

BUMI ARMADA BERHAD
(Company No. 199501041194 (370398-X))
(“Bumi Armada” or “Company”)

SUMMARY OF KEY MATTERS DISCUSSED

Twenty-Fifth Annual General Meeting of Bumi Armada Berhad held at 3.30 p.m. on Tuesday, 25 May 2021 at Kuala Lumpur room, Level 21, Menara Perak, 24 Jalan Perak, 50450 Kuala Lumpur, Malaysia (broadcast venue).

Directors Present

*YAM Tunku Ali Redhaudin ibni Tuanku Muhriz (Chairman of Board of Directors, Chairperson of Nomination & Corporate Governance Committee)
Independent Non-Executive Director*

Ms Alexandra Elisabeth Johanna Maria Schaapveld (Chairperson of Remuneration Committee)*
Senior Independent Non-Executive Director*

Mr Uthaya Kumar K Vivekananda (Chairperson of Audit Committee and Risk Management Committee)
Independent Non-Executive Director*

Mr Donald Allan Chudanov
Independent Non-Executive Director*

Mr Chan Chee Beng
Non-Independent Non-Executive Director*

Ms Maureen Toh Siew Guat
Non-Independent Non-Executive Director*

*Mr Gary Neal Christenson
Executive Director/Chief Executive Officer (“CEO”)*

Shareholders Present*

558 representing 61,726,022 ordinary shares (“Bumi Armada Shares”)

Proxies Present*

135 representing 3,202,860,466 Bumi Armada Shares including the Chairman who has been nominated as a proxy in respect of 532,065,305 Bumi Armada Shares.

**Attendance via video conference.*

1.0 Introduction

1.1 Chairman

Tunku Ali Redhaudhin ibni Tuanku Muhriz, the Chairman of the Board, presided over the Twenty-Fifth Annual General Meeting of the Company (“Meeting” or “25th AGM” or “AGM”).

The Chairman welcomed all attendees to the Meeting which was being held via video-conference due to the Company’s health and safety measures against the COVID-19 pandemic. The Chairman explained that conducting the AGM via video-conference is permitted and in compliance with Section 327 of the Companies Act, 2016, the Company’s Constitution, the Government of Malaysia’s COVID-19 Guidelines for Physical Distancing at the Workplace, Home and Individuals, and the Securities Commission (“SC”) Guidance and FAQs on the Conduct of General Meetings for Listed Issuers.

The Chairman proceeded to inform the shareholders that the total number of valid proxy forms received within the stipulated time was 135 appointing 90 proxies and representing a total of 3,202,860,466 Bumi Armada Shares out of which 68 holders of 532,065,305 Bumi Armada Shares had appointed the Chairman of the Meeting to be their proxy.

The Chairman declared that the requisite quorum for the Meeting was present. He then introduced the Board Members, the Senior Management of Bumi Armada and the representatives of the Company’s external legal counsel and external auditors.

The Chairman also welcomed the newly appointed Independent Non-Executive Director of the Company, Mr Donald Chudanov, whose appointment was effective from 1 January 2021.

1.2 Safety Moment

The Chairman informed the Meeting that as part of the Company’s continuing efforts to promote a strong safety culture, a safety moment would be conducted before the start of each Board and Board Committee meetings.

He then invited Mr Gary Leong, Head, Health, Safety, Security, Environment and Quality (“HSSEQ”) to present a short video presentation on how the Company maintains safety at its operations sites.

1.3 Remarks from the Chairman on the Company’s Performance in 2020

The Chairman highlighted the key events of 2020 and their impact on the Company’s business. Despite the significant effects of COVID-19 globally, the Company has recorded a full year profit attributable to owners of the Company of RM125.6 million. However, although the Company’s business was resilient, it was also affected by the pandemic like the rest of the world. Since January 2020, the Group had adopted various preventive measures in relation to COVID-19 that encompassed Health, Safety, Operations and Supply Chain Management. Some of the direct impacts of the pandemic to the staff include working from home and alternate work teams attending the offices, and stringent onboarding quarantine processes for the crew.

