

**BUMI ARMADA BERHAD**

Registration No: 199501041194 (370398-X)

**Minutes of the Twenty-Eighth Annual General Meeting (“28<sup>th</sup> AGM” or “AGM”) of Bumi Armada Berhad (“BAB” or “Company”)**

**held at 3.30 p.m. on Thursday, 30 May 2024 at Angola Room, Level 7, Menara Perak,  
24 Jalan Perak, 50450 Kuala Lumpur, Malaysia (Broadcast Venue)**

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**Directors present at Broadcast Venue**

1. YM Raja Tan Sri Dato’ Seri Arshad bin Raja Tun Uda (Chairman of Board of Directors, Chairman of Nomination & Corporate Governance Committee)  
Independent Non-Executive Director
2. Mr Uthaya Kumar K Vivekananda (Chairman of Audit Committee and Risk Management Committee)  
Senior Independent Non-Executive Director
3. YM Tunku Alizakri Raja Muhammad Alias (Chairman of Remuneration Committee)  
Independent Non-Executive Director
4. Ms Maureen Toh Siew Guat  
Non-Independent Non-Executive Director
5. Mr Rohan a/I Rajan Rajasooria  
Non-Independent Non-Executive Director
6. Mr Gary Neal Christenson  
Executive Director/Chief Executive Officer (“CEO”)

(collectively, “Board of Directors” or “Board”)

**Company Secretary present at Broadcast Venue**

Ms Shamsul Shahrina Mohd Hussein

**In Attendance at Broadcast Venue**

1. Mr Luke Christopher Targett, Chief Financial Officer (“CFO”)
2. BAB Management Team: Mr Roger M. Harwood, General Counsel, Ms Sasha Vijayanathan, Senior Vice President, Business & Corporate Partnering, Mr Gary Leong Wei Kit, Vice President, Health, Safety and Environment (“VP, HSE”) and Ms Sarimah Talib, Vice President, Sustainability & External Relations (“VP, SER”).
3. Poll Administrator: Boardroom Share Registrars Sdn Bhd
4. Independent Scrutineer: Sky Corporate Services Sdn Bhd

**In Attendance using Remote Platform**

1. Representatives from external auditors, PricewaterhouseCoopers PLT (“PwC”): Ms Gan Wee Fong and Mr Nataraj Veeramani.
2. Shareholders Present: As per the attendance record [Total: 591 representing 430,432,069 ordinary shares (“BAB Shares”)].
3. Proxies Present: As per the attendance record [Total: 289 representing 4,230,723,289 BAB Shares including the Chairman who has been nominated as proxy in respect of 1,811,967,359 BAB Shares].

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<b>1.0</b>	<b>Introductory Remarks</b>
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| 1.1 | The Chairman of the Board of Directors presided over the 28 <sup>th</sup> AGM. The Chairman welcomed and thanked all shareholders for participating in the live streaming of the 28 <sup>th</sup> AGM of BAB remotely from various locations.   |
| 1.2 | The Chairman explained that in accordance with the Guidance on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia, the Board decided that the 28 <sup>th</sup> AGM be held virtually without physical attendance by shareholders and proxies. The Chairman reminded that no audio or video recordings were allowed for the live streamed AGM as participation at the AGM was restricted to shareholders, valid proxies and authorised representatives of corporate shareholders. |
| 1.3 | The Chairman emphasised that whilst all efforts had been taken to ensure a smooth live streaming, the quality of the broadcast quality might be affected by participants’ own internet bandwidth and connection stability.  |
| 1.4 | The Chairman proceeded to introduce the Board members and Senior Management who were present at the broadcast venue. The Chairman then introduced the representatives from PwC, Ms Gan Wee Fong and Mr Nataraj Veeramani, who were participating in the AGM via video conferencing.   |
| 1.5 | The Chairman stated that he had been advised by the Company Secretary that the quorum for the AGM, in accordance with Rule 91 of the Company’s Constitution, was 3 members present in person or by proxy or in the case of corporations, members present by the representatives appointed pursuant to the provisions of the Constitution and entitled to vote, when the AGM proceeded to business.  |

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- 1.6 The Chairman informed that a total of valid 247 proxy forms were received within the stipulated time, appointing 289 proxies and representing a total of 4,230,723,289 BAB Shares. Among these, 172 holders representing 1,811,967,359 BAB Shares, had appointed the Chairman of the Meeting as their proxy. The Chairman then declared that the requisite quorum for the AGM was present.

**2.0 Safety Moment**

- 2.1 The Chairman informed the AGM that as part of the Company's continuing efforts to promote a strong safety culture, a safety moment was conducted before the start of every Board and Board Committee meeting.
- 2.2 He then invited Mr Gary Leong Wei Kit, VP, HSE to present a brief video showcasing how the Company upholds safety at its operational sites.

**3.0 Remarks from the Chairman on the Company's Performance for financial year ending 31 December 2023 ("FY 2023")**

- 3.1 The Chairman stated that as outlined in the Annual Report 2023, although 2023 had been commendable in terms of safety, there was an operational setback with the Armada Kraken FPSO which affected the Company's financial results together with a non-cash impairment of certain vessels. BAB full year profit attributable to owners of the Company was RM332.1 million. Despite robust oil prices, the average Brent crude oil price at USD83 per barrel was nearly USD19 per barrel lower than the previous year and challenges remained in the FPSO industry. These challenges included escalating construction costs, supply chain disruptions, increasing debt expenses and a diminishing pool of available financing sources. This led to many industry players adopting a cautious approach to bidding for new projects.
- 3.2 In the Annual Report 2023, BAB detailed several proposed initiatives aimed at enhancing the Group's safety culture and integrated management system. Through BAB's ongoing vigilance there were zero Lost Time Injury and zero spills to the environment throughout the year. The Company remains committed to put safety as its utmost priority to safeguard its people while protecting its assets and the environment.

