ALAM MARITIM
RESOURCES BERHAD

A BETTER TOMORROW
STARTS WITH US

ANNUAL REPORT **2023/24**

VISION

To be the preferred offshore services partner in oil & gas industry

MISSION

We provide quality services to the offshore oil and gas industry with emphasis on:

- Promoting health, safety, environment and security practises
- Developing human capital capabilities
- Delivering operational excellence
- Practising good corporate governance
- Maximising stakeholders' value

SHARED VALUE

TRANSPARENCY
Clear, open and frank in all undertakings.

TRUST
Always delivers the promise and commitment no matter to whom it is made.

TENACITY
Keeps a firm hold of organisational goals and persistently exerts all efforts to bring about the desired results.

TACT
Ability to use skills and wisdom in dealing with different people and situations successfully without causing offence.

TEAMWORK
Work closely and effectively together for common purposes. Collections of strong individuals with different backgrounds but have a healthy sense of collegiality, mutual trust and respect for each other's performance.

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A BETTER TOMORROW STARTS WITH US

We are determined to achieve our goal of being the preferred offshore services partner for the companies that are in the oil and gas industry. As such, we are striving to create a better future for our company and our industry. To this end, we have invested heavily in the state-of-the-art equipment that is highlighted on the cover. In addition, we have carefully trained our personnel to deliver top-notch service at all times.

We are enhancing sustainable growth by delivering operational excellence, developing human capital capabilities, practicing good corporate governance, maximising stakeholder value and promoting proper health, safety, environmental and security practices.

Guided by our corporate policy and cultural beliefs, we are surging towards a vibrant horizon that is brimming with promise.

19th

Annual General Meeting For
Alam Maritim Resources Berhad

Date
Friday,
13 December 2024

Time
10.00 a.m.

Venue
Boardroom, No. 38F, Level 3,
Jalan Radin Anum, Bandar Baru Sri Petaling,
57000 Kuala Lumpur ("Broadcast Venue")

Scan this QR code for the soft copy version of our annual report.

CORPORATE PHILOSOPHY

INTEGRITY

I act with honesty, am upright with high moral values

Integrity is about being ethically and morally correct in one's personal and professional conduct. It is to practise a high standard of behavior based on sound values in all aspects of one's job performance including interaction with colleagues, customers, vendors, suppliers and other stakeholders.

COMPLIANCE TO REQUIREMENTS

I perform and deliver the required results with discipline

Compliance to Requirements is to produce quality work and results as per set rules, regulations and standards premised on customers' requirements. It is to ensure customer satisfaction by adhering to standard operating procedures and best practices. The goal is to meet and exceed customers' needs and to produce the best performance possible to deliver confidence and assurance to both internal and external customers.

ACCOUNTABILITY

I take full responsibility of the results I produced

Accountability is to take full ownership of one's actions and decisions as per one's role in the organisation. To eliminate a culture of blame and embrace a culture of responsibility where and when warranted. Rather than who, to focus on why and how we can learn and continuously improve. This includes work performance, instructions and information relayed to colleagues and stakeholders.

RIGHT RESULTS

I plan and do my job correctly to avoid mistakes and repeat work

To obtain and deliver **right results** is to execute one's work towards perfection; to eliminate error and to avoid repeat work by delivering the most accurate and precise job output possible right from the start. To ensure initial work produced has the highest degree of accuracy to facilitate better decision making and optimal productivity.

ENGAGEMENT

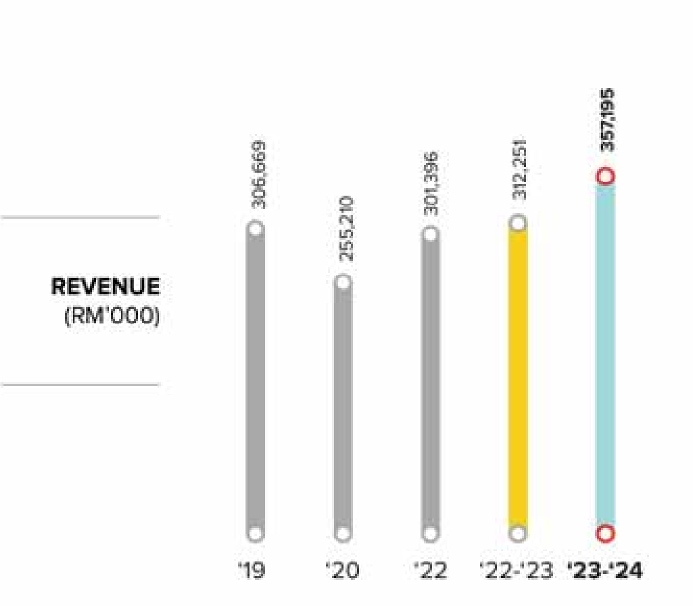
I engage all levels and be committed in what I do

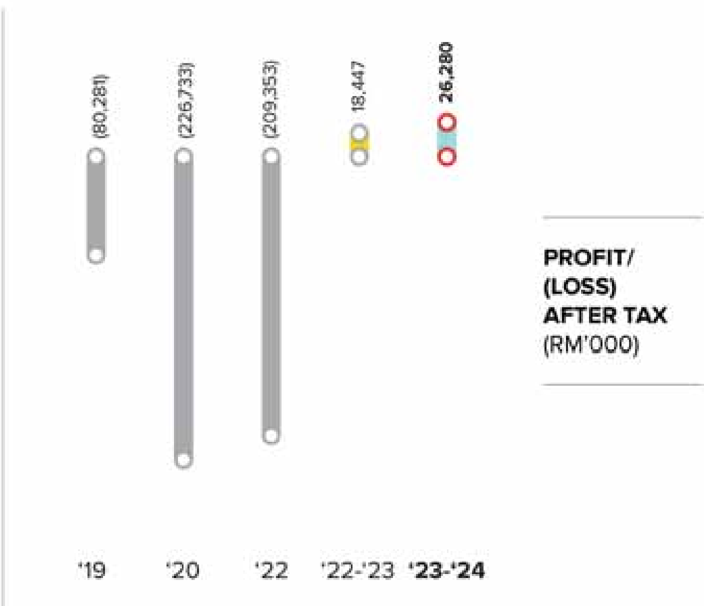
Engagement is to always seek out constructive feedback and input from others in an open manner; to constantly engage in two-way communication to exchange ideas and opinions and to seek out the views of other process owners for an inclusive and more robust work result or solution.

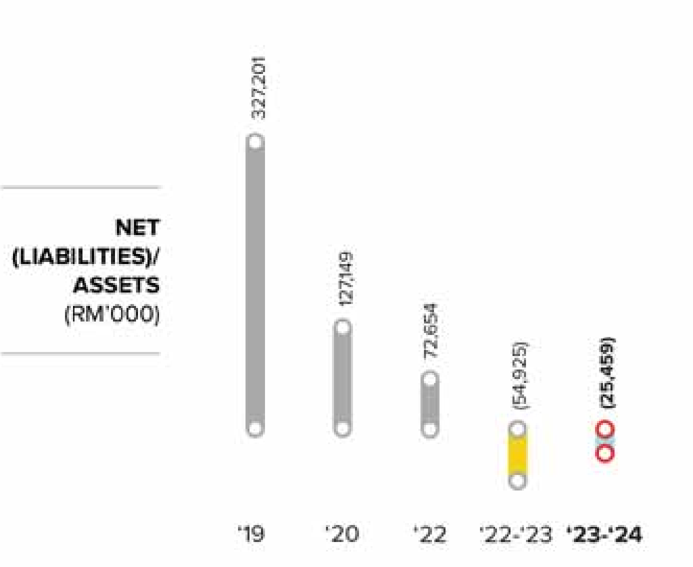
5-YEAR
GROUP FINANCIAL HIGHLIGHTS

Financial year ended 30 June 2024

	FY2019 RM'000	FY2020 RM'000	FPE 30 JUNE 2022 (Restated) RM'000	FY2022-23 (Restated) RM'000	FY2023-24 RM'000
Revenue (RM'000)	306,669	255,210	301,396	312,251	357,195
Profit/ (Loss) after Tax (RM'000)	(80,281)	(226,733)	(209,353)	18,447	26,280
Net (Liabilities)/ Assets (RM'000)	327,201	127,149	(72,654)	(54,925)	(25,459)
Basic Earning Per Share (RM)	(0.084)	(0.183)	(0.14)	0.01	0.02
Net Assets Per Share (RM)	0.82	0.17	(0.05)	(0.04)	(0.02)







CHAIRMAN'S STATEMENT

TO OUR ESTEEMED SHAREHOLDERS,

On behalf of the Board of Directors ("Board) of Alam Maritim Resources Berhad ("AMRB') and its subsidiaries the ("Group"), I am honoured to present our Annual Report and audited financial statements for the financial year ended 30 June 2024 ("FY2023-24").

FINA NORHIZAH BINTI HAJI BAHARU ZAMAN

Chairman

CHAIRMAN'S STATEMENT

ACCELERATING ECONOMY RECOVERY

FY2023-24 has proven itself to be an intensely challenging year, both globally and domestically. Following the post COVID-19 socio economy recovery, oil prices has been volatile, but overall, has climbed steadily. Across the globe, major oil and gas companies have taken final investment decisions on projects put on hold during the pandemic as the near-term outlook for demand improves.

However, the global economy has since been impacted by the geo-political tensions due to the extended Ukraine-Russia conflict, heightened further by the strife in the Middle East. These conflicts have put the oil and gas market on the edge, amid concerns of supply disruptions. In addition, rising inflation and tighter financial conditions have precipitated a market tightening of monetary policy.

The above factors had weighted significantly on Malaysia's economy. In fact, Malaysia faced a somewhat challenging economic environment in 2024, with signs of increased inflation, a relatively stable unemployment rate and pressures on income. Inflation, while not severe, is expected to rise about 2.7% by the end of the year, driven by factors like rising consumer spending, higher costs in certain sectors (e.g. food and medical care) and global uncertainties.

On the employment front, the unemployment rate has stabilised around 3.2% but there are concerns about skill-related underemployment, which has reached record levels. This underemployment suggests that many workers, including those in the oil and gas industry, may not be fully utilising their skills, which could impact income growth.