The uncertainty in the early days of the pandemic led to oil prices crashing to below USD20 per barrel, which have since recovered to above USD60 per barrel though there remained a high degree of volatility. The current higher oil price was encouraging for capital investment, which provided opportunities in terms of new, and follow-on, projects.

1.4 Presentation by the CEO and CFO

At the request of the Chairman, Mr Christenson presented an overview of the operational and financial highlights of the Company for the financial year ended 31 December 2020 ("FY 2020"), summarised below:

(i) HSSEQ Safety First

- Overall HSSEQ performance was in line with targets with zero Loss Time Injury ("LTI") lost time incidents with priority on safe operations at all locations.
- The Company had been recognised as "EXCELLENT" following assessment through AON's COVID-19 Energy Risk Framework undertaken in June 2020.
- The Company had set a target to reduce carbon emission by managing flaring, fuel and power. Moving forward, the Company would focus on green engineering applications for our clients.
- The Offshore Marine Services ("OMS") sector received safety awards from Petronas, ExxonMobil and Shell for the operation of vessels in Malaysia. However, the Company would continue to monetise the fleet.
- All FPO vessels especially Armada Kraken had performed well despite the COVID-19 pandemic with zero LTI.

(ii) Operations Updates

- Armada Sterling V FPSO (98/2 Project) has achieved 64% construction progress. Anchor and chains had already been installed at the offshore location. E-House module would be installed next month.

(iii) FY 2020 Strategy

- Safety and COVID-19 prevention had been the main strategy focus in 2020.
- Operational excellence had been maintained. For example, the performance of Armada Kraken had improved since 2019 from 79.2% to 93%.
- Selling & Distribution ("S&D") costs and administrative expenses had been reduced significantly since 2018, by 39% and 22% in 2019 and 2020 respectively. As costs have been significantly reduced, the trend on cost reduction is not expected to continue, going forward.
- Total borrowings had reduced from RM9,490.7 million in 2019 to RM8,306.4 million in 2020.
- The Company continued to monetise non-core assets where 27 Offshore Support Vessels ("OSV") fleets had been sold since 2019, with 5 OSVs sold in 2020 and 11 in Q1 FY 2021.
- The search for new contracts for subsea construction vessels in Caspian was ongoing. In terms of growth, the Company continued to look for opportunities within its core areas.

The CEO invited Mr Luke Targett, the CFO to brief the shareholders on the financial performance for FY 2020. Mr Targett thanked the CEO and updated the meeting on the following highlights:

(iv) FY 2020 key financial targets

- Improved balance sheet and increased cash flow:

- (a) Repaid USD263 million of debt;
 - (b) S&D cost and administrative expenses reduced by 22%; and
 - (c) Improved cash flows from operations.
 - Monetised assets that were unlikely to contribute positively in the short-to medium-term:
 - (a) Disposed of 5 OSVs; and
 - (b) 11 OSVs classified as held-for-sale on 31 December 2020.
 - Built on the improved operational performance of FPSO division – Armada Kraken’s performance improved by 17%.
- (v) FY 2020 financial results
- Total borrowings had been reduced. An extension had been approved for final debt repayment of tranche 1 of corporate borrowings from May 2021 to November 2022.
 - Cashflows had increased mainly from operating activities.
 - Revenue had increased by 13% for the year underpinned by improved performance of FPSO i.e. Armada Kraken and OSV vessels.
 - Other income had reduced mainly due to management and engineering services charged to joint-ventures (“JV”) and associates.
 - S&D costs and administrative expenses had reduced year on year.
 - Operating profit before impairment of vessels had increased due to improved operating performance from Armada Kraken and better utilisation of the Company’s OSV vessels as well as lower operating costs and expenses.
 - Lower share of results of JV and associates due to vessel life extension costs incurred for the Armada Sterling relating to its new 15-year charter contract and also one-off tax writebacks which had occurred in 2019.
 - Net profit for FY 2020 recorded at RM125.6 million.
- (vi) Q1 FY 2021 financial results (which were released to Bursa Malaysia Securities Berhad on 25 May 2021 at 12.30 pm)
- Revenue in Q1 FY 2021 decreased by 9% to RM563 million compared to Q4 FY 2020.
 - Gross profit increased by 10% to RM250 million.
 - FPO and OMS revenue decreased by 7% to RM495 million and 20% to RM68 million respectively.
 - There was no impairment in Q1 FY 2021 and gain on sale of vessels was RM7 million.
 - Operating profit before impairment increased by 30% to RM278 million.
 - Group net profit attributable to owners of the Company decreased by 5% to RM163 million.
 - Group net profit after impairment increased by 13% to RM163 million.

