UZMA BERHAD
(Registration No. 200701011861 (769866-V))
(Incorporated in Malaysia)

Minutes of the Sixteenth Annual General Meeting ("**16th AGM"**) of the Company held fully virtual from the broadcast venue at Level 2, Uzma Tower, No. 2 Jalan PJU 8/8A, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia and via the meeting platform at https://conveneagm.my/uzmaagm2023 on Wednesday, 30 November 2023 at 10.00 a.m. ("**16th AGM**" or "**Meeting**")

Present	:	Datuk Abdullah Bin Karim ("**Chairman**") • Independent Non-Executive Chairman	Also a Proxyholder
		Dato' Kamarul Redzuan Bin Muhamed ("**Dato' Kamarul**") • Managing Director/Group Chief Executive Officer	Also a Proxyholder
		Encik Ikhlas Bin Abdul Rahman • Independent Non-Executive Director	
		Datuk Seri Zurainah Binti Musa • Independent Non-Executive Director	
		YM Tengku Ezuan Ismara Bin Tengku Nun Ahmad ("**Tengku Ezuan**") • Independent Non-Executive Director	
		Datuk Farisha Binti Pawan Teh • Independent Non-Executive Director	Also a Proxyholder
		Dato' Che Nazahatuhisamudin Bin Che Haron ("**Dato Naza**") • Executive Director	Also a Proxyholder
		Encik Mazli Zakuan Bin Mohd Noor • Independent Non-Executive Director	
	:	Encik Yahya Bin Razali • Independent Non-Executive Director	
In attendance	:	Mr Lee Chen Yow ("**Mr Lee**") - Group Chief Financial Officer Ms Khoo Ming Siang ("**Ms Khoo**") – Company Secretary Encik Ahmad Syahazan Yaacob *(Attend remotely)* – Representative of Messrs. Al Jafree Salihin Kuzaimi PLT.	

The shareholders and proxyholders (collectively referred to as 'Members') who attended and participated in the 16th AGM remotely via the meeting platform at https://conveneagm.my/uzmaagm2023 were present.

1. CHAIRMAN

Datuk Chairman, Datuk Abdullah Bin Karim, extended a warm welcome to all Members and invitees present at the 16th Annual General Meeting of the Company conducted through live streaming and online remote participation by using remote participation and voting (**"RPV"**) facilities, which was in compliance with Section 327 of the Companies Act 2016 and Clause 65 of the Constitution of the Company.

2. QUORUM

(a) With the confirmation from the Company Secretary, Datuk Chairman informed that a quorum was present in accordance with Clause 73 of the Company's Constitution. With the requisite quorum being present, the Meeting was called to order at 10.00 a.m.

(b) Datuk Chainman proceeded to introduce the Board members, the Managing Director/ Group Chief Executive Officer of the Company, the Group Chief Financial Officer and the Company Secretary who were present together with him at the Broadcast Venue.

(c) Datuk Chairman then introduced the representative from Messrs. Al Jafree Salihin Kuzaimi PLT., the External Auditors of the Company who joined the 16th AGM remotely.

3. NOTICE

With the consent of the Members, the Notice convening the Meeting having been circulated within the prescribed period was taken as read. The Chairman then proceeded with the business of the 16th AGM.

4. SUMMARY OF PROXIES RECEIVED

(a) Datuk Chairman informed that as at 28 November 2023, the Company received a total of thirty-four (34) proxy form from shareholders comprising a total of Three Hundred Thousand Two Hundred Forty (300,240) ordinary shares representing 0.078% of the issued share capital of the Company, who registered through the RPV facilities for the attendance at the Meeting.

(b) Datuk Chairman reported that, having received proxies from members, he will be voting in accordance with the instruction indicated in the proxy forms. In cases where a proxy vote has been granted to the Chairman without specific voting instructions, the Chairman will cast votes in favor of each resolution.

5. COMPANY'S PERFORMANCE REVIEWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

(a) Datuk Chairman invited Dato' Kamarul, the Managing Director/ Group Chief Executive Officer of the Company to present the Company's performance reviews, operations and business overview of Uzma Group to the shareholders.

(b) The salient points of the presentation by Dato' Kamarul were as follows:

1. <u>Introduction</u>

- Established in 2000 and publicly listed in 2008, Uzma collaborates with over 60 clients globally across more than 30 countries, with operations extending to regions like North America, Europe, Australia, the Middle East, and Africa. The Company currently employs around 1,200 individuals, including consultants, and operates a network of over 10 warehouses and repair centers across the region. Currently, the diversified ventures, including renewable energy, digitalization, and energy trading, contributed approximately 18% to Uzma's income.

- The core business of Uzma Group in oil and gas remains centered on optimizing production from existing wells. This encompasses two key segments: Well Solutions and Production Solutions. Well Solutions involve technologies such as hydraulic workover and tubing E lines, while Production Solutions focus on extending field life through proprietary equipment.

- Recognizing the cyclicality of the oil and gas industry, the strategic diversification plan in 2020 targeted three new core business areas. The first, New Energy, primarily focuses on solar business, including asset ownership and EPCC installation for solar farms. Noteworthy projects like LSS 4 have contributed to a cumulative capacity of over 100 MW.