So, while Malaysia's is still growing, inflationary pressures and underemployment present significant challenges to income growth.

However, notwithstanding the global and our domestic financial and economic environmental factors and the volatility of oil pricing, the oil and gas industry's proven resilience is expected mitigate such challenges, evidenced in the increase from USD80.11 to p/bbl in July 2023 to USD 85.41 p/bbl in March 2024.

OPERATIONAL PERFORMANCE

Malaysia's political stability provided another reassuring factor, with various policies and measures introduced to support its oil and gas industry. This augurs well for the nation, given the increasing focus on responsible environmental management and its framework to guide the nation's energy transition process, led by the National Energy Policy (2022-2040) and supported by the ongoing 12th Malaysian Plan (2021-2025).

Globally, the relative stability in crude oil prices around 2023 created a favorable environment for oil companies to plan and execute exploration and production activities more confidently. This stability led to higher rig utilisation, improved daily charter rates and longer-term contracts in many regions as companies sought to capitalise on cost-efficient operations. The recovery in oil demand post-COVID-19 and moderate supply-side pressure also helped maintain this trend, enabling rig operators and service providers to benefit from better market conditions.

In Malaysia, this global trend also applied, with the nation's oil and gas sector experiencing an uptick in offshore activities, particularly in exploration, production and drilling operations. The stable crude oil prices provided the necessary platform for oil majors like PETRONAS and other regional players to maintain or expand their exploration and production efforts. As a result, rig utilisation in Malaysia improved and companies saw higher demand for Offshore Support Vessels (OSVs), as well as longer term contracts. This contributed to better margins for service providers within the Malaysian oil and gas ecosystem.

In both cases, global and domestic, stable prices were crucial in fostering increased investment and operational activities in the upstream sector, providing a sustained level of market engagement.

Capitalising on this upturn, AMRB utilised its expertise and capabilities to drive asset uptime and enabled realignment for the Group. To this, our efforts have been well rewarded through improvements in cost and operational efficiencies and productivity. Adopting an 'asset-light' strategy approach, an asset rationalisation exercise conducted across FY 2023-24 augmented our business focus.

Reducing the fleet size is our deliberate strategic decision to downsize the number of assets e.g. vessels and equipment, to achieve greater efficiency in operations, cost savings and earn the much-needed revenue.

Hence, the Group can focus on the more efficient, higher-performing and more in demand assets. This will enable us to maximise uptime, keeping fewer, more reliable assets operational and longer periods while reducing the costs associated with maintaining a larger, potentially underutilised fleet.

In essence, the Group is aiming for a leaner, more efficient fleet that can still fully leverage market conditions while keeping operational costs in check.

The Group's restructuring plan aims to maintain, grow or divest aspects of the business to further drive its transition and progress. Areas of focus would include debt and financial restructuring initiatives, portfolio reshaping, collaborations and human resources bolstering.

CHAIRMAN'S STATEMENT

This exercise is aligned with the Group's comprehensive regulation plan to address the existing PN17 status, with the objective of returning the Company to a better financial standing. The proposed regularisation plan has been submitted to Bursa Malaysia and is pending their response. Nonetheless, we express our utmost confidence in the Group' business agility to drive operational excellence within our business operations to manage the Group's recovery.

To support the above sentiment, we must highlight that our Subsea Division has secured the long term Pan Malaysia IRM contracts from the oil majors in FY2023-24. This would pave a substantially stronger financial footing for AMRB in the coming years.

As at June 2024, the Group has registered RM357.20 million in revenue, representing a 14.39% decrease over revenue in the corresponding previous financial year. Despite the many challenging business hurdles in the financial year, the Group maintains its determination to weather the economic challenges and turn this around to chart a positive path ahead.

This is reflective of the resilience and determination of all employees across the Group, who work in unison toward a shared objective. The Board and Senior Management deeply appreciate their dedication and unwavering loyalty.

Our business model is continually evolving to adapt our product offerings while ensuring that we meet the expectations and requirements of our longstanding partners and stakeholders. AMRB's unique value lies in our strong technical capabilities, industry expertise and extensive experience. This value proposition is critical in keeping the Group aligned with its strategic goals and accelerating business recovery.

STRENGTHENING CORPORATE GOVERNANCE AND SUSTAINABILITY

The Environmental, Social and Governance (ESG) pillars is of particular significance to the oil and gas companies for environmental management and sustainability. It has also become the yardstick for financial institutions to judge the sustainability and ethicality of their investment in oil and gas companies. On this premise, the Group remains resolutely committed to sustainable operations at all sites, deeply mindful of the impact upon our environment and community.

The Group has long since embraced good corporate governance as our way of conducting business at AMRB, demonstrated by a strong emphasis on transparency, accountability, effective risk management, fair employment, labour rights and strong Board and strong Management leadership. The Group is dedicated to enforcing high standards of corporate governance and ethical behavior, aligning with the principles and practices outlined in the Malaysian Code on Corporate Governance (MCCG). This underscores the importance of both the financial and non-financial compliance as a value driver for the long-term wellbeing of the Company.

We aim not just to build but to also enhance our credibility among stakeholders, strengthening the bond of trust which will, in turn, present better insights into managing the risks and opportunities present in the business. As we enter another chapter of our journey, we acknowledge our increased responsibilities and will remain steadfast in our commitment to our core values and deliver sustainable value to our shareholders.

REINFORCING OUR STAKEHOLDER COMMITMENT

As an integral piece of value creation is our stakeholder engagement function. This transcends both internal as well as external stakeholders.

In instilling a deep sense of belonging in our workforce, AMRB adopts a listening ear to their voice and takes a caring approach toward staff wellbeing. This approach is largely responsible for the conductive and open workplace culture at AMRB.

We are proud of the efforts of our Health, Safety, Security and Environment ("HSSE") team in keeping safety as our cornerstone at AMRB. They have worked tirelessly to successfully inculcate a mindset of health and safety throughout the length and breadth of the organisation.

OUTLOOK AND PROSPECT

There is growing optimism about a significant surge in global market demand in the coming years, driven by economic expansion and increasing energy consumption. Vehicle usage is expected to rise substantially, particularly, in rapidly growing economies with large population like China and India. This demand is further reinforced by the forecasted increase in oil consumption from OECD countries, which is set to surpass that of developing countries.

Malaysia continues to prioritise investments in both upstream exploration and extraction, as well as downstream processing. PETRONAS has committed to significantly higher capital expenditures through 2027. This strategic investment is likely to create a positive ripple effect across the entire sector, driving growth and innovation.

With oil prices expected to rise in 2024, Malaysia stands to benefit from these ongoing investments. The country's robust energy infrastructure development, paired with favorable market conditions, positions Malaysia to seize emerging opportunities and reinforce its role as a key player in the global industry landscape.

CHAIRMAN'S STATEMENT

The Group has reassessed its strategic focus and direction, aiming to emerge stronger and recharged for the future. AMRB's Subsea business segment remains a critical pillar in enhancing our integrated approach to oil and gas industry services. Given its current positive performance, we view our Subsea business as a key driver for long-term business sustainability and are fully committed to unlocking its full potential for AMRB.

In line with its strategy, we are intensifying our stakeholder engagement efforts to identify and collaborate with suitable business partners who can support our vision for sustained growth and business continuity. These partnerships will be crucial in bolstering our competitive edge and expanding our market presence.

Looking ahead, the Group reaffirms its steadfast commitment to accelerating growth, with a sharp focus on value creation. We remain agile and resilient, navigating the challenges ahead while staying true to our strategic goals and positioning AMRB for continued success in evolving energy landscape.

In conclusion, the overall outlook of the oil and gas business in Malaysia, in general, is positive with a potential to grow if key challenges, particularly those related to sustainability and workforce upskilling, are addressed. Investment in technology and a strategic approach to energy diversification will be vital in ensuing the long-term development of the industry.

ACKNOWLEDGEMENT

To my esteemed fellow Board members, I extend my heartfelt gratitude for your astute business acumen and strong resilience in working alongside to navigate the Group through the economic hurdles.

I take this opportunity to express the Board's deep appreciation to our capable Senior Management and dedicated employees. Their strong commitment and contribution over the financial year were indeed instrumental in driving progressive movement for the Group.

We also extend our gratitude to the related ministries and regulatory agencies, our supportive shareholders, customers, trusted bankers and as well as our reliable and engaging business partners for their strong support.

It is indeed heartening to know we have the continued trust and confidence of our loyal Clients in us persevering and delivering on our commitments, and achieving our joint aspirations moving forward.

Looking at the team and partners that we have, with their vast experience and credible expertise, I have every confidence that the Group will continue to negotiate carefully through the economic uncertainties, to deliver strong performances and successes in the financial year ahead.

I look forward to the continued strong support of all our stakeholders as we progress forward in this journey, setting the stage for stronger, sustained growth in the years ahead.

Fina Norhizah Binti Haji Baharu Zaman
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

BACKGROUND

ALAM MARITIM RESOURCES BERHAD ("AMRB") HAS, OVER THE YEARS, ESTABLISHED ITSELF AS A KEY SERVICE PROVIDER WITHIN THE MALAYSIAN OIL AND GAS SECTOR. OUR JOURNEY BEGAN IN 1998 WITH THE FOUNDING OF ALAM MARITIM (M) SDN. BHD., A WHOLLY OWNED SUBSIDIARY OF AMRB. THIS MARKED THE START OF OUR OPERATIONS, PRIMARILY FOCUSED ON SUPPLYING THIRD-PARTY OFFSHORE SUPPORT VESSELS ("OSVS") THROUGH EITHER LONG-TERM CHARTER HIRE CONTRACTS OR SPOT CHARTER ARRANGEMENTS.

The Company has since progressed catering to the evolving needs of the oil and gas players, not only in Malaysia, but also across the broader Asian region.

Over time, AMRB has expanded its scope beyond merely supplying or leasing OSVs. The Company has strategically integrated Offshore Installation and Construction ("OIC") and Subsea Inspection, Repair and Maintenance ("Subsea") into its offerings. This expansion of services has positioned AMRB to provide comprehensive solutions within the oil and gas industry, especially in the offshore sector, opening the door to a wider range of market opportunities.