After the CFO concluded his presentation, the CEO updated the meeting on the FY 2021 strategy:

- (i) To put safety first and to continue with COVID-19 prevention;
- (ii) To continue to maintain operational excellence;
- (iii) To continue to control costs, reduce debts and monetise assets;
- (iv) To continue maintaining relationships with key partners and clients as travel

- restrictions were still in place; and
- (v) To continue to focus on growth in core areas, for example countries, capabilities, partners and technology.

The Chairman thanked the CEO and CFO for their presentations.

2.0 Notice of 25th AGM

The Notice of the Meeting was taken as read.

The Chairman informed the shareholders that the Resolutions tabled would be determined by poll. The poll voting would be done electronically after all the proposed Resolutions had been tabled to the shareholders for consideration and questions by shareholders on the proposed Resolutions had been addressed.

3.0 Consideration of the Audited Financial Statements for FY 2020 and the Reports of the Directors and Auditors thereon

The Audited Financial Statements for FY 2020 and the Reports of the Directors and Auditors thereon were taken as read.

4.0 Question and Answers (“Q&A”) Session

Next, questions received by the Company from the Minority Shareholder Watchdog Group (“MSWG”), and the Company’s responses thereto (enclosed as Appendix 1) were displayed on the screen and also read out for the benefit of those present online.

The key questions posed by the shareholders and proxies present online and the responses to these are set out below:-

(i) Outlook on charter rate and utilisation of OSV vessels

Higher oil price gave rise to more activities and opportunities in the OSV sector. The Company had been able to maintain the rates in existing OSV contracts and resisted the pressure on discount by the clients by focusing on the value that its OSV services provided to the clients.

(ii) Strategy

The Company would leverage on its expertise in FSU/FSRU to explore opportunities in the natural gas space as the transition fuel to a greener economy. The Group currently has one FSU project in operation in Malta.

The Company continued to monitor opportunities available in the FPSO and FSU/FSRU market, including opportunities around the existing locations where the FPSOs were currently deployed. The Group would evaluate all opportunities based on economic merits to ensure that the projects are value accretive to shareholders.

(iii) Business Updates

- Divestment of assets

The objective of the asset divestment programme was to divest all OMS assets. The Company was committed to divesting assets within this business segment despite the recovery in crude oil prices and increase offshore activities.

- Updates on impairment

In respect to the litigation with Woodside Energy, the Company had provided impairments on the asset as well as accrued lease rental relating to Woodside Energy, where necessary. The carrying value of the receivables in the Group's accounts on this claim was approximately USD20 million.

With regards to the impairment related to OMS vessels of RM314 million, the assessment was carried out as a result of low vessel utilisation and delay in securing new projects arising from COVID-19 and the decline in global oil prices. The impairment might be written back if there was a sustained improvement in market conditions resulting in an increase in charters and charter rates.

As market conditions were still uncertain mainly due to the ongoing pandemic, future impairments were not entirely ruled out but the Company would continuously review any impairment indicators and would take appropriate and timely actions to minimise the financial impact arising from any event that gave rise to any impairment indicators.

The writeback on allowance for impairment losses of RM5.69 million related to amounts recovered from customers which the Group had previously provided for as doubtful debts.

