AGM until the conclusion of the next AGM of the Company. The details of the meeting allowances are as follows:-

Meeting Allowances (Per Meeting)	Chairman of the Committee	Member of the Committee
Board of Directors	RM4,000.00	RM3,000.00
Audit Committee	RM4,000.00	RM3,000.00
Risk and Governance Committee	RM3,000.00	RM2,000.00
Nomination and Remuneration Committee	RM3,000.00	RM2,000.00

4. Resolution 10 - Re-appointment of Auditors

The Audit Committee (“**AC**”) having assessed the suitability, objectivity and independence of Messrs. KPMG PLT recommended the latter’s reappointment as External Auditors of the Company to the Board for consideration. Upon review, the Board in turn would like to recommend the same to the shareholders for approval at the 31st AGM of the Company. The evaluation criteria adopted as well as the process of assessment by the AC and Board, respectively, have been duly elaborated in the Corporate Governance Report of the Company for the financial year ended 31 December 2024.

5. Resolution 11 – Authority to Issue Shares pursuant to the Companies Act 2016

The proposed resolution is intended to renew the authority granted to the Directors of the Company at the Thirtieth Annual General Meeting of the Company held on 24 June 2024 (“**Previous Mandate**”) to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares does not exceed 10% of the total number of issued shares of the Company for the time being (hereinafter referred to as the “**General Mandate**”).

The said General Mandate will provide flexibility to the Company to raise additional funds expeditiously and efficiently through issuance and allotment of new shares, grant of rights to subscribe for shares, conversion of any security into shares or allotment of shares under an agreement or option or offer for purposes, including but not limited to placement of shares for working capital, repayment of borrowings, the Company’s future project(s), acquisitions and/or for issuance of shares as settlement of purchase consideration or such other application as the Directors may deem fit in the best interest of the Company.

The Board, having considered the current and prospective financial position, working capital requirements and capacity of the Group, is of the opinion that the General Mandate is in the best interests of the Company and its shareholders.

Pursuant to Section 85 of the Act read together with Clause 8.6 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

The proposed Resolution 11 if passed, will exclude existing shareholders’ pre-emptive rights to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Resolution.

FORM OF
PROXY

AVANGAAD BERHAD

(Formerly Known As E.A. Technique (M) Berhad)
[Registration No: 199301001779 (256516-W)]
(Incorporated in Malaysia)

CDS ACCOUNT NUMBER

NUMBER OF SHARES HELD

*I/We _____ NRIC No./Company No. _____

of _____
(Full address)

being a member/members of AVANGAAD BERHAD (Formerly Known As E.A. Technique (M) Berhad), hereby appoint:

PROXY “A”

Full Name (In Block)	NRIC/Passport No.	Proportion Of Shareholdings	
		No. Of Shares	%
Full Address			

and/or failing *him/her,

PROXY “B”

Full Name (In Block)	NRIC/Passport No.	Proportion Of Shareholdings	
		No. Of Shares	%
Full Address			

#to put a separate sheet where there are more than two (2) proxies

or failing *him/her, the CHAIRMAN OF THE MEETING, as *my/our proxy to attend and vote for *me/us and on *my/our behalf at the Thirty-First Annual General Meeting (“AGM”) of the Company will be physically held at Majestic 2, Level 3, The Majestic Hotel of 5, Jalan Sultan Hishamuddin, Tasik Perdana, 50000 Kuala Lumpur, Wilayah Persekutuan, Wednesday, 28 May 2025 at 9:00 a.m., and at any adjournment thereof.

Ordinary Resolution	Agenda	For	Against
1	To re-elect Dato’ Mohd Redza Shah Bin Abdul Wahid, who is retiring in accordance with Clause 27.1 of the Company’s Constitution, and being eligible, have offered himself for re-election.		
2	To re-elect Dato’ Lai Keng Onn who is retiring in accordance with Clause 24.2 of the Company’s Constitution, and being eligible, have offered himself for re-election.		
3	To re-elect Datuk Wira Mubarak Hussain Bin Akhtar Husin who is retiring in accordance with Clause 24.2 of the Company’s Constitution, and being eligible, have offered himself for re-election.		
4	To re-elect Michael Cheah Choy Chin who is retiring in accordance with Clause 24.2 of the Company’s Constitution, and being eligible, have offered himself for re-election.		
5	To re-elect Dato’ Seri Nazir Hussin Bin Akhtar Hussin who is retiring in accordance with Clause 24.2 of the Company’s Constitution, and being eligible, have offered himself for re-election.		
6	To re-elect Tong Siut Moi who is retiring in accordance with Clause 24.2 of the Company’s Constitution, and being eligible, have offered herself for re-election.		
7	To re-elect Mohd Faris Adli Bin Shukery who is retiring in accordance with Clause 24.2 of the Company’s Constitution, and being eligible, have offered himself for re-election.		

Ordinary Resolution	Agenda	For	Against
8	To approve the payment of Fees of up to RM480,000/- for the Non-Executive Directors (“NEDs”) from the conclusion of the 31 st AGM until the conclusion of the next AGM of the Company.		
9	To approve the Benefits payable of up to RM193,000/- to the NEDs from the conclusion of the 31 st AGM until the conclusion of the next AGM of the Company.		
10	To re-appoint Messrs. KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Board of Directors to determine their remuneration.		
Special Business			
11	Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 and Waiver of Pre-Emptive Rights.		

* Strike out whichever is not applicable.

Please indicate with an “X” in the space provided above on how you wish your votes to be cast. If no specific direction as to voting is given, the Proxy will vote or abstain from voting at his/her discretion.

As witness my/our hand(s) this..... day of..... 2025.

Signature of Member/Common Seal

NOTES:

(A) APPOINTMENT OF PROXY

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on **21 May 2025 (“General Meeting Record of Depositors”)** shall be eligible to participate, speak and vote at the Meeting.
2. A member entitled to participate and vote at the Meeting shall be entitled to appoint more than one (1) proxy to participate, speak and vote in his stead. Where a member appoints more than one (1) proxy, he shall specify the proportions of his shareholdings to be represented by each proxy, failing which the appointments shall be invalid.
3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the Meeting of the Company shall have the same rights as the member to speak at the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the member/appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of its officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (**“SICDA”**) which holds ordinary shares in the Company for multiple beneficial owners in one securities account (**“omnibus account”**), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. The Form of Proxy or other instruments of appointment must be deposited at the office of the Share Registrar of the Company, Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia or lodged electronically via SS e-Portal at <https://sshsb.net.my/> not later than 48 hours before the time fixed for holding the forthcoming 31st AGM or any adjournment thereof. Kindly refer to the Procedures for Electronic Submission of Proxy Form in Appendix A.

(B) AUDITED FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. Agenda 1 is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require formal approval of the members/shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 April 2025.

Affix
Stamp
Here

**SHARE REGISTRAR
AVANGAAD BERHAD**
(Formerly known as E.A. Technique (M) Berhad)
[Company Registration No. 200501036241 (718388-H)]

c/o Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Malaysia

STATEMENT ACCOMPANYING NOTICE OF 31ST ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS)

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election or re-appointment at the 31st AGM of the Company).

AVANGAAD BERHAD

Setiawangsa Business Suites
Unit C-3A-3A, No.2 Jalan Setiawangsa 11
Taman Setiawangsa 54200
Kuala Lumpur Malaysia

www.avangaad.com