MANAGEMENT DISCUSSION AND ANALYSIS

The OIC and Subsea segments encompass a broad of spectrum of upstream activities, including maritime infrastructure design, offshore construction and installation, subsea engineering, underwater inspection, repair and maintenance services. AMRB's portfolio covers a wide array of essential offshore operations, ranging from marine construction and offshore facilities installation to subsea engineering and remotely operated vehicle ("ROV") operations. The Company also provides diving services, ROV, air and saturation diving systems, and other underwater support systems, further enhancing its extensive service offerings.

In essence, AMRB distinguishes itself by delivering a holistic value proposition tailored to the specific needs of major oil and gas clients, going beyond traditional OSV contracts. This comprehensive approach enables AMRB to pursue larger and more integrated tenders, creating potential for increased revenue and improved profit margins.

Furthermore, AMRB is committed to maintaining its competitive edge during contract tendering processes. By leveraging its strong Health, Safety, Security and Environmental ("HSSE") track record and reliable operational capabilities, the Group aims to secure lucrative contracts in an increasingly dynamic market environment.

Overview

The onset of the COVID-19 pandemic triggered a tumultuous period for the oil and gas industry, characterized by plummeting demand and unprecedented volatility in oil prices. As lockdowns and travel restrictions were implemented worldwide, demand for oil plummeted, resulting in oil prices to collapse dramatically. In an unprecedented event, oil prices briefly turned negative in 2020, as storage capacities filled up and producers faced an oversupply crisis. For much of 2020, oil prices remained suppressed, hovering well below USD50 pbbl. However, with the rollout of vaccines and the gradual lifting of restrictions, the global economy began to recover in 2021. This recovery extended into 2023, leading to significant rebound in oil prices, which stabilized around USD80 pbbl for much of the year. Notably, global oil demand recovered to pre-pandemic levels, reaching approximately 101.7 million barrels per day in 2023, underscoring the resurgence in economic activity and energy consumption.

Despite the recovery, 2023 was not without challenges. Oil prices continued to fluctuate due to a variety of global factors. Geopolitical tensions, particularly in oil producing regions like the Middle East, pushed prices upward in the first half of the year. At the same time, conflicts in Europe, including the ongoing Russia-Ukraine war, as well as the instability in the Middle East, heightened concerns about potential supply chain disruptions. These geopolitical uncertainties, coupled with concerns over economic growth and inflation, added further complexity to the market.

In addition, trade disputes between major economies, especially between the United States and China, further complicated the outlook for the oil market. These disputes dampened investor sentiment and injected additional volatility into oil prices, as the potential for disruptions in global trade flows loomed over the market. Overall, while the oil industry rebounded from the pandemic's initial shock, it continued to grapple with significant external pressures in 2023 creating a dynamic and unpredictable market environment.

Amidst the complexities of the global oil market in 2023, oil prices experienced a significant decline by early December, dropping by approximately USD25 pbbl from the highs seen in September. This decline was driven by the increased oil production from several key players, including the United States, Brazil and Guyana, as well as resurgence in Iranian oil output. These developments reshaped the global oil supply landscape, as traditional Middle Eastern producers faced growing competition from emerging producers along the Atlantic, while China's expanding petrochemical sector positioned it as an influential player in the oil market.
However, this downward trend in oil prices was short-lived. In March and April 2024, prices began to climb again, driven by renewed geopolitical tensions and expectations of a more balanced supply-demand dynamic for the rest of the year. Brent crude futures surpassed the USD90 pbbl mark in early April, as heightened tensions between Israel and Iran, along with Russian refinery shutdowns, contributed to supply concerns. This resurgence in prices highlights the oil market's vulnerability to geopolitical shifts and macroeconomics trends, underscoring its inherent volatility.

Despite the persistent volatility, an optimistic outlook for global energy demand is beginning to emerge, reflecting ongoing efforts to stimulate economic recovery and growth. For Malaysia, recent Government initiatives aimed at establishing clear national policies and attracting foreign direct investment have set the stage for long-term economic growth. These efforts are expected to reinforce Malaysia's position as an attractive destination for investors, particularly in the energy and industrial sectors.

In this challenging environment, AMRB has demonstrated resilience and adaptability. Despite the turbulence in the global oil market, AMRB has managed to maintain commendable performance underscoring its ability to navigate uncertain times getting the attention and admiration of the oil and gas players in the region. As a premier integrated offshore service provider, AMRB remains committed to strengthening its market position and emerging from this period of volatility even stronger, continuing to play a vital role in Malaysia's energy industry, especially in supporting the exploration and production activities of the upstream sector of the industry.

MANAGEMENT DISCUSSION AND ANALYSIS

This forward-looking approach, combined with the evolving dynamics of global oil market, points to both challenges and opportunities for the future involvement of AMRB in the industry.

Focus On Structural Reformation

In Malaysia, the energy sector remains a critical focus for investment and growth. The country is continuing its efforts in both oil exploration and extraction, as well as in the downstream processing. PETRONAS has outlined plans for significantly higher capital expenditure through 2027. This long-term investment strategy is expected to generate a positive ripple effect across the entire sector, boosting growth and creating opportunities within the broader energy landscape.

With oil prices projected to rise in 2024, Malaysia stands to benefit from these strategic investments. As global demand continues to recover and grow, the country's ongoing commitment to expanding its energy infrastructure positions will continue. Under the circumstances, AMRB is well advised to take necessary steps to position itself to capitalize on future market opportunities, reinforcing its role as a key player in the industry.

The Group has reassessed its strategic focus and direction, aiming to emerge stronger and recharged for the future. Our current reliant on the OSV business has its own set of challenges which we are currently facing despite improvements in charter rates and utilisation due to our reduced fleet size and other operational challenges. Thus, we see AMRB's Subsea business segment to remain as a critical pillar to enhance our integrated approach to oil and gas industry services. Given its current performance, we view the segment as a key driver for long-term business sustainability and are fully committed to unlocking its full potential for AMRB.

In line with this strategy, AMRB is embarking on a transformative journey, encompassing both corporate finance and fundamental business structure enhancements. Leveraging its strategic positioning as an integrated solution specialist, particularly in high-barrier-of-entry segments such as Subsea and OIC, AMRB is well-positioned to weather the operational challenges ahead.

Hence, AMRB made the following key strategic decisions to facilitate this transformation:

1. **Financial and Corporate Restructuring:**
   The Group is implementing financial and corporate restructuring initiatives aimed at alleviating debt burdens and strengthening cash flow, ensuring balance sheet resilience in the post-restructuring phase.

2. **Operational Segment Revamp:**
   A structural revamp is underway, particularly within the OSV (Offshore Support Vessel) sector and the OIC (Offshore Installation and Construction) with special focus on subsea segment, the potential growth areas, to enhance operational resilience amid challenging market conditions.

3. **Fleet Optimisation:**
   The OSV segment is undergoing a significant fleet reduction. This move aims to optimise operability and improve maintenance quality, ensuring a more efficient and manageable fleet.

4. **Enhanced Fleet and Crew Management:**
   Efforts are focused on strengthening business-driven operations by elevating fleet management and crewing standards. This is intended to maintain high levels of asset integrity and operational efficiency.

5. **Workforce Rationalisation:**
   The Group is rationalising its workforce to align its operational goals in line with the business restructuring exercise, ensuring the right resources are in place to support streamlined and efficient operations.

In summary, AMRB's strategic initiatives are designed to bolster resilience and build a robust business model, reinforcing its position as a diversified and integral service provider within the oil and gas sector. With a steadfast commitment to fulfilling contractual obligations throughout the restructuring process and a focus on delivering service excellence, AMRB aims to distinguish itself from competitors, strengthen its operational agility, and enhance long-term business value.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Business Indicators

Indicators	FY2023-24	FY2022-23	FPE 30 June 2022
Vessel utilisation rates	61%	67%	61%
Order book (RM ‘000)	1,520.86	220.03	363.64
Number of employees	100	128	154
Man-hours without LTI	13,270,278	12,108,806*	9,509,550*

** (From 14 May 2018 to 30 June 2024)*

Group Financial Indicators

Indicators	FY2023-24 RM'000	FY2022-23 (Restated) RM'000	FPE 30 June 2022 (Restated) RM'000
Revenue	357,195	312,252	301,396
Operating/Profit/(loss)	32,260	20,899	(186,665)
EBITDA	37,866	29,752	(150,874)
Finance costs	(4,901)	(5,360)	(9,039)
Net profit / (loss) after taxation	26,280	18,447	(209,353)
Shareholders’ equity	(25,459)	(54,925)	(72,654)
Total assets	248,829	235,858	272,571
Total liabilities	274,288	290,784	345,226
Borrowings	88,376	111,981	113,486
Debt / equity	(3.47)	(2.04)	(1.56)
Earnings per share	0.02	0.01	(0.14)
Net asset per share	(0.02)	(0.04)	(0.05)
Market capitalisation as at financial year ended	45,955	45,955	61,273

Note:
FY2023-24 consists of the period of 12 months from 1 July 2023 to 30 June 2024.
FY2022-23 consists of the period of 12 months from 1 July 2022 to 30 June 2023.
FPE 30 June 2022 consists of the period of 18 months from 1 January 2021 to 30 June 2022.

Revenue

The Group recorded a turnover of RM357.2 million for the financial period ended 30 June 2024. Revenue from the OSV segment was RM119.1 million while revenue from the Subsea segment stood at RM234.6 million. The Group recorded a profit before taxation for the current financial period of RM37.5 million. The performance of the OSV segment was higher primarily due to higher vessel utilisation and improved Daily Charter Rates.

Revenue	FY2023-24 (RM ‘000)	FY2022-23 (RM ‘000)	Variance (%)
OSV (including management fees)	119,092	61,991	92%
Subsea	234,562	246,237	(5%)
Rental of equipment / Ship catering / Other shipping related income	3,541	4,024	(12%)
Total Revenue	357,195	312,252	14%

MANAGEMENT DISCUSSION AND ANALYSIS

Earnings

AMRB posted Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA") of RM37.87 million in FY2023-24 (FY2022-23: RM29.75 million).

We recorded a profit before taxation of RM37.47 million in FY2023-24, a 96% year-on-year variance (FY2022-23: RM19.11 million).