- Dividend Policy

The Company continued to review the plans and its growth opportunities against distributing profits to its shareholders in the form of dividends. The Company was focused on deleveraging the balance sheet now. In view of the financial performance of the Company and the current global economic environment, no dividend was recommended to the shareholders for approval at this AGM.

- Updates on JVs (FPSO)

The Company registered a share of JV and associate profit of RM7 million. The losses incurred at Armada D1 was due to vessel life extension costs for its 15-year charter contract.

- Sukuk

The RM1.5 billion Sukuk will mature on 4 September 2024. The Company would continue to assess corporate debt financing and/or refinancing opportunities that may arise from time to time. Given the long-term nature of the contracts, the Company was keen to lengthen the maturity of its debt profile.

- Non-Executive Directors' ("NED") Remuneration

With regards to the difference in the amount of Directors' remuneration paid to NEDs, the NED's fees should commensurate with the level of responsibilities of roles played and duties required to be undertaken by them. It was also dependent on the committees that the NEDs were involved in and the number of meetings they attended.

The Chairman informed that where there were multiple questions on the same subject, the response was addressed once in an effort to manage the time and efficiency of the AGM as well as provide the opportunity to deal with other questions from shareholders and proxies. One of the multiple questions received was whether vouchers would be provided as door gifts to those attending the online AGM. In line with the practice of the majority of other public listed companies, and as highlighted in the Administrative Guide, no vouchers or gifts would be provided to shareholders or proxies who attended the online AGM. The Company encouraged shareholders to continue to ask questions relating to the Company's performance and constructively challenge the Board and Management at future AGMs.

The Chairman informed that shareholders could also direct any further questions they might have about the Company via the designated email addresses provided on the Company's website.

5.0 Consideration of Proposed Ordinary Resolutions No. 1 to 10

On the proposal of a shareholder, Mr Suriya Raj Mohan, all 10 proposed Ordinary Resolutions were tabled to the shareholders for deliberation.

6.0 Polling

There being no other questions from the floor or any other business to be dealt with at the Meeting, the Chairman introduced a short video presentation from the Share Registrar, Boardroom Share Registrars Sdn Bhd, to brief the shareholders and proxies on the electronic-polling procedures.

Next, the Chairman invited the shareholders and proxies to proceed to cast their votes online.

(The Meeting took a break at 4.30 p.m. for the polling process. The Meeting resumed at 5.00 p.m.)

7.0 Declaration of Results

The Chairman invited Ms Gladys Tia Hwei Peng, the representative from the scrutineers, SKY Corporate Services Sdn Bhd to announce the results of the poll, which had been verified by the scrutineers.

All 10 proposed Ordinary Resolutions were passed and the detailed results were as follows:

No.	Resolutions Ordinary Resolutions	For			Against		
		No. of Shares	%	No. of Records	No. of Shares	%	No. of Records
1	To approve the payment of fees and benefits to the Non-Executive Directors up to an amount of RM3.0 million from 25 May 2021 until the conclusion of the next Annual General Meeting ("AGM") of the Company to be held in 2022.	3,372,744,422	98.6980	307	44,494,011	1.3020	188
2	To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Directors to fix their remuneration for that year.	3,724,221,075	98.5381	424	55,253,227	1.4619	107