- The second, Digital Earth, operates in the realm of digitalization, utilizing big data solutions for global and national challenges. The startup division has achieved profitability within two years, receiving recognition with two technology awards.

- The third area, Energy Trading, acknowledges LNG as a transitional energy source. Uzma has entered this business, supplying LNG via VPS and holding licenses for international LNG import, supported by Suruhanjaya Tenaga.

2. <u>Uzma Strengths & Drivers</u>

a) <u>The Right Segment</u>

- In reflecting the challenges faced since the demand disruption in 2020, particularly due to travel restrictions during the COVID-19 pandemic, the Company acknowledged the profound impact on the industry. Despite the severity of the situation, there is optimism about the anticipated recovery in demand, surpassing pre-pandemic levels in 2023 and 2024, reaching approximately 102 million barrels of oil per day compared to the previous 100 million.

- A notable aspect highlighted during the discussion was the anticipated dramatic growth in demand in other Asian regions, such as China, India, and the Middle East. The data presented emphasized that China alone is expected to contribute to more than half of the demand growth in 2024 and beyond.

- Dato' Kamarul emphasized that despite efforts to promote alternative energy sources such as hydrogen, solar, and wind, the underinvestment in these areas and the relatively slow uptake make oil and gas remain relevant. However, this acknowledgment doesn't imply a neglect of other business sectors. The Company has actively ventured into renewable energy, showing commitment through significant contract awards. It aligns with the national agenda in Malaysia, where both previous and current administrations, under Kerajaan Madani, have expressed clear intentions for energy transformation.

- Dato' Kamarul expressed excitement about being part of this transformative segment, emphasizing the Company's success in securing contracts over the past three years. The strides made in renewable energy have contributed to solidifying the company's position in this sector.

b) <u>Oil & Gas Market Resurgence</u>

- Dato' Kamarul shared the findings of the oil and gas market research, particularly focusing on the recovery of the oil and gas sector in the near term. Notably, it highlighted that Petronas, along with other oil and gas companies, has historically experienced a prolonged period of underinvestment in the industry. Consequently, there seems to be a consensus within the sector that significant investments are imperative for all stakeholders.

- Observing the post-pandemic landscape, there has been a gradual increase in oil prices, stabilizing around $80.00 per barrel in 2023. The prevailing sentiment suggests that oil prices are anticipated to remain elevated throughout 2024. This is expected to be influenced further by geopolitical uncertainties, particularly those unfolding in the Middle East.

- Adding weight to the positive outlook, the Energy Information Administration forecasts a global increase in liquid fuel consumption. The projections indicate a rise of 1.2 million barrels per day in 2023 and a further increase to 1.7 million barrels of oil per day in 2024. Despite discussions about potential economic slowdowns, there appears to be a growing demand for liquid fuels.

- In Malaysia context, Petronas has announced a substantial investment of about 300 billion over the next five years, averaging around 50 billion annually. This significant expenditure is anticipated to catalyse various activities within the sector, a trend that has already been observed.

- Referencing the Petronas Activity Outlook (**"PAO"**), accessible to all stakeholders, specific sectors in which Uzma actively participates—such as plug and abandonment, workovers, decommissioning, and chemical maintenance—are experiencing an increasing trend. For instance, the PAO for 2023 and the subsequent years outlines a requirement for approximately 8 hydro level cover units in the next three years. Currently, Uzma is actively engaged with several units in the region, possibly boasting the largest fleet in the region.

- Additionally, Petronas foresees the need to plug and abandon more than 100 wells in the next three years, including activities in 2023. Uzma has played a substantial role in these activities over the past few years, aligning with the growing trends outlined in the industry outlook.

c) Diversity of Income

- Currently, approximately 18% of Uzma's income is derived from non-oil and gas activities. The Company has set an ambitious target to shift this balance to 40%, in line with its diversification strategy, with a projected achievement date by the financial year 2026.

- In terms of revenue distribution, 20% of Uzma's income is generated overseas. This deliberate approach serves to mitigate risks by diversifying income sources across multiple countries and clients. The Company prides itself on collaborating with over 60 customers spanning 30 countries. The commitment to expanding international operations is evident, with specific Key Performance Indicators set to foster continued growth in the international business segment.

d) Uzma 5R Bearing Fruits

- Dato' Kamarul presented Uzma's five-year plan, outlining key geographical and business objectives. Geographically, the target is to shift from the current 80 local market vs 20 oversea market to 70-30, with Southeast Asia identified as a significant growth catalyst. Efforts are particularly concentrated on countries like the Philippines and Thailand, which have been instrumental to Uzma's growth in recent years.

- In terms of the balance between core and new businesses, the current ratio stands at 80-20, but there's a strategic aim to transition to 60-40 by 2026. The completion of key projects like LSS 4 and the recently acquired CPA, along with the anticipated growth of Digital Earth with Massat one in Q1 of the financial year 2025, is expected to expedite this transition.