**4.0 Presentation by the CEO and CFO**

- 4.1 Mr Christenson presented an overview of the operational highlights of the Company for FY 2023, summarised below:-

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(i) HSSEQ Safety First

- Safety is Bumi Armada’s priority as it wants everyone to go home safe every day. BAB achieved zero Lost Time Injury (LTI) for all its assets in FY 2023.
- BAB employs approximately 800 staff from Angola to the North Sea and to the Java Sea. Management made concerted efforts to ensure that diverse cultures and people remain engaged and integrated into the Bumi culture.
- BAB takes pride in its commitment to diversity and inclusivity.

(ii) Sustainability

- BAB has established its Sustainability Policy and strengthened its Environmental, Social and Governance (“ESG”) reporting in alignment with GHG protocols. The Company has also advanced its dedication to the UN Sustainable Development Goals and Net Zero by 2050 initiative.
- BAB is actively developing carbon capture and storage projects worldwide to meet its 2050 goals. An illustrative initiative is the deployment of Artificial Intelligence onboard Armada Kraken to identify and leverage carbon reduction opportunities.
- In terms of achievements and recognition, BAB received the highest 4-star rating in the FTSE4GOOD Index for ESG practices, The Edge Malaysia ESG Award 2023 (Silver) and The Edge Malaysia Billion Dollar Club Award 2023.

(iii) Operations

- All vessels performed well except for the transformer failures on the Armada Kraken. In terms of fleet efficiency for 2023, the Armada Kraken reported a fleet uptime efficiency of 97.52%. However, improved 99.06% fleet uptime efficiency was achieved for Q1 2024.
- Kraken transformers
  - a) The failure of primary coils for 3 HSP transformers was due to degradation of the insulation on the coils;
  - b) The transformers were bespoke and very large, making removal and replacement complex;
  - c) Two transformers were rebuilt onshore by cannibalising parts from the third; and
  - d) Three new transformers were built and delivered on a fast-track schedule.
- Armada Sterling V
  - a) Arrived on location in December 2022;
  - b) Subsea wells could not be flowed until November 2023;
  - c) Achieved first oil in January 2024; and
  - d) Target for final acceptance is June 2024.
- Mumbai Port FSRU
  - a) LNG prices increased significantly when Russia ceased gas exports to Europe via pipeline;
  - b) The increase in LNG prices led to a collapse in LNG demand in India;

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- c) The Mumbai Port FSRU project has been shelved because of low LNG demand; and
  - d) The project may be restarted if gas prices decrease and demand increases.
- Subsea Construction
  - a) The Grayfer project was completed in first half of 2023; and
  - b) Multiple projects will be tendered between 2024 and 2026, including several very large projects in Kazakhstan.
- (iv) Projects
  - FPSO sector
    - a) Several FPSO tenders are expected over the next year. High cost and supply chain issues remain challenges. The sector itself is moving towards Engineering, Procurement and Construction rather than Build, Lease and Operate.
  - CO2 sector
    - a) BlueStreak CO2 JV in the North Sea;
    - b) Multiple engineering studies for CO2 projects have been completed; and
    - c) ABS approval obtained for CO2 storage and injection vessels.
  - LNG sector
    - a) Conducted multiple engineering studies for LNG projects, encompassing both liquefaction and regasification;
    - b) Obtained ABS approval of LNG liquefaction barges.
- (v) FPSO Contracts
  - BAB will exercise patience and prudence in securing new contracts;
  - BAB will participate in multiple FPSO lease tenders over the next year in collaboration with partners;
  - BAB will avoid entering into major contracts where the risk-reward is unfavourable. For example, the decision not to sign a contract for a second FPSO in Angola, was challenging but deemed the prudent; and
  - The sector is plagued with underperforming projects, largely because of low margins and high risk.
- (vi) Upstream Partnerships
  - Partnering on developments that require floating solutions;
  - Leveraging engineering and operational expertise in floating solutions;
  - Retain a minority interest in field developments; and
  - Major upside in oil and gas production.
- (vii) Outlook 2024
  - Reduced availability of debt and equity for the FPSO sector.
  - High inflation translates to higher risk for capital expenditure (and operations and maintenance costs).
  - Anticipating high oil and gas prices near and midterm.

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- Witnessing strong growth in the energy transition business.
- Experiencing increased demand in the floating solutions market for FPSOs, FSRUs and FLNGs.
- Observing an increase in demand for green technology.

(viii) Strategy 2024

- Safety to lead from the start to the end.
- Focus on operational excellence.
- Manage costs diligently and continue in debt reduction efforts.
- Growth in core areas – through both organic and inorganic.
- Maintain crucial relationships with clients and partners.
- Expansion into the energy transition sector, focussing on LNG, carbon capture and renewables.
- Implement an integrated ESG program.
- Partnerships in the Upstream sector.

The CEO invited the CFO to brief on the financial performance for FY 2023. Mr Targett presented the following highlights:

(iv) FY 2023 financial highlights

- Achieved net profit of RM332 million. This is lower than FY 2022 mainly due to lower contribution from Armada Kraken and non-cash impairment of Armada Kraken and subsea construction assets.
- Cashflow of RM1.3 billion was lower compared to FY 2022. The reduced cash flow was mainly due to:
  - (a) Lower operating profit; and
  - (b) Overall unfavourable working capital movements.
- BAB continued to deleverage its balance sheet, achieving its lowest net gearing level since FY 2015.
- The strategic financial priorities delivered for FY 2023 included the following:
  - (a) Reduced debt whereby the net debt reduced by 22% in FY 2023, repaid USD295 million total debt in FY 2023 and interest paid reduced by 12% in FY 2023;
  - (b) Armada Kraken and Armada Sterling II debt – Project finance debt for Armada Kraken and Armada Sterling II were fully repaid ahead of schedule in FY 2023;
  - (c) Finalised the asset monetisation, with BAB completing the divestment of non-core OSV fleet and Armada Claire; and