Capital Structure, Assets, Liabilities & Resources

ASSETS	FY2023-24 (RM '000)	FY2022-23 (RM '000)
Non-current	25,550	47,985
Current	223,279	187,874
Total Assets	248,829	235,858

LIABILITIES	FY2023-24 (RM '000)	FY2022-23 (RM '000)
Non-current	3,812	3,003
Current	270,476	287,781
Total Liabilities	274,288	290,784

In FY2023-24, to sustain efficient cost management, we continued our debt and financial restructuring initiatives to eliminate any outstanding debt obligations, which also include vessel liabilities.

The Group proceeded with the Proposed Debt Restructuring facilitated by our panel of advisers. A comprehensive debt restructuring plan is in motion to settle the debts owing to the banks and trade creditors ("Scheme Creditors") in an orderly manner to bring the debts of AMRB down to a sustainable level.

The Board had on 26 July 2024 announced that the Company had obtained the approval of the requisite majority in value of the Scheme Creditors to undertake the Proposed Debt Restructuring Scheme during the court convened meeting ("CCM") held on even date. Subsequently, on 4 September 2024, the Proposed Debt Restructuring Scheme has been approved and sanctioned by the High Court so as to be binding upon the Company and their Scheme Creditors.

On 20 September 2024, the sealed Order has been lodged with the Companies Commission of Malaysia which marked the Proposed Debt Restructuring Scheme effective.

In August 2024, the Group marked another milestones in its restructuring and rehabilitation journey, whereby AMRB had submitted its regularisation plan to Bursa Malaysia Securities. The regularisation plan is still pending Bursa Malaysia Securities' decision.

These actions signify AMRB's commitment to revitalising its business and strategically repositioning itself. The focus is on identifying areas of competitive advantage and success within the restructured business, ensuring its long-term viability and generating sufficient EBITDA to meet our obligations.

	FY2023-24	FY2022-23	FPE 30 June 2022
Gearing ratio	(3.47)	(2.04)	(1.56)

	FY2023-24 (RM '000)	FY2022-23 (RM '000)	FPE 30 June 2022 (RM '000)
Short-term borrowings	86,404	109,709	110,845
Long-term borrowings	1,972	2,272	2,641
Total borrowings	88,376	111,981	113,487

MANAGEMENT DISCUSSION AND ANALYSIS

Cash & Cash Equivalents & Bank Balances

In FY2023-24, AMRB's total cash and cash equivalents came in at RM45.72 million (FY2022-23: RM52.61 million).

Group Costs & Expenditure

Total FY2023-24 Group operating costs amounted to RM324.61 million (FY2022-23: RM302.18 million).

Building on trends and experiences of and lessons learnt from past financial years, we retained best practices such as preserving minimum required crew numbers on laid-up vessels and maintaining minimum maintenance work on idle vessels for cost optimisation. We also kept these vessels' satellite communication equipment deactivated and continued to reduce the number of vessels in our fleet. We carried out impairment on the value of our assets to ensure it was realistic compared to the practical value in the market.

Other cost reductions during the year under review included usual protocols such as standardising equipment used across vessels, conducting strategic maintenance to optimise resources as well as undertaking collective purchasing of spare parts and inventory to benefit from bulk discounts where possible.

These initiatives have enabled us to consolidate procedures, integrate diverse functionalities, and promote synergistic productivity throughout our business segments, thereby enhancing operational efficiency. We remain committed to monitoring and implementing appropriate best practices and cost-saving measures across AMRB's business processes to continually enhance our sustainability and efficiency. In fact, these actions have been instrumental in streamlining our operations, integrating various functions and boosting productivity.

Business Trends & Highlights

OSV & Subsea

The Offshore Service Vessels (OSV) segment plays a critical role in supporting the oil and gas industry, providing indispensable services such as the transportation of supplies, equipment, and personnel to offshore platforms. However, despite its crucial importance, the segment faces significant challenges that have impacted its profitability, including rising operational costs, fluctuating demand, and increasing pressure to maintain and improve margins. These challenges have been particularly felt in AMRB's OSV segment, where issues such as vessel impairments, turnaround delays, and the occasional unavailability of docking facilities have exacerbated operational inefficiencies.

MANAGEMENT DISCUSSION AND ANALYSIS

One of the primary concerns in this segment has been the rising cost of operations, maintaining vessels, conducting necessary repairs, and covering crewing costs have driven operational expenses upward. In addition to these costs, delays in vessel turnaround times between contracts and impairments have further squeezed profit margins, putting pressure on the Company's financial performance.

Adding to this, the occasional unavailability of docking facilities has caused operational delays, as vessels are often unable to receive timely repairs or undergo necessary maintenance. To mitigate this issue, AMRB has adopted a strategy of diversifying its docking facilities across Malaysia and overseas, allowing for more flexibility and improving vessel preparation rates post-contract completion.

Another challenge has been the need to charter external vessels to supports its contractual obligations due to docking shortages, which incurs additional costs.

In response, AMRB has taken steps to reduce its overall fleet size, focusing on a smaller core group of vessels, such as Anchor Handling Tug Supply (AHTS) and supply vessels, which are essential for offshore support operations. This strategy ensures that the company can meet contract obligations while keeping operational costs manageable.

In line with efforts to optimize operational efficiency, AMRB has also made the strategic decision to sell off laid-up vessels that are no longer in use. This fleet reduction is part of the Company's broader plan to transition toward an asset-light model, which aims to reduce capital expenditures and focus on high-performing assets that provide the best return on investment.

It is relevant to note that the OSV industry is currently experiencing broader trends that reflect AMRB's strategy. Many operators are opting for fleet rationalization, reducing the number of vessels to align more closely with market demand. By reducing fleet sizes, companies can avoid the high costs of maintaining idle vessels, while also streamlining operations to increase efficiency. Another industry trend is the shift towards asset-light models, where operators rely more on chartering or outsourcing vessels rather than owning large fleets. This approach provides greater flexibility and reduces capital expenditure, allowing companies to adapt more effectively to market conditions.

Technological advancements are also shaping the future of the OSV sector. The increasing use of digitalization and automation is helping operators improve operational efficiency and reduce downtime. Predictive maintenance, for example, is using data analytics to anticipate potential maintenance issues, allowing operators to address them before they become costly problems. Additionally, automation in vessel operations is gaining traction, further enhancing operational efficiency.

Sustainability pressures are another important factor affecting the OSV industry. There is a growing emphasis on reducing the environmental impact of vessel operations, particularly in response to stricter emissions regulations. As a result, operators are increasingly investing in greener technologies, such as hybrid propulsion systems, to ensure compliance with regulations and meet the demands of environmentally-conscious clients.

Apart from the above consideration, there are also other concerns plaguing the OSV business. Market volatility, tied closely to fluctuations in oil prices, poses a significant risk. A downturn in oil prices could lead to reduced offshore exploration activities, which would, in turn, reduce the demand for OSV services. In addition, the rising costs of crewing, fuel, and regulatory compliance continue to erode profit margins, making efficient fleet management and strategic cost reduction efforts essential.

Certainly, another pressing concern for many operators is an aging fleet. Older vessels require significant investment in maintenance and repairs, and without careful management, these costs can quickly spiral out of control. To stay competitive, operators such as AMRB are focusing on selling older, underutilised vessels and investing in newer, more efficient ones that can deliver better performance. To ensure sustained growth and profitability, OSV operators will need to invest in new technologies that improve efficiency, such as digital platforms for fleet management and predictive maintenance tools. Furthermore, adopting sustainability initiatives, such as hybrid propulsion systems, will be necessary to comply with stricter regulations and meet evolving customer expectations. Building strategic partnerships with industry players and service providers will help operators diversify risk and tap into more cost-effective solutions for fleet management and vessel maintenance. Finally, exploring new markets, such as offshore wind and subsea mining, can provide new growth opportunities as competition in the traditional oil and gas market intensifies.

Regrettably, our present financial situation restricts our capacity to execute all the initiatives outlined above, which are essential for maintaining our competitiveness in the OSV business segment. This constraint makes it challenging for us to invest in the necessary improvements and innovations needed to thrive in this market.

In conclusion, AMRB's strategy of transitioning to an asset-light model, selling underperforming vessels, and optimizing its fleet operations aligns with the broader trends in the OSV industry. By focusing on core vessels and streamlining operations, the company is positioning itself to remain competitive in a challenging market. However, sustained growth will require continued investment in technology, a commitment to sustainability, and the pursuit of new market opportunities to maintain the company's position as a leading provider in the OSV segment.

MANAGEMENT DISCUSSION AND ANALYSIS

On a more optimistic note, AMRB's subsea business segment has shown to be a vital contributor to its overall resilience, with significant opportunities emerging due to delayed maintenance projects and strong contract acquisition, including key packages for the Pan Malaysia project. The ongoing demand for subsea services, such as those provided to IPC Malaysia BV, further strengthens the company's revenue streams. Despite challenges within the industry, the subsea segment continues to thrive, underpinned by AMRB's ability to capitalize on emerging opportunities and secure steady project pipelines. This diversified approach helps stabilize the company's position and supports long-term profitability.

In FY2023-24, AMRB managed to secure 3 new packages of the Pan Malaysia for a duration of 5 years, which involves inspection, maintenance and repair services ("IRM") work, after its previous contract with Pan Malaysia ended. There are currently around 4-5 vessels under the Subsea segment, which we charter in when needed.

We also continued to work on ongoing projects previously secured. This includes providing underwater services from the International Petroleum Corporation ("IPC") Malaysia BV which pertains to AMRB's Floating Production Storage and Offloading ("FPSO") Bertam for Underwater Inspection in Lieu of Drydocking ("UWILD").

Overall, we continue to attract new opportunities in the Subsea segment due to pent-up demand on maintenance projects.

SUSTAINABILITY THROUGH iCARE: Promoting a Culture of Excellence and Efficiency

Sustainability is at the heart of AMRB's operational strategy, shaping the company's approach to integrating efficient work processes and nurturing a culture of excellence. The company's iCARE philosophy, which stands for Integrity, Collaboration, Accountability, Respect, and Excellence, plays a key role in driving this sustainable agenda. By embedding iCARE into its everyday operations, AMRB not only seeks to improve productivity but also aims to minimize wastage and enhance project efficiency. This holistic focus on sustainability goes hand in hand with a strong commitment to customer-centric responsibility and the principles of Environmental, Social, and Governance (ESG).