- Addressing the balance between recurring and project-based revenue, the current distribution is 74% project-based and 26% recurring. The Company aspires to achieve a more balanced structure, targeting 60% recurring projects and 40% project-based by leveraging the growth in new energy initiatives and Digital Earth. The year 2024 is anticipated to witness substantial growth in these areas, supported by water injection projects contributing significantly in 2025. These strategic moves aim to establish a stable and diversified income stream for the Company moving forward.

e) Group's Order Book & Bid Book

- As of 31 October 2023, the Group's order book stands at 2.42 billion. Notably, 33% of this order book is attributed to our ventures in new energy, a strategic move aligning with our goal of achieving a 60-40 income distribution between oil and gas and non-oil and gas sectors. Turning our attention to the bid book, the current value is 2.28 billion. In November alone, the Group has submitted bids exceeding half a billion, bringing the bid book's total close to 2.7 billion.

3. Key Contracts

- Key contracts include:

  a) Long Term Hydraulic Workover Unit (HWU) and Servies – P&A and Workovers (Package A and Package B)
  b) Electrical Submersible Pump (ESP) Equipment and Servies
  c) Integrated Production and Integrity Chemical and associated services for deepwater projects (3 different contracts)
  d) Monetization of Uzma's Investment in Solar Business

4. Progress in Digital Earth

- Uzma has received two Technology Awards of the year. Our core expertise lies in harnessing satellite imagery and big data, deploying cutting-edge technologies like AI and machine learning to deliver actionable insights. An exemplary case is our successful detection of potential landslides along highways through the application of our advanced technologies.

5. Finance Performance

- In 2023, marking the fifth year of Uzma 3.0, the Group embarked on a strategic diversification plan to mitigate the cyclical nature of the oil and gas industry. The overarching goal was to venture into more sustainable businesses, aligning with the emphasis placed by the Board on engaging in environmentally conscious practices. The strategy aimed to not only address industry requirements but also preserve and safeguard our profit margins.

- Encouragingly, the deliberate strategies bore fruit in 2021, but in 2022, Uzma faced challenges due to the COVID-19 pandemic and subsequent demand destruction. Examining the financials for the first quarter of the 2024 fiscal year, we observe a quarter-to-quarter growth of 19% and a year-on-year growth of 24%. The gross profit margin remained stable at 43%, with improvements noted across various product and service segments, except for the new energy sector, which is in the phase of energizing the solar farm.

- As of the first quarter of 2024, net gearing stands at 0.52, which is deemed manageable. On a year-on-year basis, this reflects a 24% increase, primarily attributed to improvements in offshore activities and notable growth in hydraulic workover operations. The group recorded a core profit after tax minus minority interest at 15.3%, showcasing a remarkable 34% year-on-year increase.

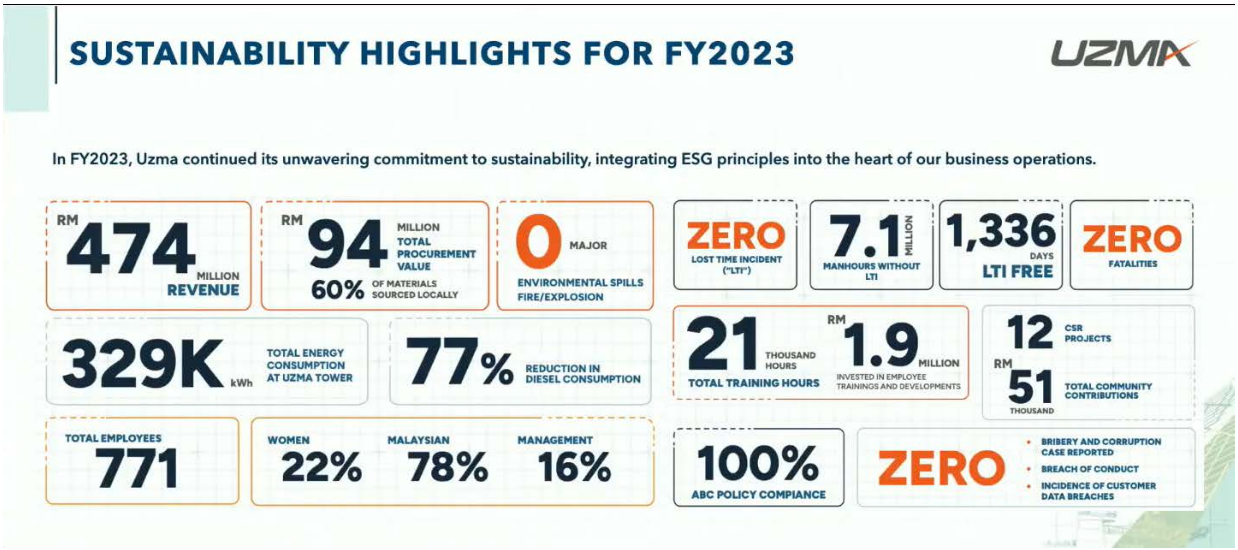
- Examining quarterly trends, the first quarter posted the highest revenue ever recorded by Uzma at RM151 million, surpassing the previous highest in the second quarter of 2020 at RM149 million. Importantly, the trend is upward post the opening of countries, although some quarters may experience downtrends due to monsoon impacts, a pattern observed in quarter three historically.