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- (d) Refinanced Corporate Loan Facility where BAB successfully refinanced the remaining balance of the USD660 million term loan facility with a lower USD105.5 million syndicated term loan facility. The refinancing process for the RM1.5 billion Sukuk is currently ongoing. Letters of commitment have been received from various banks, and the process is expected to conclude in Q3 2024.
  - BAB will continue to focus on reducing debt, optimising costs and increasing cashflows as its strategic financial priorities for FY 2024.
- (v) Financial results for the first quarter ending 31 March 2024 (“Q1 2024”) (which was released to Bursa Malaysia on 30 May 2024):
  - Revenue in Q1 2024 compared to Q4 2023 was higher, mainly due to the finalisation of daily operating fees escalation with a charterer.
  - Lower operating profit before impairment resulted in higher profit of RM241 million against a net loss of RM165 million.
  - Q1 2024 net operating cashflow was higher from Q4 2023.
  - Cash balance at RM902 million has increased from the 2023 year-end balance of RM705 million.
  - Net current liabilities position of RM1,151 million due to Sukuk Murabahah RM1,500 million (due in September 2024) and its corresponding financial liabilities. BAB has received binding letters of commitment from financiers for the Sukuk refinancing of USD450 million. Loan documentation has been commenced and expect to be completed within the next few months.
  - USD26 million debt reduction in Q1 2024.
  - Net assets per share of RM1.01.
- (vii) Order book as at 31 March 2024
  - The Armada Kraken FPSO contract will end on 31 March 2025 and management is hopeful that BAB will enter into an option period going forward.
  - The Armada TGT FPSO contract will end in November 2024. The charterers have a concession on that particular field for another 2 years after this. Currently BAB is in discussion with the charterers to secure an extension.
  - The Armada Sterling II contract will end in March 2025 and BAB is currently in discussions with ONGC, the charterer, regarding an extension.
  - The Armada Sterling V charter has not commenced as yet and will commence upon receiving Final Acceptance.

The Chairman thanked the CEO and CFO for their presentations.

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**5.0 Notice of 28<sup>th</sup> AGM**

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| 5.1 | The Chairman noted that the Notice of the AGM had been issued to the shareholders, posted on the Company's website and announced to Bursa Malaysia on 30 April 2024 in accordance with the required notice period. Since there was no objection, the Notice convening the AGM was taken as read.                    |
| 5.2 | 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. |

**6.0 Consideration of the Audited Financial Statements for FY2023 and the Reports of the Directors and Auditors therein**

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| 6.1 | The Chairman presented to the shareholders, the Audited Financial Statements for FY2023, together with the report of the Directors and Auditors therein.   |
| 6.2 | As explained in the Notice of the AGM, pursuant to the Companies Act, 2016, the Audited Financial Statements and the Reports of the Directors and Auditors therein were not required to be submitted to a resolution. However, BAB would be happy to deal with any questions on the Audited Financial Statements and the Reports of the Directors and Auditors after all the proposed Resolutions had been tabled to the shareholders for consideration. |

**7.0 Ordinary Resolution 1 – Payment of Fees and Benefits to the Non-Executive Directors of up to an amount of RM3.25 million from 30 May 2024 until the conclusion of the next AGM of the Company to be held in 2025**

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| 7.1 | The Chairman highlighted that details on the proposed Resolution was set out in Explanatory Note 2 of the Notice of the AGM, on page 243 of the Annual Report 2023. The Non-Executive Directors were required to abstain from voting on this proposed Resolution and would ensure that persons connected to them will also abstain due to their interest in this proposal. |
| 7.2 | The proposed Ordinary Resolution 1 for consideration is set out below:   |

“That the payment of fees and benefits to the Non-Executive Directors of up to an amount of RM3.25 million from 30 May 2024 until the conclusion of the next AGM of the Company to be held in 2025, be hereby approved.”



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**8.0 Ordinary Resolution 2 – Re-appointment Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2024 and to authorise the Directors to fix their remuneration for that year**

8.1 The Chairman highlighted that Messrs PwC, the retiring auditors had indicated their willingness to be re-appointed as the Company’s auditors for the ensuing financial year. The relevant details pertaining to the proposed re-appointment was set out in Explanatory Note 3 of the Notice of the AGM, on page 244 of the Annual Report 2023.

8.2 The proposed Ordinary Resolution 2 for consideration is set out below:

“That Messrs. PricewaterhouseCoopers PLT be and is hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2024 and the Directors be and are hereby authorised to fix their remuneration for that year.”

**9.0 Ordinary Resolution 3 – Re-election of Director Retiring by Rotation**

9.1 The Chairman highlighted that Tunku Alizakri bin Raja Muhammad Alias (“Tunku Alizakri”) retires by rotation in accordance with Rule 131.1 of the Company’s Constitution, and being eligible, had offered himself for re-election as a Director of the Company. The justification for his re-election as a director was set out in Explanatory Note 4 of the Notice of the AGM on page 244 of the Annual Report. Tunku Alizakri’s profile was on page 79 of the Annual Report 2023.

9.2 The proposed Ordinary Resolution 3 for consideration is set out below:

“That Tunku Alizakri bin Raja Muhammad Alias, a Director who retires by rotation in accordance with Rule 131.1 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

**10.0 Ordinary Resolution 4 – Re-election of Director Retiring by Rotation**

10.1 The Chairman highlighted that Mr Gary Neal Christenson (“Mr Christenson”) retires by rotation in accordance with Rule 131.1 of the Company’s Constitution, and being eligible, had offered himself for re-election as a Director of the Company. The justification for his re-election as a director was set out in Explanatory Note 4 of the Notice of the AGM on page 244 of the Annual Report 2023. Mr Christenson’s profile was on page 82 of the Annual Report 2023.