No.	Resolutions	For			Against		
		No. of Shares	%	No. of Records	No. of Shares	%	No. of Records
3	To re-elect Tunku Ali Redhaudin ibni Tuanku Muhriz who retires by rotation in accordance with Rule 131.1 of the Company's Constitution, and who being eligible, offers himself for re-election as a Director of the Company.	3,730,165,781	98.6926	412	49,413,559	1.3074	144
4	That subject to the passing of Ordinary Resolution 3, Tunku Ali Redhaudin ibni Tuanku Muhriz, who would, on 16 January 2022, have served as an Independent Non-Executive Director ("INED") of the Company for a cumulative term of 9 years, be retained to continue to serve as an INED of the Company until the conclusion of the next AGM of the Company.	2,999,379,342	79.3524	440	780,443,554	20.6476	147
5	To re-elect Mr Gary Neal Christenson who retires by rotation in accordance with Rule 131.1 of the Company's Constitution, and who being eligible, offers himself for re-election as a Director of the Company.	3,762,314,973	98.8219	462	6,712,566	0.1781	133
6	To re-elect Mr Donald Allan Chudanov who retires in accordance with Rule 116 of the Company's Constitution, and who being eligible, offers himself for re-election as a Director of the Company.	3,779,479,639	99.9887	461	427,963	0.0113	136
7	To retain Ms Alexandra Elisabeth Johanna Maria Schaapveld, who would, on 7 June 2021 have served as an INED of the Company for a cumulative term of 10 years, to continue to serve as an INED of the Company until the conclusion of the next AGM of the Company.	2,998,651,827	79.3498	453	780,376,362	20.6502	146
8	Authority to issue new ordinary shares pursuant to Section 75 and Section 76 of the Companies Act 2016 ("CA 2016"), the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the letter on Additional Temporary Relief Measures to Listed Issuers issued by Bursa Securities on 16 April 2020 ("Bursa Letter").	2,935,215,004	77.6521	440	844,739,885	22.3479	162
9	Proposed offer, grant and/or allotment in respect of ordinary shares in the Company ("Bumi Armada Shares") to Mr Gary Neal Christenson, Executive Director/Chief Executive Officer pursuant to the Company's Management Incentive Plan ("MIP") - Annual Incentive.	2,833,749,487	75.1848	378	935,293,787	24.8152	217
10	Proposed offer, grant and/or allotment in respect of Bumi Armada Shares to Mr Gary Neal Christenson, Executive Director/Chief Executive Officer pursuant to the Company's MIP - Completion Incentive.	2,833,964,327	75.1864	373	935,287,833	24.8136	219

8.0 Closure

The Meeting ended at 5.40 p.m. with a vote of thanks to the shareholders.



25 May 2021

Badan Pengawas Pemegang Saham Minoriti Berhad
(Minority Shareholder Watchdog Group)
Tingkat 11, Bangunan KWSP
No. 3 Changkat Raja Chulan
Off Jalan Raja Chulan
50200 Kuala Lumpur

Attention: Mr Devanesan Evanson, Chief Executive Officer

Dear Sir,

**BUMI ARMADA BERHAD (“BAB” or the “GROUP”)
- Twenty-Fifth Annual General Meeting (“25th AGM”)**

Thank you for your letter dated 17 May 2021.

Please find our response to the questions raised by you, which will also be highlighted to those who attend our 25th AGM scheduled to be held on 25 May 2021:

Operational and Financial Matters		
No.	Question	Bumi Armada's response
1.	The Group managed to sell 5 Offshore Service Vessels (“OSV”) and secured the sale of another 11 OSVs as at FY2020. (page 69 of AR)	
	(a) What is the financial impact of the sales of 11 OSVs to the Group's financial result?	(a) The 11 OSVs were recorded as non-current assets held for sale in Q4 2020 and impairment has been recognised for certain vessels disposed below carrying value.
	(b) When is the sale expected to be completed?	(b) The sale of the 11 OSVs has been concluded in Q1 2021.
	(c) Will there be any more disposal of OSVs in FY2021? If yes, what is the expected number?	(c) The Group will continue to pursue monetisation of surplus assets in 2021. However, given current market environment, it is difficult to forecast the number that can be sold.
	(d) What is the utilisation rate of OSV as at March 2021 as compared to December 2020?	(d) Vessel utilisation was 44% in Q1 2021 as compared to 49% in Q4 2020.