- While celebrating growth, a critical challenge is talent retention amid increasing pressure for resources. The Company has witnessed staff exits, with many seeking opportunities internationally. This talent retention and acquisition challenge is pervasive across the industry.

- Looking at borrowings, the net debt is RM311 million with a net gearing of 0.52 times, reflecting an increase from the previous quarter due to drawing down loans for the LSS4 project and early workover activities. Gross debt stands at RM402.5 million, a quarter-to-quarter increase of nearly 40 million. The gross cash was down by RM5.2 million due to the initiation of new projects, necessitating expenditures on stocks and some capital expenses. Notably, the majority of the borrowings are in local currency, with only a minimal portion in other currencies, highlighting the prudent management of debt within manageable limits.

6. Progress and Initiatives for a Sustainable Future

- Dato' Kamarul provided a brief overview of the progress and initiatives for a sustainable future:



- Dato' Kamarul also shared that Uzma is adopting eight (8) United Nations Sustainable Development Goal (**"UNSDG"**) as follows:

  Goal 3 : Good Health and Well-Being
  Goal 5 : Achieve gender equality and empower all women and girls
  Goal 7 : Ensure access to affordable, reliable, sustainable, and modern energy for all
  Goal 8 : Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all
  Goal 9 : Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation
  Goal 12 : Ensure sustainable consumption and production patterns
  Goat 13 : Climate Action
  Goal 16 : Peace, Justice and Strong Institutions (NEW)

- On the strategic initiatives for sustainable growth, Dato' Kamarul updated that ESG reporting in line with the TCFD reporting will be adopted with effect from financial year 2024. He informed that a dedicated Board Sustainability and Risk Management Committee was set up with the objective of overseeing and monitoring the Company's performance along with sustainable growth.

- Dato' Kamarul acknowledged the prevailing headwinds, including the cyclical nature of the oil and gas industry, geopolitical events in Ukraine and Palestine, and uncertainties in the energy transition plan discussed at the COP 28 Summit. These challenges contribute to the increasing cost of doing business, making it crucial for Uzma to maintain its margin. Talent retention and acquisition were identified as significant issues, and the Company aims to address them by instilling a strong culture of project deliveries.

- Despite these challenges, Dato' Kamarul expressed confidence in Uzma's strengths. The Company is known for its financial resilience, focus on production rather than exploration and development, strong technological orientation with patents and trade secrets, agility, and adaptability evident in its transition from Uzma 1.0 to 3.0. Uzma's integrated core offering, encompassing diverse services under one roof, positions it uniquely in the market. The decision to advance into sustainable energy reflects the Company's preparation for the future.

(c) In conclusion, Dato' Kamarul provided insights into Uzma's trajectory, both past and future. He emphasized the Company's resilience, adaptability, and preparedness for uncertain futures, showcasing its commitment to delivering value to stakeholders.

6. DISCUSSION ITEM – AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

(a) The Audited Financial Statements together with the Reports of the Directors and Auditors ("**Audited Financial Statements**") of the Company for the financial year ended 30 June 2023 having been circulated to all the shareholders of the Company within the statutory period were taken as read. Datuk Chairman informed the Meeting that this item on the agenda was not meant for discussion.

(b) Datuk Chairman went through the remaining agendas as outlined in the Notice of the 16th AGM. All the resolutions were duly presented to the Meeting. Subsequently, Datuk Chairman informed the attendees that the Company has received a few questions from the Minority Shareholders Watch Group (**"MSWG"**). The MSWG has requested that the questions and responses be presented during the Meeting for the benefit of minority shareholders and all other stakeholders of the Company.

(c) Datuk Chairman then invited Mr Lee Chen Yow, Group CFO, to address the questions raised by the MSWG. Mr Lee proceeded to read out the questions posted by MSWG and the corresponding answers provided by the Directors of the Company. The questions from MSWG and the responses are detailed in **Appendix I** attached herewith.

(d) Datuk Chairman then informed that there were questions received from the shareholders and proxies and that Dato' Kamarul was invited to address the questions. The questions from shareholders and proxies, along with the responses, are detailed in **Appendix II** attached herewith.

(e) After addressing all the questions raised, Datuk Chairman informed the Meeting of the closure of the question and answer session and mentioned that the list of Q&A will also be published on the company's corporate website. Following this, Datuk Chairman declared that the Audited Financial Statements of the company for the financial year ended 30 June 2023 had been duly tabled and received by the shareholders.

7. POLLING AND ADMINISTRATIVE GUIDE

(a) Datuk Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), all resolutions set out in the Notice of the Meeting shall be voted by way of poll.

(b) Datuk Chairman also informed that the Company had appointed KPMG Management & Risk Consulting Sdn. Bhd. to facilitate the poll voting electronically and Quantegic Services Sdn. Bhd. as scrutineers to validate the poll results.

(c) The Meeting was informed that the voting session was available at that point in time until the closure of the voting session to be announced later. The results of the poll voting would be announced after the scrutineer has verified the poll results.

(d) The Meeting was then briefed on the electronic and remote poll voting process via video presentation.

8. VOTING SESSION

(a) Datuk Chairman invited the Members to cast their votes and the voting session was closed at 11.30 a.m. It was noted that the Chairman was also appointed to act as proxy for shareholder and he has voted according to the instructions given.