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10.2 The proposed Ordinary Resolution 3 for consideration is set out below:

“That Mr Gary Neal Christenson, a Director who retires by rotation in accordance with Rule 131.1 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

**11.0 Ordinary Resolution 5**

**Authority to Issue Ordinary Shares pursuant to Sections 75 and 76 of the Companies Act, 2016 (“CA 2016”) and the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia**

11.1 The Chairman stated that this resolution, if approved, would give the Directors authority to issue and allot new ordinary shares up to an amount not exceeding 10% of the total issued shares of the Company until the conclusion of the next AGM of the Company.

11.2 In accordance with Sections 75 and 76 of the CA 2016 and MMLR, the Directors need to seek approval from the shareholders at the general meeting in order to have the authority to issue and allot new shares.

11.3 The proposed Ordinary Resolution 5 is set out below:-

“THAT pursuant to Sections 75 and 76 of the CA 2016 and subject to the Constitution of the Company, the MMLR and the approvals of the relevant regulatory authorities, where such approvals are required, the Directors be and are hereby empowered to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions, to such persons and for such purposes as the Directors may, in their absolute discretion deem fit PROVIDED THAT the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares (excluding any treasury shares) of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company, AND THAT the Directors be authorized to do all such things as they deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities pursuant to this resolution.”

11.4 As informed by the Company Secretary, Mr Ahmad Hisyam Rosaimi Hassan and Ms Wong Yong Khee, both being members of the Company had proposed and seconded all the ordinary resolutions number 1 to number 5 as stated in the Notice of the 28<sup>th</sup> AGM dated 30 April 2024.

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**12.0 Question and Answer (“Q&A”) Session**

- 12.1 The Chairman informed that the Minority Shareholders Watch Group (“MSWG”) and one shareholder had sent some questions to BAB ahead of the AGM and the Company had responded to all the questions. MSWG’s questions and the Company’s responses were read out by Ms Sarimah Talib, VP, SER (“Ms Sarimah”), for the benefit of those present, and appended hereto as **Appendix 1**.
- 12.2 Ms Sarimah noted that BAB had also received 8 questions from Mr Himmat Singh a/l Satwant Singh, a shareholder of which all the questions had already been addressed by the CEO and CFO in their presentations.
- 12.3 The Chairman then invited questions from shareholders and proxies present online. The questions received were dealt with by the Chairman, Board members and Senior Management. These questions and the responses are appended hereto as **Appendix 2**.

**13.0 Polling Process**

- 13.1 Next, the Chairman invited the shareholders and proxies to proceed to cast their votes online. The 28<sup>th</sup> AGM was adjourned for 20 minutes from 5.05 p.m. to 5.25 p.m.

**14.0 Declaration of Results**

- 14.1 The 28th AGM re-convened at 5.25 p.m. and the Chairman called the meeting to order for declaration of results. He then informed that the poll voting results has been provided and verified by the independent scrutineer, Sky Corporate Services Sdn Bhd.
- 14.2 The Chairman declared that all 5 proposed Ordinary Resolutions were passed, and the detailed results were as follows:

**Polling Results**

RESOLUTION	Vote FOR			Vote AGAINST			TOTAL Vote	
	NO. OF			NO. OF			NO. OF	
	RECORDS	SHARES	%	RECORDS	SHARES	%	RECORDS	SHARES
ORDINARY RESOLUTION 1	607	4,274,322,658	99.5319	209	20,100,357	0.4681	816	4,294,423,015
ORDINARY RESOLUTION 2	682	4,270,001,924	99.4302	138	24,472,042	0.5698	820	4,294,473,966
ORDINARY RESOLUTION 3	637	4,176,503,791	97.2582	178	117,741,675	2.7418	815	4,294,245,466
ORDINARY RESOLUTION 4	633	4,096,112,279	96.2895	187	157,843,187	3.7105	820	4,253,955,466
ORDINARY RESOLUTION 5	653	3,443,542,261	80.1093	165	855,013,705	19.8907	818	4,298,555,966

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<b>15.0</b>	<b>Any Other Business</b>
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15.1	The Chairman stated that the Company Secretary confirmed that there was no notice received for any other business to be conducted at the 28th AGM and that the formal agenda of the meeting was therefore concluded.
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<b>16.0</b>	<b>Closure</b>
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16.1	On behalf of the Board, the Chairman thanked all shareholders, proxies and corporate representatives who had attended the AGM and declared the 28th AGM of BAB closed.
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16.2	The Meeting ended at 5.30 p.m.
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## BUMIARMADA

30 May 2024

Badan Pengawas Pemegang Saham Minoriti Berhad  
(Minority Shareholders Watch Group)  
Level 23, Unit 23-2, Menara AIA Sentral  
No. 30, Jalan Sultan Ismail  
50250 Kuala Lumpur

Attention: Mr Devanesan Evanson, Chief Executive Officer

Dear Sir,

**BUMI ARMADA BERHAD (“BAB” or the “GROUP”)  
- Twenty-Eight Annual General Meeting (“28<sup>th</sup> AGM”)**

Thank you for your letter dated 24 May 2024.

Please find our response to the questions raised by you, which will also be highlighted to those who attend our 28<sup>th</sup> AGM scheduled to be held on 30 May 2024:

No.	Question	BAB's Response
<b><i>Operational and Financial Matters</i></b>		
1.	<p>The FPSO industry, whilst busy, encountered various difficulties including the soaring cost of construction, supply side difficulties, rising debt costs and a shrinking pool of available finance sources. This led to many industry players adopting a cautious approach to bidding for new projects. (Page 15 of AR 2023)</p> <p>What is the outlook for the FPSO industry in FY 2024, especially as reported on page 19 of AR 2023? Risks in 2024 include high interest rates, low oil prices, global climate change policies, volatility in the supply chain and access to both equity and debt.</p>	<ul style="list-style-type: none"> <li>• Demand for FPSOs continues to be healthy, although we are seeing a recent trend in which clients are moving away from the traditional Lease and Operate model, to an EPC or BOOT model or charterers going directly to the yards.</li> <li>• Awards are likely to happen only in the latter part of 2024 or 2025 as new tenders take several months or even years to progress from start to contract award.</li> <li>• The FSRU market has shown an even stronger recovery than the FPSO market and we are currently seeing multiple potential opportunities coming out for bids.</li> <li>• We will continue to focus on our floating gas and carbon sequestration solutions, while maintaining our core competency on FPSOs and continue being selective on new development.</li> <li>• We are developing selected opportunities that fit our strategy and have a suitable risk/reward profile.</li> </ul>