The Role of ESG in Promoting Sustainability and Efficiency

The integration of ESG considerations into AMRB's operations has transformed the company's business model and work culture. ESG encompasses three core elements:

1. **Environmental:** Managing the environmental impact of business activities, such as reducing emissions, conserving energy, and minimizing waste.
2. **Social:** Fostering positive relationships with employees, customers, communities, and stakeholders while prioritizing workplace safety and inclusivity.
3. **Governance:** Implementing robust corporate governance practices that ensure transparency, ethical conduct, and accountability at all levels.

Incorporating ESG into AMRB's framework encourages a more responsible approach to business, ensuring that the company's activities not only comply with regulatory standards but also contribute to long-term value creation. By focusing on environmentally conscious practices, AMRB minimizes its ecological footprint, which in turn boosts operational efficiency by reducing wastage and optimizing resource use. Socially, the company's focus on teamwork, respect, and accountability nurtures a positive work environment, where employees are empowered to perform at their best. Effective governance strengthens trust with stakeholders, building a solid foundation for sustained success.

iCARE: A Cultural Transformation Driving Work Excellence

AMRB's proactive embrace of the iCARE philosophy has facilitated a cultural transformation within the company, reinforcing values such as personal accountability, collaboration, discipline, and integrity. These principles are not only embedded in individual performance but are also reflected in team dynamics and project execution. By cultivating an environment where every employee feels responsible for the success of the company, AMRB has laid a strong foundation for operational excellence with the following attributes:

1. **Integrity** ensures that every action taken within the company is done with honesty and adherence to ethical standards. This integrity permeates decision-making processes, enhancing transparency and fostering trust both internally and externally.

2. **Collaboration** promotes teamwork, ensuring that employees work together across departments and levels to achieve shared goals. This collaborative approach strengthens problem-solving capabilities, leading to more innovative solutions and higher-quality project outcomes.

3. **Accountability** encourages employees to take ownership of their tasks and responsibilities. By promoting a sense of responsibility at every level, AMRB has cultivated a workforce that is both motivated and focused on delivering results with precision and efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

4. **Respect** forms the cornerstone of AMRB's employee relations, creating a culture of inclusivity, fairness, and mutual support. A respectful work environment contributes to employee satisfaction, which in turn improves productivity and reduces turnover.

5. **Engagement** – by focusing on the initiative of engagement, we can create a more engaged workforce, leading to increase morale, enhanced knowledge sharing and improve productivity and efficiency.

Excellence is the ultimate goal of the iCARE philosophy. By continually striving for excellence, AMRB ensures that its projects are executed to the highest standards, contributing to a positive industry reputation and long-term success.

iCARE and ESG Drive Operational Efficiency and Ensure Sustainability

The iCARE philosophy aligns closely with ESG goals, particularly in how it fosters a more efficient, productive, and responsible working environment. By embedding sustainability into the company's core values, AMRB has been able to implement more streamlined processes that minimize resource wastage, optimize workflows, and reduce operational risks. This not only improves project efficiency but also helps the company achieve its sustainability targets.

For example, by focusing on reducing waste and conserving energy (part of the environmental component of ESG), AMRB has cut down on unnecessary expenses and maximized the use of resources. Socially, by encouraging teamwork and respect among employees, the company has seen improved collaboration and communication, leading to more innovative solutions and faster problem resolution.

Moreover, integrating good governance practices ensures that decisions are made with long-term sustainability in mind, balancing short-term financial gains with broader environmental and social goals. This governance structure enhances AMRB's ability to maintain operational stability, minimize risks, and ensure compliance with all regulatory and ethical standards.

Through the adoption of iCARE and ESG principles, AMRB has not only strengthened its internal operations but also enhanced its external reputation. The company's proactive approach to sustainability has positioned it as a responsible leader in the industry, known for its commitment to environmental stewardship, social responsibility, and corporate governance. This positive reputation attracts customers, partners, and investors who value ethical business practices and sustainable growth.

By aligning sustainability with work excellence, AMRB has created a competitive advantage that drives long-term profitability and operational efficiency. The iCARE philosophy serves as a guiding framework that ensures the company remains agile, responsive, and forward-thinking, even in the face of industry challenges.

In summary, AMRB's focus on sustainability through its iCARE philosophy and ESG initiatives is not only helping the company achieve operational excellence but also fostering a positive, efficient work culture. By promoting accountability, collaboration, and integrity, AMRB has built a resilient business model that aligns economic success with environmental and social responsibility. This approach not only supports the company's long-term growth but also contributes to a sustainable future for the industry as a whole.

HSSE Fosters a Culture of Safety and Efficiency

At AMRB, the cultivation of a robust Health, Safety, Security, and Environment (HSSE) culture is central to the company's operational success and resilience. A strong HSSE focus not only safeguards employees and workers but also enhances the overall efficiency and productivity of the business. By embedding the Health, Safety, Security, and Environment Management System (HSSEMS) into every aspect of operations, AMRB is able to minimize disruptions, streamline processes, and maintain high operational standards.

Commitment to Safety and Risk Mitigation

AMRB's commitment to HSSE excellence extends beyond compliance with regulations. It involves actively fostering a safe, secure, and healthy work environment that protects the well-being of employees, contractors, and all stakeholders. Ensuring that HSSE practices are deeply integrated into daily operations reduces potential risks, including financial, legal, and operational hazards. By mitigating these risks, the company can avoid costly disruptions and liabilities, thereby optimizing operational efficiency.

HSSE as a Foundation for Regulatory Compliance

Maintaining rigorous HSSE standards also ensures compliance with industry regulations and legal requirements. At AMRB, adherence to these standards is not merely a regulatory obligation, but a key aspect of the company's operational philosophy. This dedication to HSSE compliance helps the company uphold its reputation while preventing accidents, security breaches, and environmental harm, all of which can have far-reaching legal and financial consequences.

Towards a HSSE Generative Culture of Responsibility and Excellence

Central to AMRB's HSSE strategy is the effort to instil a culture of personal responsibility and accountability among all employees. By promoting awareness of HSSE policies and procedures, and ensuring all workers understand their role in maintaining a safe and efficient workplace, AMRB is creating an environment where safety and security are everyone's responsibility. This cultural shift leads to more engaged employees who are not only conscious of their own safety but also contribute to the collective well-being of the entire workforce.

Beyond ensuring safety, AMRB's commitment to HSSE also contributes to better operational outcomes. Efficient HSSE management reduces the likelihood of accidents, equipment failures, and other disruptions that can lead to downtime and financial losses. By integrating safety protocols and environmental considerations into project planning and execution, AMRB is able to maintain smoother operations, ensuring that productivity levels remain high while reducing overall risks.

These are all part of our commitments to cultivating a Generative HSSE culture. Additionally, AMRB has implemented several other initiatives designed to reinforce safety and compliance across all areas of operation. A central focus has been the strict adherence to HSSE requirements, with particular emphasis on our Zero Tolerance (ZETO) rules. These rules underscore the non-negotiable nature of safety protocols and ensure that every employee upholds the highest standards in health, safety, security, and environmental practices.

To further instil a strong HSSE culture throughout the organisation, we encourage all employees to take personal responsibility for safety, making it an integral part of their roles. This has been supported by regular engagements led by Heads of Department, where they meet with teams to discuss lessons learned from past incidents and share best practices. These sessions foster continuous improvement and strengthen the integration of safety into everyday operations.

To sustain this culture, AMRB has established a two-tiered structure for ongoing HSSE oversight and management. At the top, the HSSE Steering Committee, chaired by the Managing Director, provides strategic direction on safety policies and overall compliance. Complementing this is the HSSE Management Working Committee, chaired by the Executive Director of HSSE, which focuses on the day-to-day implementation and monitoring of HSSE initiatives.

Both Committees play a crucial role in reviewing and updating HSSE policies, ensuring they remain aligned with industry best practices and regulatory requirements. They also facilitate the sharing of lessons learned from incidents to help prevent future occurrences, while continuously evaluating the progress of the Group's safety measures. Importantly, these Committees serve as an open forum where employees can report unsafe acts or conditions, promoting a culture of transparency and swift action on safety concerns.

By embedding these initiatives into our operations, AMRB is not only advancing a strong and sustainable HSSE culture but also ensuring it becomes an integral part of our organisational DNA. This focus on safety and compliance directly contributes to operational excellence, minimizing risks, optimizing efficiency, and ultimately securing the long-term success of the company.

HSSE : Culture of Excellence

AMRB's unwavering dedication to cultivating a strong HSSE culture is essential to the company's long-term success. By embedding HSSEMS practices into every level of its operations, AMRB is able to protect its employees, optimize efficiency, and reduce risks. This commitment not only ensures regulatory compliance but also fosters a culture of excellence, where safety, security, and environmental stewardship are paramount. Through these efforts, AMRB continues to thrive as a responsible and resilient industry leader.

Moreover, integrating good governance practices ensures that decisions are made with long-term sustainability in mind, balancing short-term financial gains with broader environmental and social goals. This governance structure enhances AMRB's ability to maintain operational stability, minimize risks, and ensure compliance with all regulatory and ethical standards. More

MANAGEMENT DISCUSSION AND ANALYSIS

information on our HSSE initiatives, our sustainability and organisational values can be found in the Sustainability Statement section of this report on page 34 to 74.

Risks Management

AMRB's involvement in the offshore segment business within the oil and gas industry exposes the company to several anticipated and known risks. These risks are closely tied to the activity levels of major players in Malaysia's oil and gas sector, particularly PETRONAS, which plays a dominant role in the local market. Given the cyclical nature of the oil and gas industry, AMRB must remain agile in identifying, managing, and mitigating these risks to ensure business continuity and financial stability.

One of the most significant concerns is operational risk, primarily driven by factors such as asset utilisation, asset readiness, and capital constraint. If asset utilisation is low or vessels and equipment are not prepared for deployment when required, this could result in missed revenue opportunities and strained customer relationships.