(b) Datuk Chairman further informed the Meeting that the outcome of the poll would be announced after 15 minutes as it would take some time for the Independent Scrutineer to tabulate the results of the poll. The Meeting was then adjourned at 11:35 a.m. for the votes to be counted and to enable the Independent Scrutineer to tabulate the results of the poll.

(c) The Meeting resumed at 11:55 a.m. for the declaration of the results of the poll.

9. POLL RESULTS

Datuk Chairman announced the results of the poll as follows: -

1. Ordinary Resolution 1 - Non-executive Directors' Fees of RM1,179,000 for the period from 1 December 2023 to the next Annual General Meeting of the Company.

Ordinary Resolution 1	FOR		AGAINST	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
	184,844,608	**99.9649**	64,926	0.0351

It was RESOLVED: -

"THAT the Directors' fees and benefits payable to the Directors up to an aggregate amount of RM One Million One Hundred Seventy-Nine Thousand (RM1,179,000) for the period from 1 December 2023 until the next AGM be and are hereby approved for payment to the Directors."

2. Re-election of Dato' Che Nazahatuhisamudin Bin Che Haron who retires pursuant to Clause 98 of the Company's Constitution.

Resolution	FOR		AGAINST	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Ordinary Resolution 2	**181,277,634**	**99.9955**	8,120	0.0045

It was RESOLVED: -

"THAT the retiring Director, Dato' Che Nazahatuhisamudin Bin Che Haron be and is hereby re-elected as Director of the Company."

3. Re-election of Datuk Seri Zurainah Binti Musa who retires pursuant to Clause 98 of the Company's Constitution.

Resolution	FOR		AGAINST	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Ordinary Resolution 3	**143,927,598**	**78.7625**	38,808,536	21.2375

It was RESOLVED: -

"THAT the retiring Director, Datuk Seri Zurainah Binti Musa be and is hereby re-elected as Director of the Company."

4. Re-election of Encik Ikhlas Bin Abdul Rahman who retires pursuant to Clause 98 of the Company's Constitution.

Resolution	FOR		AGAINST	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Ordinary Resolution 4	**185,266,421**	**99.9956**	8,113	0.0044

It was RESOLVED: -

"THAT the retiring Director, Encik Ikhlas Bin Abdul Rahman be and is hereby re-elected as Director of the Company."

5. Re-appointment of Messrs AL Jafree Salihin Kuzaimi PLT as Auditors of the Company, and to authorise the directors to fix their remuneration.

Resolution	FOR	AGAINST

	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Ordinary Resolution 5	**185,266,221**	**99.9956**	8,113	0.0044

It was RESOLVED: -

"THAT the retiring Auditors, Messrs Baker Tilly Monteiro h, having indicated their willingness to continue in office, be and are hereby re-appointed as the Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting and that the Directors be and are hereby authorised to fix their remuneration."

6. Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016.

Resolution	**FOR**		AGAINST	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Ordinary Resolution 6	**185,240,390**	**99.9816**	34,144	0.0184

It was RESOLVED: -

"THAT pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby authorised to allot and issue new Shares in the Company, grant rights to subscribe for Shares in the Company, convert any security into Shares in the Company, or allot Shares under an agreement or option or offer at any time in the Company, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of Shares to be issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, does not exceed ten per centum (10%) of the total number of issued Shares of the Company (excluding treasury shares) for the time being and that the Directors be and are also hereby empowered to obtain approval for the listing of and quotation for the additional Shares so allotted on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the approval of all relevant regulatory authorities (if any) being obtained for such allotment and issuance.

AND THAT in connection with the above, pursuant to Section 85(1) of the Act read together with Clause 59 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new Shares, options over or grants of new Shares or any other convertible securities in the Company and/or any new Shares to be issued pursuant to such options, grants or other convertible securities, such new Shares when issued, to rank pari passu with the existing Shares in the Company."

7. Proposed Renewal of Shareholders' Mandate for authority to the Company to purchase its own shares of up to Ten percent (10%) of the total issued shares.

Resolution	**FOR**		AGAINST	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Ordinary Resolution 7	**182,727,324**	**98.6250**	2,547,510	1.3750

It was RESOLVED: -

"THAT subject to the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all other relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to make purchases of the Company's ordinary shares ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided that the aggregate number of shares purchased and/or held as treasury shares pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company;

THAT an amount not exceeding the retained profits account be allocated by the Company for the Proposed Share Buy-Back;

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at:

(i) The conclusion of the next annual general meeting ("AGM") of the Company (being the Seventeenth AGM of the Company), at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
(ii) The expiration of the period within which the Seventeenth AGM of the Company is required by law to be held; or
(iii) Revoked or varied by an ordinary resolution passed by the shareholders in a general meeting.

whichever occurs first but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any);

THAT authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either cancel and/or retain the shares so purchase as treasury shares to deal with such treasury shares in the manner as set out in Section 127(7) of the Act.

AND THAT the Directors of the Company be authorised to take all steps necessary to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authority."