No.	Question	BAB's Response
<b>Operational and Financial Matters</b>		
2.	<p>Whilst overall FPSO uptime across the fleet was almost 98% for the year, in June 2023 BUMI ARMADA experienced an unplanned shut-in of the Armada Kraken FPSO due to the failure of hydraulic submersible pump transformers. While, the issue was resolved in August 2023, it incurred a loss of revenue and repair costs as a result. (Page 15 of AR 2023)</p> <p>(a) How much of revenue loss and repair costs were incurred?</p> <p>(b) What lessons can be learned from the unfortunate incident, especially in regard to the maintenance of the FPSOs?</p> <p>(c) How is the Armada Kraken FPSO being deployed subsequently?</p>	<p>(a) The failure of the hydraulic submersible pump transformers caused a loss of revenue and repair costs of ~RM150 million.</p> <p>(b) As previously announced, actions have been taken to avoid recurrence.</p> <p>(c) Since the transformer issue Kraken has been performing at 100% of financial uptime, fully deployed on the Kraken Field.</p>
3.	<p>In 2023, BUMI ARMADA continued with its core business strategy, exited completely from the OSV sector, and expanded into the energy transition and upstream sectors. The Company's objective is to leverage its expertise in major offshore projects - engineering, construction and operations – across the FPSO, energy transition and upstream sectors. (Page 18 of AR 2023).</p> <p>(a) What is the total value of projects that the Group has tendered for in FY 2024? How much has been secured to date? What is the probable success rate?</p> <p>(b) What specifically are the areas of energy transition and upstream sectors, is the Group expanding into?</p>	<p>(a) The Group has participated in multiple tender opportunities, at various phases that fall within the Company's objective. While no major project was secured in 2024, the Group has been prequalified for several tenders including performing feasibility studies. Success rate is highly dependent on the technical and commercial viability of the projects.</p> <p>(b) With the recent Akia PSC signing in Indonesia, the Group continues to evaluate other upstream opportunities within the region.</p> <p>BA is focussed on solutions offering the opportunity to reduce the amount of greenhouse gases released into the atmosphere, including:</p> <ul style="list-style-type: none"> <li>• Floating LNG Unit for monetisation of stranded gas.</li> <li>• Floating Storage &amp; Regasification Unit to meet early demand for natural gas.</li> <li>• Carbon Capture to reduce the amount of greenhouse gases released into the atmosphere.</li> <li>• Floating CO2 Storage Injection Unit to create negative emissions.</li> <li>• Emission optimised FPSOs.</li> </ul>

No.	Question	BAB's Response											
<b>Operational and Financial Matters</b>													
4.	<p>The Caspian fleet finished the Grayfer contract in 2023. Contracts scheduled for 2023-2024 were delayed because of the Russia Ukraine conflict but major contracts in Kazakhstan, Russia and Turkmenistan are scheduled for 2025-2026. (Page 18 of AR 2023)</p> <p>What is the total value of the contracts delayed and rescheduled (if possible, provide a breakdown of values by different schedules)?</p>	We are aware of potential projects worth over US\$2 billion that we will bid for.											
5.	<table border="1"> <thead> <tr> <th rowspan="2"></th><th colspan="2">Group</th></tr> <tr> <th>2023 RM'000</th><th>2022 RM'000</th></tr> </thead> <tbody> <tr> <td>Administrative expenses</td><td>(138,792)</td><td>(84,826)</td></tr> <tr> <td>(Impairment)/Reversal of impairment - Property, plant and equipment</td><td>(514,351)</td><td>-</td></tr> </tbody> </table> <p>(Page 138 of AR 2023)</p> <p>(a) Despite lower Group revenue, why was there such a substantial increase in administrative expenses in FY 2023? Moving forward, would there be a significant optimisation of the expenses?</p> <p>(b) What were the reasons for a substantial impairment of RM514.3 million on property, plant and equipment in FY 2023? What is the probability of further impairment or reversal in FY 2024?</p>		Group		2023 RM'000	2022 RM'000	Administrative expenses	(138,792)	(84,826)	(Impairment)/Reversal of impairment - Property, plant and equipment	(514,351)	-	<p>(a) The increase in administrative expenses in FY2023 is caused by the forex loss of RM26.9 million during the year (2022: forex gain of RM46.0 million) (Page 160 of AR 2023). Excluding forex impact, administrative expenses have reduced by RM19.0 million (compared to 2022). We will continue to focus on cost control to contain costs.</p> <p>(b) The impairment of RM514.4 million was recognised in respect of the Armada Kraken FPSO and SC assets (Page 170 of AR 2023). The impairment of Kraken arose as the vessel cost is depreciated on a straight-line basis in accordance with the accounting policies promulgated by the International Accounting Standards Board and adopted by the Group, while the charter revenue reduces ~70% during the optional extension period. The impairment of SC assets was due to the delay of potential projects in the Caspian Sea due to the Russian-Ukrainian conflict and resultant sanctions imposed.</p> <p>Any non-cash accounting impairment for Kraken FPSO in FY2024 will depend on the applicable discount rate. The key driver for any future non-cash accounting impairment for the SC assets is the ability to secure new projects. We note that the level of potential project activity for SC has recently increased.</p> <p>At this juncture, we do not expect any reversal of impairment in FY2024.</p>
	Group												
	2023 RM'000	2022 RM'000											
Administrative expenses	(138,792)	(84,826)											
(Impairment)/Reversal of impairment - Property, plant and equipment	(514,351)	-											