Operational and Financial Matters		
No.	Question	Bumi Armada's response
	(e) Is the Group exiting the Offshore Marine Services segment? If yes, where is the new business growth area?	<p>(e) Monetisation of OMS assets will continue to be one of the key focus areas in 2021.</p> <p>The Group is evaluating opportunities in the FPO/FPSO and FSU/FSRU sectors with a focus on natural gas. Please refer to our announcement made on 19 May 2021 regarding the Mumbai Port FSRU opportunity.</p> <p>As with all our projects, the Group will evaluate these opportunities based on economic merits to ensure that the projects are value accretive to shareholders.</p>
2.	<p>In FY2020, the OMS business segment recorded an impairment loss of RM357 million. An amount of RM314.4 million is in respect of OMS vessels not ready for disposal and the balance of RM42.9 million is from the disposal of OMS vessels. (page 143 of AR)</p> <p>(a) Please provide a break-down of the net book value of the OSV vessels and SC vessels respectively as at FY2020 and FY2019?</p> <p>(b) What is the utilisation rate of the SC vessels as at 31 March 2021 as compared to FY2020?</p> <p>(c) What is the business outlook of SC vessels in FY2021 in terms of utilisation and charter rates?</p> <p>(d) What is the Group's plan for the 3 SC vessels?</p>	<p>(a) The Group is unable to provide the net book value of specific vessels as the information is commercially sensitive.</p> <p>(b) Two (2) SC vessels in the Caspian Sea that are wholly-owned by the Group are idle, hence, the utilisation rate was zero. Another SC vessel which is owned by the Group's joint venture company is currently engaged in a project located in Indonesia.</p> <p>(c) and (d)</p> <p>We are currently in discussions with potential clients for potential projects in 2022 in the Caspian region. Another SC vessel which is owned by the Group's joint venture company is currently engaged in a project located in Indonesia.</p>

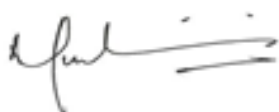
Operational and Financial Matters		
No.	Question	Bumi Armada's response
3.	<p>The OMS business segment recorded a segmental loss of RM487.7 million in FY2020. (page 139 of AR)</p> <p>What is the break-down of the segmental loss in respect of SC and OSV business segments?</p>	<p>We have grouped our business segments into FPO and OMS. We do not disclose financial information on the basis of individual vessels or sub-segments.</p>
4.	<p>The OMS business segment recorded RM348.6 million vessel charter fees and support services rendered in FY2020. (page 141 of AR)</p> <p>What is the break-down of the vessel charter fees and support services rendered by SC and OSV respectively?</p>	<p>We have grouped our business segments into FPO and OMS. We do not disclose financial information on the basis of individual vessels or sub-segments.</p>
5.	<p>The world is moving towards solar, wind and hydrogen as new energy sources instead of fossil fuel due to environmental concern. Please explain how the Group would position itself in future as the Group's business is predominantly in the oil & gas business.</p>	<p>We will leverage on our expertise in FSU/FSRU to explore opportunities in the natural gas space as the transition fuel to a greener economy.</p> <p>The Group currently has one FSU project in operation in Malta. Please refer to our announcement made on 19 May 2021 regarding the Mumbai Port FSRU opportunity.</p> <p>As with all our projects, the Group will evaluate these opportunities based on economic merits to ensure that the projects are value accretive to shareholders. In addition, the Group remains committed in our sustainability initiatives, which have been outlined in the Sustainability Statement (pages 17 to 28) of our Annual Report 2020.</p>
6.	<p>Please explain in greater detail how the Company intends to use "green engineering" in its current and new projects? (page 14 of AR)</p>	<p>The concept of "green engineering" is where we continuously improve flare, fuel and power efficiencies using new processes and technologies to lower the carbon emissions on current vessels.</p> <p>We have also been developing greener FPSO designs, such as zero flaring or closed flaring applications as well as digitisation and data analytics for operational efficiencies.</p> <p>We constantly look for new business opportunities in the green energy space,</p>

Operational and Financial Matters		
No.	Question	Bumi Armada's response
		including developing technologies such as LNG liquefaction, processing excess gas to produce liquid fuels, as well as carbon capture.

We trust the above clarifies. Kindly acknowledge receipt of this letter by signing and returning to us the duplicate copy of the same.

Thank you.

Yours faithfully
for **BUMI ARMADA BERHAD**



NOREEN MELINI BINTI MUZAMLI
Joint Company Secretary