To manage financial risks, AMRB has embarked on a debt restructuring process aimed at improving the company's financial health and reducing its debt burden. This strategy ensures that AMRB can maintain liquidity and financial flexibility, even during periods of reduced activity in the oil and gas sector. By right-sizing its workforce, optimizing costs, and diversifying its business portfolio, the company is further strengthening its ability to withstand market volatility and safeguard long-term sustainability.

The risk of capital constraints, particularly in a capital-intensive industry like OIC and subsea services, is mitigated through careful financial planning and prudent asset management. The company has been proactive in ensuring that its assets are well-maintained and ready for deployment, allowing AMRB to seize new opportunities as they arise, without incurring unnecessary delays or costs.

To address these challenges, AMRB has implemented rigorous action plans that are overseen by a two-tier risk management structure, comprising the Management Risk Working Committee and the Board Risk Management Committee. These Committees are responsible for the continuous evaluation of risks, ensuring that potential disruptions to operations are minimized and swiftly addressed.

In addition, AMRB remains committed to internal controls and governance, which are central to its risk mitigation strategy. Detailed information on these controls, including specific risk mitigation tactics and monitoring mechanisms, are comprehensively outlined in the Statement of Risk Management and Internal Control in the Annual Report. This document provides transparency on how the company identifies risks and implements robust strategies to mitigate them.

In conclusion, AMRB's comprehensive risk management approach, underpinned by a combination of operational, financial, and governance strategies, ensures that the company is well-positioned to navigate the complexities of the oil and gas industry. By continuously evaluating and refining its risk mitigation plans, AMRB is committed to sustaining its competitive edge, managing uncertainties, and securing its long-term growth.

OUTLOOK AND PROSPECTS

Economic Environment

The global economic growth outlook for the remainder of 2024 is expected to remain moderate yet stable. The International Monetary Fund (IMF) projects growth at approximately 3.2%, though this positive outlook comes with several uncertainties. Crude oil prices, in particular, remain vulnerable to various international factors, including geopolitical conflicts and market dynamics. A key driver of global oil supply growth is expected to be non-OPEC+ producers, whose increased production levels may exert downward pressure on global oil prices. Despite these challenges, there is a prevailing sense of optimism regarding long-term oil price stability. OPEC has forecasted continued growth in global oil demand, contributing to a positive outlook for the energy sector over the coming years.

Malaysian Economic Outlook

Domestically, Malaysia's economic outlook for the second half of 2024 appears favorable. The IMF projects Malaysia's real GDP growth at 4.4%, driven by several key factors, including a rebound in the mining sector, particularly natural gas and crude oil production. With major industry players like PETRONAS spearheading growth initiatives, the sector is poised for expansion, supported by increased production and exploration activities. Notably, PETRONAS aims to maintain and enhance Malaysia's oil and gas output, with several large-scale projects in the pipeline.

Further boosting prospects, Malaysia's National Energy Transition Roadmap reflects the country's commitment to cleaner energy solutions. This aligns with global trends toward sustainability, with PETRONAS and other major industry players taking active roles in the transition to renewable energy sources. This pivot toward greener solutions is expected to create new opportunities and stimulate further growth within the energy sector.

AMRB'S Business Segment Prospects

For AMRB, the future trajectory of its business depends significantly on the capital expenditure patterns of major players in the oil and gas industry, particularly PETRONAS. Industry trends and shifts toward sustainable practices will also play a crucial role

MANAGEMENT DISCUSSION AND ANALYSIS

in shaping the Company's direction. In response to market changes, AMRB has been focused on optimizing its diverse business segments, aligning them with industry shifts to enhance its competitiveness and drive sustainable growth.

The Subsea segment also holds promising prospects, with robust demand for underwater services expected to continue. As exploration and production activities expand, subsea services, including maintenance, installation, and construction, will likely experience heightened demand, further reinforcing AMRB's position in this segment.

Strategic Positioning

AMRB's strategic restructuring plan is designed to ensure long-term growth and adaptability. The company is focused on maintaining growth across its core business segments while also exploring diversification opportunities. As part of its transition to an asset-light model, AMRB is optimizing operations, reducing capital expenditure, and positioning itself to be more responsive to market conditions. This approach is expected to enhance the company's agility and resilience in a rapidly evolving energy landscape.

In summary, AMRB is well-positioned to capitalize on the growth opportunities in Malaysia's oil and gas sector, particularly in the subsea markets. By aligning its strategic priorities with broader industry trends—such as the shift toward cleaner energy and increased demand for support services—AMRB aims to secure sustainable growth and strengthen its competitive edge in the region. The company's focus on operational efficiency, asset optimization, and business diversification will be critical in navigating future challenges and seizing new opportunities.

Dividends

AMRB's decision regarding dividend distribution reflects the Group's commitment to aligning shareholder returns with the long-term sustainability and growth of the company. While no dividends have been declared for FY2023-24, this is part of a broader strategy to preserve capital and reinvest it in areas that will enhance operational efficiency, improve the company's financial position, and support future growth initiatives. The current oil and gas market presents both challenges and opportunities, and AMRB recognizes the importance of being financially agile to capitalize on emerging market trends. As the company undergoes structural transformation and continues its asset-light strategy, dividend payouts will be reconsidered when AMRB's financial performance reaches a level of sustained profitability. This approach ensures that future dividends are not only sustainable but also reflect the improved financial health and performance of the company.

Conclusion

AMRB's structural transformation is essential for the Group to fully benefit from the current dynamics in the oil and gas market. The company's restructuring efforts, including debt reduction, operational optimization, and a transition toward an asset-light model, are critical to improving financial resilience and positioning AMRB for sustainable growth. With global energy demand steadily rising and the push for cleaner energy gaining momentum, there is a clear need for companies like AMRB to be strategically positioned to capitalize on these trends.

By streamlining its operations and focusing on key growth areas, AMRB is not only improving its cost structure but also enhancing its ability to respond swiftly to market shifts. This transformation allows the Group to diversify its revenue streams, reduce exposure to operational and financial risks, and better align its services with evolving market needs—particularly in areas such as subsea services, which show strong growth potential.

Furthermore, by embracing sustainable practices and integrating them into its operational strategy, AMRB is positioning itself as a responsible player in the industry, which is increasingly valued by both regulators and clients. As the company continues to implement these structural changes, it is building a more agile and competitive organisation, poised to thrive in the long term. The ongoing transformation is not only a path to recovery but also a proactive strategy to ensure that AMRB remains a key player in the offshore and subsea sectors, delivering value to its stakeholders and reinforcing its reputation as a forward-thinking leader in the oil and gas industry.

DATUK AZMI AHMAD
Group Managing Director / Group Chief Executive Officer

CORPORATE INFORMATION

BOARD OF DIRECTORS

Fina Norhizah binti Haji Baharu Zaman
Chairman/Independent Non-Executive Director

Datuk Azmi bin Ahmad
Group Managing Director/
Group Chief Executive Officer/
Non-Independent Executive Director

Ahmad Hassanudin bin Ahmad Kamaluddin
Non-Independent Executive Director

Ahmad Ruhaizad bin Hashim
Independent Non-Executive Director

Yap Shuh Jian
Independent Non-Executive Director

BOARD AUDIT COMMITTEE

Ahmad Ruhaizad bin Hashim
(Chairman)

Fina Norhizah binti Haji Baharu Zaman

Yap Shuh Jian

BOARD RISK MANAGEMENT COMMITTEE

Ahmad Ruhaizad bin Hashim
(Chairman)

Fina Norhizah binti Haji Baharu Zaman

Yap Shuh Jian

Datuk Azmi bin Ahmad

Ahmad Hassanudin bin Ahmad Kamaluddin

BOARD NOMINATION & REMUNERATION COMMITTEE

Fina Norhizah binti Haji Baharu Zaman
(Chairman)

Ahmad Ruhaizad bin Hashim

Yap Shuh Jian

COMPANY SECRETARY

Nur Aznita binti Taip, ACIS
(MAICSA 7067607)