No.	Question	BAB's Response
<b>Corporate Governance Matters</b>		
1.	<p>Practice 5.9 of MCCG stipulates that the board comprises at least 30% women directors.</p> <p>Company's response: Departure.</p> <p>Currently, the Board has one woman director Ms Maureen Toh Siew Guat (Non-Independent Non-Executive Director) serving on the Board, following the retirement of Ms Alexandra Elisabeth Johanna Maria Schvaapveld in May 2023. At present, the Company does not set any specific target for female Directors in the Board composition. Nevertheless, the Board will continue to encourage and support more women participation on the Board whenever a vacancy arises. (Page 34 of CGR 2023)</p> <p>MSWG comment: Having one woman director (approximately 17%) out of 6 Board members are a far departure from Practice 5.9. It is a good practice for the Company to set a timeframe to apply Practice 5.9.</p>	<p>We are constantly evaluating and refining our strategies to ensure that we reach our target of 30% Women Board representation.</p> <p>Regarding your request for a timeline, we are actively seeking to enhance our Board's diversity by identifying and appointing new board members, including qualified female candidates. We hope to achieve our target of 30% Women Board representation soon.</p>
2.	<p><b>Practice 6.1</b> of MCCG states that the board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.</p> <p>For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.</p> <p><b>Company's response:</b> Applied.</p> <p>The Board undertakes a formal and objective annual evaluation to determine the effectiveness of the Board, its Committees and each Director. BAB engaged the Institute of Corporate Directors Malaysia to facilitate the evaluation in FY 2021. For FY 2023, the annual exercise was coordinated internally. (Page 36 of CGR 2023)</p>	<p>The Board undertakes a formal and objective annual evaluation to determine the effectiveness of the Board, its Committees and each Director. BAB engaged the Institute of Corporate Directors Malaysia to facilitate the evaluation in FY 2021. As per Practice 6.1 which stipulates for large companies to engage independent expert every 3 years, the next independent facilitation is scheduled for 2026, for FY 2025.</p>



No.	Question	BAB's Response
<b>Corporate Governance Matters</b>		
	<p><b>MSWG comment:</b> Practice 6.1 stipulates that for Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.</p> <p>When will the Company engage an independent expert to facilitate objective and candid board evaluation as it engaged the Institute of Corporate Directors Malaysia to facilitate the evaluation in FY 2021 and for FY 2023, the annual exercise was only coordinated internally?</p>	
3.	<p><b>Practice 12.2</b> of MCCG states that Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.</p> <p><b>Company's response:</b> Departure. To be reviewed in year 2024. (Page 67 of CGR 2023)</p> <p><b>MSWG comment:</b> When will the Company be ready to adopt integrated Reporting and set a timeframe?</p>	<p>The Company is committed to enhancing its reporting practices and is actively assessing what is required to transition to Integrated Reporting.</p>
<b>Sustainability Matters</b>		
1.	<p>Consumer behaviour is changing due to the impact from climate change, leading to increased demand for cleaner energy compared to conventional sources. Bumi Armada is committed to aligning its business with industrial expectation (Page 35 of AR 2023)</p> <p>Please brief shareholders on any major achievements/plans undertaken by the Company to align its business with industrial expectations.</p>	<p>In 2023, the Company has implemented the Emission.AI solution onboard Armada Kraken. This solution has identified opportunities in reducing the diesel consumption of Armada Kraken, hence reducing emission loading by 17%.</p> <p>The Company incorporated a joint venture, Bluestreak, with Navigator Holdings Ltd which will provide an end-to-end solution for carbon emitters to capture, transport, sequester and store their CO2 emissions in line with the United Kingdom's decarbonisation strategy.</p> <p>In 2024, the Company will be installing a LP Gas Compressor onboard Armada Sterling to reduce gas flaring which is dependent on the production rate determined by our client.</p> <p>The Company will continue to implement the 3 prongs of our GHG management strategy including:</p> <ol style="list-style-type: none"> <li>1. Improving our current assets' operational efficiency.</li> </ol>

No.	Question	BAB's Response
<b>Sustainability Matters</b>		
		<p>2. Designing low carbon solutions for new projects, incorporating the latest technologies with a focus on gas and carbon capture, storage, and injection; and</p> <p>3. Nature based solutions for "hard to abate" carbon emissions.</p>
2.	<p>In 2023, upon alignment of its emission classification with the GHG Protocol, the Company reported 128.7 tonnes CO2-e per thousand tonnes production from its FPSO operations (Scope 3), resulting in its GHG intensity slightly above 2022 IOGP baseline (128 tonnes CO2-e per thousand tonnes production). Its Scope 1 emission for 2023, which included SC assets, OSV and company vehicles is reported to be 1.85 thousand tonnes CO2-e. (page 38 of AR 2023)</p> <p>(a) What actions have been taken to significantly reduce its emissions from its FPSO operations (Scope 3)?</p> <p>(b) What is the benchmark or IOGP baseline to determine whether the Company's Scope 1 emission for 2023 has been exceeded? Has the Scope 1 emission been exceeded and if so, what actions have been taken?</p>	<p>In 2023, the Company has implemented the Emission.AI solution onboard Armada Kraken, which is one of the highest contributors to GHG emission among our asset (25.6%). This solution has identified opportunities in reducing the diesel consumption of Armada Kraken, hence reducing emission loading by 17%.</p> <p>The Company is currently collaborating with its clients to explore further options to reduce emissions from existing assets by improving operation efficiency and potential enhancement using new green technologies. The effectiveness of these solutions will be assessed throughout its implementation in 2024.</p> <p>The IOGP baseline refers to oil and gas production, which is applicable to our FPSO operations (Scope 3 emission). For Scope 1 emission, which include our Subsea assets, as part of IMCA membership, the Company is currently assessing its strategy to align with IMCA Greenhouse Gas Strategy which is proposed to achieve 20% to 30% reduction in greenhouse gas emissions by 2030, 70% to 80% in 2040, and Net Zero by 2050.</p>