10. ANY OTHER MATTERS

Datuk Chairman apprised the Meeting of the receipt of a letter from Encik Yahya Bin Razali, expressing his intention to step down from his role as an Independent Non-Executive Director at Uzma Berhad. This decision aligns with the conclusion of the 16th Annual General Meeting of the Company, marking the conclusion of his ninth year of service as an Independent Non-Executive Director.

Datuk Chairman took the opportunity to extend sincere gratitude and appreciation to Encik Yahya Bin Razali for his dedicated and valuable services as an Independent Non-Executive Director throughout his tenure. His contributions have been invaluable to the Board and the Company as a whole. The Board acknowledges and commends his unwavering commitment and wishes him well in his future endeavours.

Encik Yahya Bin Razali expressed his heartfelt appreciation to the Board of Uzma Berhad for the privilege of serving as an Independent Non-Executive Director for the past nine years. He wished to extend his gratitude for the support and collaboration from the fellow Board members during his tenure.

CLOSURE

There being no other business, the meeting closed at 12.00 p.m. with a vote of thanks to the Chair.

CONFIRMED BY

CHAIRMAN

Date: 29th December 2023

Appendix I

UZMA BERHAD

16th Annual General Meeting (AGM)

30th November 2023

MSWG-Questions and Answers

Operational and Financial Matters

1) Trade receivables from third parties grouped under current assets has increased substantially from RM115.5 million in FY 2022 to RM204.5 million in FY 2023, an increase of RM89.0 million or 77.1 %. (Page 258 of AR).

a) Please explain why the trade receivables from third parties have increased substantially in FY 2023 as compared to FY 2022.

Answer:

The trade receivables reported a substantial increased in FY2023 as compared to FY 2022 mainly due to new revenue stream contributed by Non Oil & Gas segment from trading in LNG, In addition, revenue from Oil & Gas increased during the year from the new projects awarded after the Covid 19 lockdown.

Operational and Financial Matters

b) Please provide a breakdown of the trade receivables from third parties by the category and amount from Oil & Gas and Non-Oil & Gas business segments.

Answer:

The breakdown for the trade receivables between Oil and Gas and Non-Oil & Gas segments and its amount are as follows:

	FY 2023 RM'000	FY 2022 RM'000
Oil & Gas	181,128	107,665
Non-Oil & Gas	23,413	7,885
	204,541	**115,550**

Operational and Financial Matters

c) How much of the trade receivables from third parties is expected to be collected in FY 2024?

Answer:

Periodic reviews of accounts receivable are conducted to assess the likelihood of collection and to classify them appropriately. Receivables are classified as either short-term or long-term based on when the business expects to collect them. Short-term receivables are typically expected to be collected within the next 12 months, while long-term receivables are expected to be collected after 12 months. Our current audited financial statements ended 30 June 2023 indicates the expectation that, barring any unforeseen circumstances, all debts will be collected within the next 12 months. This aligns with the common classification of short-term receivables. However, adjustments to the debts may arise if there may be legal matters arising due to disputes. This suggests that in the event of disputes, the collection period may extend beyond the typical 12 months or an expected credit losses may be made to account for potential losses in case the debts become uncollectible.

Operational and Financial Matters

2) Other receivables from third parties classified under non-current assets have increased slightly from RM5.87 million in FY 2022 to RM5.98 million in FY 2023. (Page 257 of AR)

a) What is the nature of the other receivables from third parties that were classified as non-current assets?

Answer:

The other receivables from third parties that were classified as non-current assets were mainly due to taxes overpaid by overseas subsidiaries and advance paid towards the acquisition of a building in a foreign subsidiary.

For taxes overpaid, they become eligible for tax refunds from the respective tax authorities. As these are expected to be received over a longer term, they are classified as non-current assets.

For advance paid towards the acquisition of a building in a foreign subsidiary, since the completion of the acquisition and the receipt of the building may take a considerable amount of time, this advance is classified as a non-current asset.

Operational and Financial Matters

b) Please provide the make-up of the other receivables from third parties for both FYs 2022 and 2023 respectively.

Answer:

The other receivables from third parties are as follows:

	FY 2023 RM'000	FY 2022 RM'000
Tax refund from overseas subsidiaries	2,605	2,658
Advances paid for purchase a building in overseas subsidiary	3,377	3,211
	5,982	**5,869**

Operational and Financial Matters

c) When does the Company expect to receive other receivables from third parties and what are the respective amounts?

Answer:

For the tax refund, the amounts are subject to prerogative of respective government agencies in executing the refund and may take longer than 12 months.

For advance paid towards the acquisition of a building in a foreign subsidiary, since the completion of the acquisition and the receipt of the building may take a considerable amount of time, the management expect the completion of the building will be within 2 – 3 years from FY 2023.

Operational and Financial Matters

3) The Group recorded much higher net impairment losses on financial assets of RM3.98 million in FY 2023 as compared to RM1.36 million in FY 2022. (Page 190 of AR)

a) What were the reasons for the higher net impairment losses on financial assets in FY 2023 ?

Answer:

The impairment losses on financial assets in FY 2023, particularly related to an investment in an overseas company. The overseas company faced a setback by failing to secure a key contract critical for its business operations. This failure has resulted in a decline in the company's expected future cash flows and overall financial performance. Following the failure to secure the key contract, the overseas company underwent a liquidation process. As part of the liquidation process, the assets of the overseas company were likely sold or distributed to creditors. The proceeds from the liquidation might not be sufficient to cover the initial investment made by the Group, leading to a loss in the value of the financial asset.