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PRINCIPAL BANKERS

- Malayan Banking Berhad

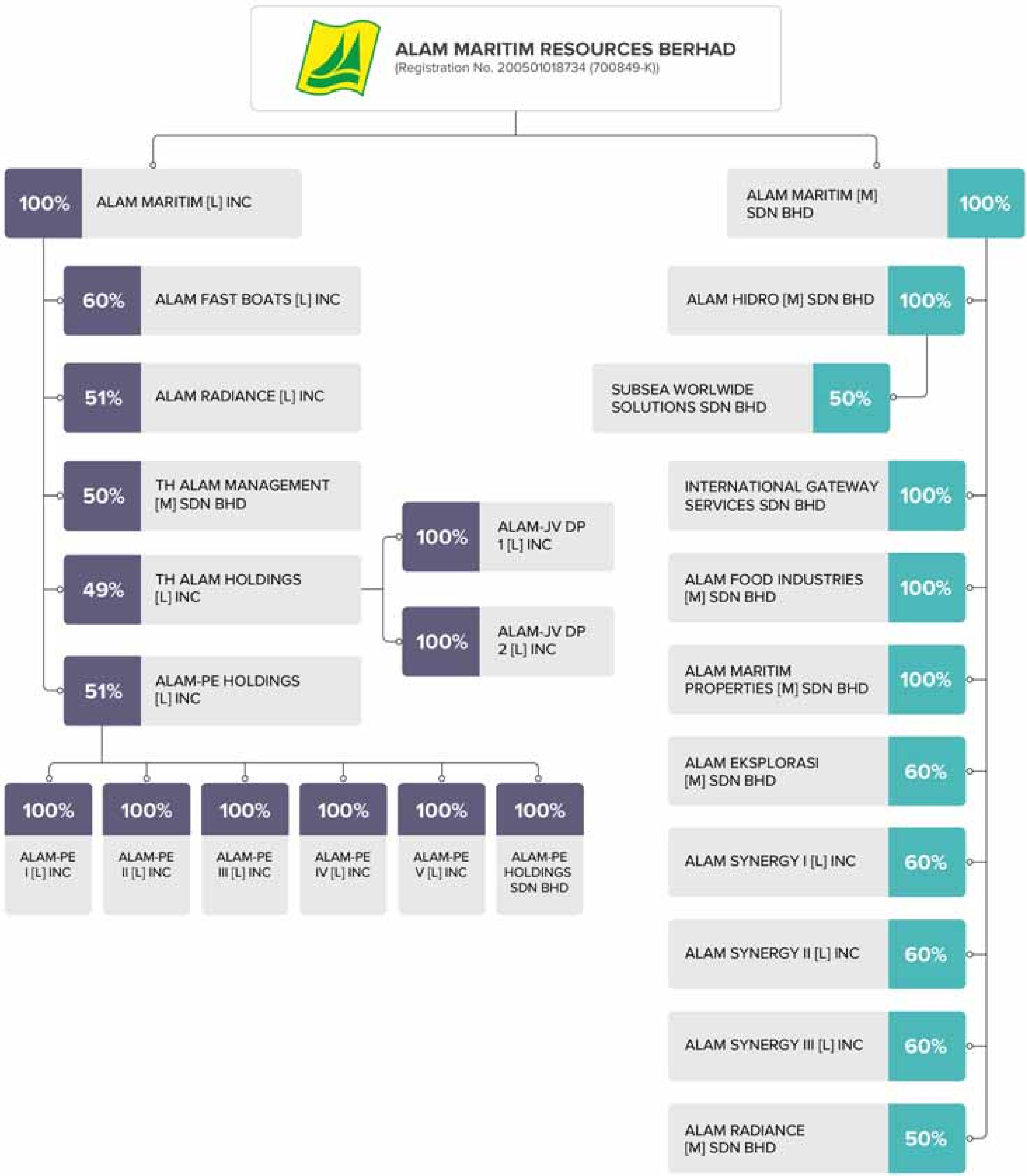
STOCK EXCHANGE LISTING

Listed on Main Market of Bursa
Malaysia Securities Berhad (635998-W)
Sector : Trading/Services
Stock Name : ALAM Stock
Code : 5115

WEBSITE

www.alam-maritim.com.my

CORPORATE STRUCTURE
as at 30 september 2024



CORPORATE POLICY

INTEGRATED MANAGEMENT SYSTEM POLICY

DRUG AND ALCOHOL POLICY

INTEGRATED MANAGEMENT SYSTEM POLICY

ALAM MARITIM GROUP shall strive to continually deliver quality services and products that meet the stakeholders' requirements.

We shall consistently monitor and review our performance to improve our business operating culture and work processes in accordance with Quality, Health, Safety & Environment Management System ("QHSEMS") to become a preferred offshore services partner in the Oil & Gas Industry.

In order to realise this, we shall provide optimum resources to adopt the Integrated Management System approach while not neglecting addressing any potential adverse impact on human health, safety and environment in all aspects of our activities and promoting continuous improvement as ALAM way of life.
We shall ensure that this policy is communicated and inculcated throughout the organisation and to the stakeholders.

It is the responsibility of everyone in **ALAM MARITIM GROUP** to apply QHSE-MS in all work processes.

DRUG AND ALCOHOL POLICY

ALAM MARITIM GROUP strictly restrict the consumption or being under the influence of intoxicating drugs and alcohol which would impair the performance of work and a serious threat to the Health, Safety and Environment at our business operations.

ALAM MARITIM GROUP wishes to ensure that each employee is personally responsible not only to himself but also to others and the Company in eliminating the usage of drug and alcohol across our whole business location. To ensure full compliance to our Policy on elimination of alcohol and drug abuse, the following measures are being implemented:

- Prior to employment with **ALAM MARITIM GROUP**, prospective employees are to undergo pre-employment medical screening on drugs and alcohol;
- Continuously promote working environment with zero tolerance on abuse of drugs and alcohol;
- Total prohibition of possession, distribution or sales of drugs or alcohol at every **ALAM MARITIM GROUP** work location;
- Random test on drugs and alcohol in situation where suspected drugs or alcohol abuse has occurred;
- Conducting comprehensive investigation after occurrence of an incident or accident, whereby the possibility of alcohol or drugs might have been a contributing factor;
- Unannounced periodic or random testing on employees to be conducted as deemed necessary by the Company;
- Conduct lawful searches for alcohol and drug at any work area or location; and
- Employees found to be in possession or under the influence of drugs and alcohol are subjected to disciplinary action that includes immediate termination of employment with the Company.

CORPORATE POLICY

STOP WORK POLICY

ANTI-BRIBERY & ANTI-CORUPPTION POLIC

STOP WORK POLICY

ALAM MARITIM GROUP believes that no work to be performed by us in the execution of our daily business operation is so urgent that we cannot take time to do it safely.

In the aspiration of the prevention of injury to our people and damages to our property as well as the environment, the following **STOP WORK POLICY** shall prevail within the **ALAM MARITIM GROUP** under the following circumstances:

1. When work activities are imposing an Immediate Danger To Life and Health (IDLH) to our personnel during adverse weather conditions or during hazardous or critical work operations;
2. When action by an Individual or a Team is in noncompliance with the set standards and procedures for performing the job tasks;
3. When works to be performed is not in accordance with the agreed Job Method Statement and the approved Job Hazards/Safety Analysis (JHA/ JSA) thus imposing unnecessary risks to the tasks performer.

Departmental, Line, Base Managers, Vessels Masters and Line Supervisors are accountable and responsible in ensuring that the **STOP WORK POLICY** is exercised accordingly under the above circumstances to ensure the ultimate goal of An Injury Free Work Place can be achieved across **ALAM MARITIM GROUP** work locations.

ALAM MARITIM GROUP is totally committed to endeavour attaining an incident free and safe working environment and achieve continual excellence towards the protection of Health, Safety and Environment.

ANTI-BRIBERY & ANTI-CORUPPTION POLICY

ALAM MARITIM GROUP is committed to promote honesty and opposition to Fraud, and does not permit bribery and corruption to be tolerated or perpetuated, to the highest ethical and moral standards, openness, and accountability.

In essence, the Policy is designed to ensure the following:

- Protect ALAM's funds and other assets;
- Maintain the highest standard of ethics, professional conduct and fiduciary responsibility;
- Maintain the integrity of ALAM as a Public Interest Entity ("PIE");
- Secure all businesses of ALAM;
- Protect the reputation of ALAM and its employees at all times;
- Maintain the highest level of services to the community, and individuals;
- Communicate ALAM's commitment to best practice.

The policy is to be applied to any bribery and/or corruption, as well as suspected bribery and/or corruption, involving any member of the Board of Directors, the Chief Executive Officer, Management or employee and our Stakeholders (including our contractors, suppliers, clients joints venture partners, consultants, vendors, agents, authorities and other relevant interested parties).

All employees at all levels are expected to share in this commitment and to lead by example in ensuring adherence to all appropriate regulations, procedures, practices, and codes of conduct.

The Board of Directors ("BOD") of **ALAM MARITIM GROUP** expects individuals and organisations with whom it comes in contact, to act with honesty and no intent to commit bribery and corruption against it.

PROFILE OF DIRECTORS

Malaysian
Female
Aged **66**

Total Board meetings attended:
17/17

FINA NORHIZAH BINTI HAJI BAHARU ZAMAN

Chairman and Independent Non-Executive Director

Fina Norhizah binti Haji Baharu Zaman, was appointed to the Board of Alam Maritim Resources Berhad on 22 October 2010 and was later appointed as Chairman on 21 August 2014. She has attended seventeen (17) of the seventeen (17) board and board committees meeting held in the financial year 2024.

She also serves as a member of the Board Risk Management Committee, the Board Audit Committee and is currently the Chairman of the Board Nomination and Remuneration Committee.

Fina holds a Bachelor of Law degree from the University of Malaya and a Masters in Law (specialising in maritime and shipping) from the London School of Economics, University of London.

She had served the Malaysian Attorney General's Chambers as Senior Federal Counsel and Legal Advisor to the Ministry of Transport Malaysia. In 1984, she served as a lecturer at the International Islamic University, Malaysia in Kulliyah of Law. Fina was admitted as an Advocate and Solicitor of the High Court of Malaya in 1986. Her entry into the oil and gas industry was with PETRONAS, where she had held several senior positions until her retirement as Head/Senior General Manager of the Legal and Corporate Secretarial Affairs Division and the Company Secretary.

Fina is also a director of BIB Insurance Brokers Sdn Bhd. She does not have any family relationship with any other director and/ or major shareholder of the Company and has no conflict of interest with the Company. She has not been convicted of any offence within the past five (5) years.

PROFILE OF DIRECTORS

DATUK AZMI BIN AHMAD

Group Managing Director/ Group Chief Executive Officer, Non-Independent Executive Director

Malaysian
Male
Aged **65**

Total Board meetings attended: **17/17**

Datuk Azmi bin Ahmad was appointed as Group Managing Director/ Group Chief Executive Officer of Alam Maritim Resources Berhad on 2 May 2006. He is also the Chairman of the Employees' Share Option Scheme Committee as well as a member of the Board Risk Management Committee. He has attended seventeen (17) of the seventeen (17) board and board committees meeting held in the financial year 2024.

Datuk Azmi holds an MBA from the University of Wales, Cardiff, UK as well as a Bachelor of Arts (Hons) in Accounting and Finance from the University of South Bank, UK. Prior to joining the corporate sector, Datuk Azmi had served as a *Leftenan Udara* with the Royal Malaysian Airforce before joining Bank Bumiputera Berhad as the Corporate Banking Division Manager. He later moved into the maritime industry with Nepline Berhad, a shipping company providing tanker services, serving as General Manager, Finance Administration and Human Resources Division before co-founding Alam Maritim (M) Sdn Bhd.

Datuk Azmi does not have any family relationship with any Director and/ or major shareholder of the Company and has no conflict of interest with the Company, save as disclosed in the Analysis of Shareholdings section of this Annual Report. He has not been convicted of any offence within the past five (5) years.

PROFILE OF DIRECTORS

Malaysian
Male
Aged **78**

Total Board meetings attended:
16/17

AHMAD HASSANUDIN BIN AHMAD KAMALUDDIN

Non-Independent Executive Director

Ahmad Hassanudin bin Ahmad Kamaluddin, was first appointed as a Director of Alam Maritim Resources Berhad on 6 December 2006. He presently serves as a Non-Independent Executive Director of the Company and as a member of the Board Risk Management Committee and Employees' Share Option Scheme (ESOS) Committee. He has attended seventeen (17) of the seventeen (17) board and board committees meeting held in the financial year 2024.