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**



**SHAMSUL SHAHRINA BINTI MOHD HUSSEIN**  
Joint Company Secretary / Head  
Corporate Secretarial Services

**Questions raised during 28<sup>th</sup> AGM**

No.	Questions	Responses
1.	<p><b>Ho Soon Kiat (7,000 BAB Shares)</b></p> <p>Mr Chairman, is there any door gift provided for attending shareholders today?</p>	<p>As per the practice in previous AGMs, there is no door gift at this AGM.</p>
2.	<p><b>Jaswant Singh a/I Gurd (20,500 BAB Shares)</b></p> <p>The big question is always, when will the company commence giving out dividends? We the shareholders have been impatiently waiting for many years now with no returns on our investments. In fact we are sitting on a loss as the share price has plummeted since the last rights issue.</p>	<p>As presented by both the CEO and CFO, BAB has been focusing on debt reduction and strengthening its balance sheet to better position itself for new opportunities. Consequently, it is not timely to award dividends. BAB is working on strengthening its financial standing. As the CEO has indicated, the share price has significantly improved over the past few years.</p>
3.	<p><b>Teo Khian Aik (25,000 BAB Shares)</b></p> <p>Any progress for the FCSIU project?</p>	<p>BAB is currently actively engaged in floating CCUS projects in the North Sea and South East Asia. Although rapid developments are not expected, the industry is determined to find a solution for capturing, injecting and storing CO<sub>2</sub> in depleted oil and gas fields. The CEO believes this is a business that can develop quickly and has strong potential for the future.</p>
4.	<p><b>Himmat Singh a/I Satwant Singh (539,500 BAB Shares)</b></p> <p>In the Q1 2024 analyst briefing slides, it's mentioned: "The Group is in discussion with the charterer for extension beyond Nov 2024".</p> <p>Is there an indication as to how long an extension will the charterer seek?</p>	<p>Regarding the Armada TGT FPSO in Vietnam, the current contract extension is set to expire in November 2024. One of the field owners (Pharos Energy) has indicated on their website that they plan to commence a 2 well drilling programme later this year. The current participants hold a production sharing contract that runs 2 years after November 2024 and are looking to extend it further. Discussions with the charterer regarding the extension are ongoing, and the duration will be determined in the coming months.</p>

5.	<b>Teo Khian Aik (25,000 BAB Shares)</b>  CEO claim moving forward, we continue to explore ways to enhance shareholder value including new projects and possible corporate activities. Can update any new project or corporate activities in the pipeline?	BAB does not disclose projects that are currently under discussion but the Company is continuously exploring various options to enhance value.
6.	<b>Himmat Singh a/l Satwant Singh (539,500 BAB Shares)</b>  In the Q1 2024 results, it's mentioned that the Armada Sterling V is "awaiting Final Acceptance Test so charter may commence." While the project achieved first oil in Jan 2024, has it achieved first gas? Is the final acceptance contingent on achieving first gas?	BAB anticipates final acceptance in June 2024, although the main export gas facilities which are not under BAB's purview, remain incomplete. Despite this, BAB has devised a method for testing and partially delivering export gas. BAB intends to move forward in June 2024, with delays primarily attributed to other ONGC contractors pending finalisation of the subsea facilities.
7.	<b>Chua Song Yun (115,000 &amp; 70,000 BAB Shares)</b>  Referring to Statement of Income on page 139 of the annual report. Please provide the breakdown of item "Others" under Impairment that amount to RM39.546 million.	The RM39.546 million represents a positive adjustment recorded in the profit and loss statement. This adjustment involves the reversal of an impairment related to an outstanding amount from one of BAB's joint ventures, as they have settled the outstanding debt. Additionally, it includes cash collected from a previously written off debtor. Most of the adjustment pertains to the JV that settled its outstanding amount.
8.	<b>Himmat Singh a/l Satwant Singh (539,500 BAB Shares)</b>  Since achieving first oil, can Management provide clarity if Armada Sterling V FPSO has been earning and recognizing a part of the bare boat charter revenue? It is noted that losses from Armada Sterling V FPSO are contributing to lower share of profits from JV and Associates in the Q1 2024 report.	Yes, the vessel has been recording and receiving revenue based on standby rates. This is a common practice in the industry, where full rates are not paid until Final Acceptance and the commencement of the charter. The revenue has been below 100% as it remains on standby pending Final Acceptance.