Operational and Financial Matters

b) Please provide a breakdown of the net impairment losses on financial assets by the categories of type and amount of financial assets for both FYs 2023 and 2022 respectively.

Answer:

The breakdown of the net impairment lossess on financial assets are as follows:

	FY 2023 RM'000	FY 2022 RM'000
Investment in unquoted Equity Securities	(3,975)	-
Allowance for impairment on trade and other receivables	-	(1,359)
	(3,975)	**(1,359)**

Operational and Financial Matters

4) The Group has written off other investment amounting to RM3.975 million in FY 2023 as compared to RMNil in FY 2022. (Page 196 of AR)

a) Please provide the nature of the other investment that was written off in FY 2023.

Answer:

The nature of the investment that was written off in FY 2023 is an investment in unquoted equity securities.

Operational and Financial Matters

b) What were the reasons for the write-off?

Answer:

The write-off stems from a strategic investment made in an overseas company that recently underwent a liquidation process.

Unfortunately, the overseas company faced a significant setback as it failed to secure a key contract crucial for sustaining its business operations. The inability to secure this vital contract resulted in financial challenges for the company, leading to its decision to undergo the liquidation process. As a consequence, the investment made in this company has become unrecoverable, prompting the decision to write off the associated losses.

Operational and Financial Matters

5) The Group had to impair fair value loss on unquoted equity securities of an amount of RM3.975 million from an initial investment of RM4.08 million in FY 2023. (Page 260 of AR)

a) Why did the Group decide to invest in the unquoted equity securities that led to a substantial fair value loss?

Answer:

The investment in the unquoted equity securities was done back in May 2017 where the Group have initially believed that these unquoted equity securities held significant potential for high returns. Such investments often come with the allure of substantial gains, but they also carry higher risks, especially if the companies are not publicly traded and their valuation is more challenging.

Operational and Financial Matters

b) What is the main business of the unquoted equity securities in which the Group invested?

Answer:

The Company nature of business is EPCIC (Engineering, Procurement, Construction, Installation, and Commissioning) for top-side equipment in offshore projects that covers everything from initial design to the operational readiness of the facilities.

Operational and Financial Matters

6) The Group has an order book of RM2.6 billion, fortifying its future and serving as a testament to the Group's strong industry presence and the clients' confidence in its ability to deliver. (Page 38 of AR)

a) How long will the order book of RM2.6 billion last?

Answer:

The company's order book, totaling RM2.6 billion, is diversified into Oil & Gas and Non-Oil and Gas segments, with specific timelines for fulfillment:

Oil & Gas Segment

The Oil & Gas segment constitutes a significant portion, representing 70% of the total order book, equivalent to RM1.82 billion.
Orders within the Oil & Gas segment are scheduled to be fulfilled over the next 5 years.

Operational and Financial Matters

a) How long will the order book of RM2.6 billion last?

Answer (cont'd):

Non-Oil & Gas Segment

The Non-Oil and Gas segment accounts for the remaining 30% of the total order book. Orders within the Non-Oil and Gas segment have a longer horizon, with commitments extending for up to 25 years.

This diversified order book with varying timeframes reflects the company's strategy to balance shorter-term contracts from Oil & Gas projects with the stability and longevity associated with Non-Oil and Gas projects. It also provides insight into the Group's business planning and risk management approach, considering the different timelines associated with projects in these distinct sectors.

Thank you

Responses to pre-submitted and live questions received in relation to Uzma Berhad's ("Uzma or the Company") 16th Annual General Meeting ("AGM") held on 30 November 2023.

Questions	**Response**
Question 1 (a) (raised by Koh Lin Shi) What is the impact of the Israel war on the Company?	The oil and gas industry is inherently cyclical and vulnerable to geopolitical events, such as wars, including the Ukrainian conflict and the Palestinian situation. The direct occurrence of a war itself doesn't necessarily impact our company; rather, the subsequent events like embargoes or the escalation of the conflict that could have repercussions. For instance, in the case of the Ukraine war, the conflict per se doesn't directly affect us, but the resulting embargo on Russian oil has significant implications. Similarly, with the Israel-Palestinian conflict, there is potential for issues affecting the oil and gas industry, particularly if the conflict expands beyond the Palestinian territories into the Arab Peninsula. We are closely monitoring the situation, noting instances of the conflict spreading into Yemen and Lebanon. Should the conflict extend further, it could lead to supply constraints. While demand is expected to remain constant, the tightening supply may drive up incremental costs and oil prices. However, this is not definitive, as there are factors like additional production capacity from countries such as Saudi Arabia and Venezuela, which could act as a balancing mechanism. As of now, we have not experienced any immediate impact. Although there have been fluctuations in oil prices, they seem to have stabilized over time. It's essential to recognize that while there is no impact at this moment, we acknowledge the potential for future implications based on the evolving geopolitical scenarios.
Question 1 (b) (raised by Koh Lin Shi) Does the Company benefit from international oil prices?	The Company is not currently involved in oil production and, therefore, is not directly impacted by changes in oil prices. However, it is crucial to recognize that oil prices significantly influence our overall oil and gas activities. Higher oil prices typically correlate with an increase in activity levels, as observed in the post-COVID period. In essence, while the Company does not produce oil directly, rising oil prices indirectly lead to heightened technological activities. Thus, the answer is affirmative – if oil prices increase, we anticipate an upswing in activities. However, it is essential to note that there are lagging indicators, manifesting over a few months. One such indicator is the awarding of contracts, a process that spans a considerable duration. Therefore, even if oil prices rise today, the direct benefits are not immediately realized. It takes time before we observe the impact in terms of awarded contracts and the subsequent increase in overall activity levels.
Question 1 (c) (raised by Koh Lin Shi)	Approximately 20% of our income is derived from overseas sources, typically in U.S. dollars, Thai baht, or Indonesian rupiah. While this does represent a significant portion, upon consolidating our financials, considering both costs and