9.	<p><b>Himmat Singh a/l Satwant Singh (539,500 BAB Shares)</b></p> <p>In Q1 2024, Bumi Armada only repaid RM122mil in borrowings while the cash pile has swelled by RM197mil. Why were the borrowings not paid down more to reduce interest expense? Is it an intentional decision to grow the cash pile, and if so, why?</p>	<p>Yes, it is an intentional decision to grow the cash pile. As mentioned, BAB has significant debt that needs refinancing by September 2024. BAB has been consistently paying its debt in the past and will continue paying off its debt while simultaneously building a war chest to fund upcoming projects.</p>
10.	<p><b>Hiu Chee Keong (2,000 BAB Shares)</b></p> <p>Any plan to use more AI and automation to cut staff cost, included cut management staff levels?</p>	<p>BAB is exploring all possible avenues to enhance organizational efficiency, including leveraging technology. While there is currently no immediate impact of AI on staff levels, the CEO believes that AI can serve as an excellent secondary back up in all operations to mitigate risk.</p>
11.	<p><b>Himmat Singh a/l Satwant Singh (539,500 BAB Shares)</b></p> <p>From Q1 2024 results: "Operations segment increased mainly due to higher revenue from Armada Olombendo FPSO resulting from resolution of outstanding issues with the charterer which includes escalation of the operating fee pursuant to the charter agreement."</p>	<p>Yes, it does. The specific operating contract includes a year-on-year escalation that had been pending for some time. BAB reached an agreement with the charterer in Q1 2024. As a result, the O&amp;M fee has been increased, with an agreed escalation in place until the end of the firm period. While the increase will not be significant, it will continue to rise until the firm period concludes.</p>
12.	<p><b>Tan Seong Kok (2,000 BAB Shares)</b></p> <p>How the directors' remuneration being determined? Noted Mr Uthaya Kumar fee is the highest RM480k vs. Rohan RM270k which is &gt; 50%. It is even higher than Chairman. Who determines the directors fees and their responsibilities.</p>	<p>The Directors' fees, including those for the Committees and Board, are clearly stated in the Annual Report 2023. The Chairman was appointed as a Director in April 2023 and became the Chairman in May 2023. Therefore, the fees for the Chairman was for a period of 7 months and the remuneration stated in the Annual Report 2023 does not reflect a full year's remuneration. Mr Uthaya Kumar serves as the chairman of both the Audit Committee and the Risk Management Committee. The fees that he received are commensurate with his responsibilities on the Committees and Board.</p>

13.	<p><b>Ooi Chin Hock (18,513,000 BAB Shares)</b></p> <p>In the accounts, there was a substantial impairment on Armada Kraken FPSO due to revenue reduces significantly during the optional extension period. May I know</p> <ul style="list-style-type: none"> <li>- when the firm contract period for Armada Kraken FPSO expired;</li> <li>- how long is the optional extension period; and</li> <li>- when running into optional extension period, how will it impact the financial performance of the Company.</li> </ul>	<p>The firm period for Armada Kraken FPSO ends on 31 March 2025. In accordance with usual industry practice BAB has indicated that the option period daily charter rates are approximately 70% lower than the firm period day rates. So, that means that the revenue will reduce throughout the option period. The cash to Company from Armada Kraken will remain reasonably similar because during the firm period most of the cash flow is used to repay the debt associated with the vessel that was fully repaid in 2023.</p> <p>The contracted option structure is 17 1-year options, commencing on 1 April 2025.</p>
14.	<p><b>Teh Kian Lang (2,100 BAB Shares)</b></p> <p>Will 2024 be better than 2023 or be worse due to new challenges?</p>	<p>Challenges may differ depending on priorities and will include factors such as business growth, achieving success in each sector, securing new FPSO contracts, focusing on core areas, and advancing in other business sectors.</p>
15.	<p><b>Ganapathy a/I V Ratanam (391,500 BAB Shares)</b></p> <p>What is the present status on refinancing debts falling due in September 2024 and how is the net current liabilities of RM1.4b planned to be addressed.</p>	<p>As highlighted in the presentation, BAB has secured commitments from financiers for refinancing. Currently, BAB is in the documentation stage, with completion anticipated within the next few months. Once the Sukuk is refinanced, BAB will transition from a position of net current liabilities to net current assets.</p>
16.	<p><b>Evelyn Tan Chiu Xin (Proxy for Maybank Nominees Tempatan Sdn Bhd – 1,000 BAB Shares)</b></p> <p>How much the net profit margin for FPSO Sector, CO2 Sector &amp; LNG Sector?</p>	<p>If you refer to page 153 of the Annual Report 2023, there is a segment information regarding “Operations” and the profit was RM611 million for that particular sector.</p>

17.	<b>Kow Lih Shi (800 BAB Shares)</b>  Are the Malaysian government's removal of subsidies for diesel affect the company's sales or inventory?	There is no impact to the Company's charter revenue.
18.	<b>Himmat Singh a/I Satwant Singh (539,500 BAB Shares)</b>  What is the status on Armada Kraken FPSO. The firm charter period ends in Q1 2025. What is the likelihood of extension into the option period of the charter?	There are ongoing discussions with the charterer, and BAB expects that there will be an extension, but nothing is concluded yet.
19.	<b>Lim San Kim (200 BAB Shares)</b>  Which segment make PROFIT and which sector making LOSS.	BAB reported two segments: "Operations," which includes profit-making FPSOs and JVs that are active and operational, and "Others," which comprises overhead costs and expenses and includes the Armada Sterling V as it has not yet received Final Acceptance. Due to the nature of these overhead costs, the "Others" segment incurred a loss.
20.	<b>Ng Yu Siong (Proxy for Maybank Nominees Tempatan Sdn Bhd – 70,000 BAB Shares)</b>  With the current balance sheets, has the company accessed the possibility of cash call from shareholders?	We do not expect any cash call from the shareholders.
21.	<b>Ng Yu Siong (Proxy for Maybank Nominees Tempatan Sdn Bhd – 70,000 BAB Shares)</b>  Update on RCA of Kraken incidents. <ul style="list-style-type: none"> <li>• The unit recovered well following the failure and has been performing very well since.</li> <li>• A thorough investigation was carried out. The root causes of failure are understood, and the remedial/control measures taken are working.</li> <li>• A full set of replacement units have been procured and are either fitted or available in</li> </ul>	CEO provided a general overview of the Armada Kraken FPSO transformer issues. A root cause analysis identified 5 barriers that were breached, leading to the transformer failure. Management has addressed all these issues and now has 3 backup transformers. Measures have been implemented to ensure that similar transformer problems do not occur in the future.

	Aberdeen and the process of changeout is well advanced.	
21.	<p>Lee Szed Kee (10,000 BAB Shares)</p> <p>In view of the tight mkt for FPSO, would there be any renewal of the charter agreement and the increase of the rate in 2024.</p>	<p>The likelihood of renewing the charters expiring within the next 12 months has previously been addressed. The remaining charters detailed in the presentation still have significant time left in their firm periods. Therefore, there is nothing to negotiate regarding these charters at this time.</p>