Does the Company's earning depend on foreign currency exchange rates against the Ringgit?	revenues, the Group is not inherently hedged. In scenarios where our revenue is in U.S. dollars and our costs are in Ringgit, for instance, more than 90% of our costs are also in Ringgit. Although there is one project without a natural hedge, the majority of our projects are naturally hedged. Additionally, it is noteworthy that we have around 320 million in net debts, primarily in Ringgit. This composition mitigates exposure to currency movements in terms of foreign exchange translation. As of now, there is no significant impact. However, it is essential to consider that a weaker Ringgit would positively affect our foreign subsidiaries during the translation process in financial reporting, potentially leading to improved income. Therefore, while there's no immediate impact, a weaker Ringgit could contribute to enhanced income for our foreign subsidiaries during the reporting periods.
Question 2 (raised by Kow Lih Shi) What can company do to increase revenue, the new implement 15 days Malaysian visit overseas without visa, foreigners incoming visit Malaysia 30 days without visa, does as catalyst to the Company?	Dato' Kamarul opined that the Visa-free initiative is not expected to have a significant impact on the Company. This initiative is not anticipated to exert a substantial influence on our business operations.
Question 3 (a) (raised by Hariza bt Ismail) Please consider providing a token to shareholders attending this meeting as good time and profitability enjoyed by the Company recently.	Traditionally, our practice does not include the provision of tokens for meeting attendance, particularly in the context of online sessions. Nevertheless, we acknowledge and appreciate suggestion concerning shareholders who participated virtually in the meeting. The Board will consider the proposal for future meetings.
Question 3 (b) (raised by Hariza bt Ismail) Kindly elaborate "digital earth".	Dato' Kamarul explained that the concept of 'Digital Earth' involves the digitization of our planet by utilizing earth observation satellite images, synthetic aperture radar data, and other data sources. We amalgamate these diverse datasets and translate them into digital binary numbers, allowing us to interpret and understand global occurrences. Essentially, Digital Earth enables us to observe the current state of the Earth and extrapolate insights into future conditions. One of the advantages of satellite imagery is its capacity for retrospective analysis. While not as advanced in the past, we can still look back 10-15 years to analyze historical changes. The process entails incorporating hyperspectral, multispectral, and synthetic aperture radar data to create a comprehensive representation of Earth. This, in turn, allows us to derive actionable insights from the data. In summary, the Digital Earth initiative aims to digitize aerial observations, harnessing the power of data to predict future scenarios and facilitate informed decision-making.

Question 4 (raised by Fong Chee Hung) How is the ringgit depreciation impact the Company financials?	Please refer to our response in Question 1 (c).
Question 5 (a) (raised by Liew Chee Seng) Our Company share price is not performing compare to NTA of our company. When can the company start to pay dividend.	The issue of our Company's share price performance in comparison to the Net Tangible Assets (NTA) is duly noted. The prospect of paying dividends is a matter of keen interest for us, and we are committed to implementing it when the Company is on an upward trajectory. However, it's essential to emphasize that cash resources are crucial for sustaining our growth initiatives. To address this, we are currently exploring Employee Share Schemes (“ESS”) proposals, which would serve the dual purpose of conserving cash for potential future dividends, whilst rewarding our employees. This has been a subject of extensive deliberation and efforts, with the Board actively engaged in addressing this concern. We are in the process of formulating a comprehensive plan, and we hope to provide a tangible solution in the near future.
Question 5 (b) (raised by Liew Chee Seng) As the Company not paying dividend, hope can reward the shareholder with an E-voucher who attend this AGM.	Please refer to our response in Question 3 (a).
Question 6 (raised by anonymous) Why the Board is over remunerated for such poor performance and returns to shareholders.	Remuneration decisions for the Board are carefully considered and benchmarked against industry standards. The Nominating and Remuneration Committee (NRC) is instrumental in this process, with the assistance from the Company Secretary who facilitated the process, ensuring a fair and competitive compensation structure. In my view, the Board are fairly remunerated, and I am appreciative of their valuable guidance. Speaking on behalf of the management, the Board has played a crucial role in providing direction and ideas, helping us navigate operational challenges, particularly during the challenging periods of 2020, 2021, and 2022.