Ahmad holds a Bachelor of Economics (Analytical) from the University of Malaya and has to-date attended a number of business and management courses, some of which were at the renown Harvard Business School, Oxford School of Petroleum Studies and Fletcher School of Law and Diplomacy, Tufts University, USA.

His career in the oil and gas industry spans four decades, primarily with the national oil company, PETRONAS, where he served in both the downstream and upstream business segments in various senior management positions such as the Head of Business Development under Corporate Planning, Head of Property in LNG Sdn Bhd, Deputy General Manager of the International Marketing Division in PETRONAS, Managing Director of PETRONAS Trading Corporation Sdn Bhd ("PETCO"), a wholly owned subsidiary of PETRONAS, Senior General Manager of the Malaysian Crude Oil Division in PETRONAS and CEO of Vinyl Chloride (Malaysia) Sdn Bhd.

He was also appointed to the Board of various PETRONAS subsidiaries and held an honorary position as Vice President of the International Fertiliser Association of East Asia as well as CEO of ASEAN Bintulu Fertiliser Sdn Bhd, a joint venture company between Malaysia, Thailand, Philippines and Singapore. Following his retirement, he joined Alam Maritim (M) Sdn Bhd in 2004.

He does not have any family relationship with any other director and/ or major shareholder of the Company and has no conflict of interest with the Company. He has not been convicted of any offence within the past five (5) years.

PROFILE OF DIRECTORS

AHMAD RUHAIZAD BIN HASHIM

Independent Non-Executive Director

Malaysian
Male
Aged **56**

Total Board meetings attended: **17/17**

Ahmad Ruhaizad bin Hashim was appointed to the Board of Alam Maritim Resources Berhad as an Independent Non-Executive Director on 16 November 2020. He is currently the Chairman of the Board Risk Management Committee and the Board Audit Committee and a member Board Nomination and Remuneration Committee of the Company. He has attended seventeen (17) of the seventeen (17) board and board committees meeting held in the financial year 2024.

He holds a Bachelor of Economics and Accounting from the University of Leeds, England. He is a member of the Malaysian Institute of Certified Public Accountants (MICPA) as well as a member of the Malaysian Institute of Accountants (MIA).

He began his career in 1991 when he joined Arthur Andersen as an auditor. He served Arthur Andersen for more than five (5) years until 1996 when he left to join KUB Malaysia Berhad. He then re-joined Arthur Andersen in 1999 to head its Kuala Terengganu branch operation. In 2002, he joined Putrajaya Holdings Sdn. Bhd. where his last position was Senior Manager Corporate Planning. After six (6) years with the property development company, he then joined MNRB Holdings Berhad ("MNRB") on 2 January 2008. He has served as Senior Vice President & Group Chief Strategy Officer of MNRB. In addition to his role, he was also the President and Chief Executive Officer of MNRB Retakaful Berhad ("MRT"), a wholly owned subsidiary of MNRB for three (3) years from 2015 to 2017.

He does not have any family relationship with any other director and/ or major shareholder of the Company and has no conflict of interest with the Company. He has not been convicted of any offence within the past five (5) years.

PROFILE OF DIRECTORS

Malaysian
Male
Aged **62**

Total Board meetings attended: **17/17**

YAP SHUH JIAN

Independent Non-Executive Director

Yap Shuh Jian was appointed to the Board of Alam Maritim Resources Berhad as an Independent Non-Executive Director on 28 February 2023. He is currently a member of the Board Risk Committee, Board Audit Committee and Board Nomination and Remuneration. He has attended seventeen (17) of the seventeen (17) board and board committees meeting held in the financial year 2024.

Mr Yap Shuh Jian has the experience in couple of Corporate Restructuring of private group of companies, YKC Group of Companies and YLC Group of Companies, manufacturing of Building Materials, marketing of building materials, Real estate investment in his early day. He then venturing into Property Development and construction via his Eliteland Development Group of Companies, he had successfully completed varies development projects in Perak, Kuala Lumpur and Selangor.

Mr Yap Shuh Jian holds Diploma in Business Studies from the Business Educational Council and Diploma in Banking from Chartered Institute of Banker.

In recent years, he was involved in the construction of mega mixed development project as Structural contractor of EkoCheras and few parcels of highway construction in DUKE 2 part of SDL and TRL, including Manjalara Interchange, Segambut Toll Plaza etc. and Setiawangsa-Pantai Expressway (SPE) Section 1, part of Section 3 and Section 4. His other involvement including Robotic and UV-C LED Disinfectant System as well as Electrical Vehicle industries as a solution provider of the recent pandemic of Covid-19 and the race of EV industries.

He was also Chief Executive Officer of NWP Holdings Bhd. a company listed in the Main Board of Bursa Malaysia) between Nov 2021 and Jun 2022.

He does not have any family relationship with any other director and/ or major shareholder of the Company and has no conflict of interest with the Company. He has not been convicted of any offense within the past five (5) years.

SENIOR MANAGEMENT TEAM

SITI SARAH BINTI ABDULLAH

NUR AZNITA BINTI TAIP

ALVIN CH'NG YI MING

MASLINA BINTI ABDULLAH

CAPT. PRAGASEN A/L T KUNJAMBOO

MUHAMMAD ZAWIR BIN SJAFII

SUZILIANA ANISMA BINTI MOHD AZMI

SITI HAJAR BINTI ABDUL RANI

SENIOR MANAGEMENT TEAM

SITI SARAH BINTI ABDULLAH

Financial Controller

Female, Malaysian, 41 years old

Siti Sarah Binti Abdullah has approximately 15 years of experience in the areas of auditing, financial accounting, and corporate finance. She has wide exposures in various due diligence exercises during acquisitions, listing exercise on Main Board, Bursa Malaysia prior to listing.

Siti Sarah holds a Bachelor of Accountancy (Hons.) from Mara University of Technology. She is a member of the Malaysian Institute of Certified Public Accountants (MICPA) since 2015 as well as a member of the Malaysian Institute of Accountants (membership number: 31650).

Prior to joining the Group, she began her career in 2007 when she joined PricewaterhouseCoopers ("PWC") as an auditor. She served PWC for more than four (4) years until 2011 when she left to join RHB Bank Berhad. She served in different financial related position within banking and insurance.

She has no directorship in other public companies and listed issuers. She does not have any family relationship with any other director and/or major shareholder of the Company. She does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

NUR AZNITA BINTI TAIP

Company Secretary
General Manager, Group Corporate Services & Company Secretary

Female, Malaysian, 51 years old

Nur Aznita Binti Taip has been appointed as General Manager of Group Corporate Services in January 2017 and Company Secretary with effect from 8 March 2017.

She graduated with a law degree from Universiti Kebangsaan Malaysia and subsequently, was admitted as an Advocate and Solicitor of the High Court of Malaya. She also holds an MBA majoring in Corporate Governance from Putra Business School, Universiti Putra Malaysia. She started her career with Public Bank Berhad and later served a legal firm prior to first joining AMRB in 2008 as Group Legal Manager. She then moved to PETRONAS as a Contract Specialist in a key upstream project developed by PETRONAS Carigali and Shell. She is also a member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA 7067607) and had served Menteri Besar Selangor Inc. as Group Chief Company Secretary. She has wide exposure to various legal aspects and jurisdiction, project management, risk management, compliance and corporate governance matters.

She is responsible for managing corporate secretarial, legal, compliance, quality, insurance, licensing and corporate matters for the Group. Nur Aznita is qualified to act as a secretary under section 241 of the Companies Act 2016 (SSM PC NO: 202008003466).

She has no directorship in other public companies and listed issuers. She does not have any family relationship with any other director and/or major shareholder of the Company. She does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

SENIOR MANAGEMENT TEAM

ALVIN CH'NG YI MING

Head of Global Subsea Business — Male, Malaysian, 44 years old

Alvin Ch'ng Yi Ming has been appointed Head of Global Subsea Business with effect from 1 October 2018. He is responsible for the overall performance of the subsea division of Alam Maritim which include ensuring the fulfillment of contract requirement from various contracts in a safe and efficient manner. He is in charge of planning, developing and directing the subsea division's fiscal and operation function and performance.

He graduated with a Bachelor of Engineering (Civil) with first-class honors. He has been working offshore as a subsea inspection engineer and project superintendent before holding senior positions in office. He held various managerial positions in an internationally recognized underwater services company prior to joining Alam. He brings with him more than 15 years of experience in the subsea industry to the organisation with work experience in various Southeast Asia countries. He also held a CSWIP 3.4u and a Life Support Technician certification, and was certified as an OGP Client Representative which is internationally recognized for subsea business.

He has no directorships in other public companies and listed issuers. He does not have any family relationship with any other director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

MASLINA BINTI ABDULLAH

Group Commercial & Contract Head Offshore Support Vessel ("OSV") Division — Female, Malaysian, 61 years old

Maslina Binti Abdullah has been appointed as Group Commercial & Contract Head effective 1st November 2021. She is responsible for the Group's overall OSV operations and has with her over 30 years of experience in the area of tendering/marketing, chartering and management of the OSV fleet.

Prior to joining Alam Group, Maslina had served in different OSV-related positions within her previous Company group, managing the Admin, Manning, Procurement, Operation and Tender/Marketing divisions.

She has no directorships in other public companies and listed issuers. She does not have any family relationship with any other director and/or major shareholder of the Company. She does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

SENIOR MANAGEMENT TEAM

CAPT. PRAGASEN A/L T KUNJAMBOO

Senior Operation Manager
Offshore Support Vessel (OSV) Division

Male, Malaysian, 62 years old

Capt. Pragasen has been appointed as Senior Operation Manager effective 1st September 2022. He is responsible for the OSV operations and has with him close to 40 years of seagoing and shore experience, including commanding foreign going cargo vessels, and managing the cargo and offshore support vessels from shore.

Prior to joining Alam Group, Capt. Pragasen had served in his previous Company as an Operation and Technical Manager of vessels. Additionally, he had converted two of the company's cargo vessels to Naval Auxiliary Vessels to provide naval escort services and protection to Malaysian vessels to safely transit Somalian and Gulf of Aden waters to prevent attack from Somalian pirates. He holds Master's Foreign-Going Cert of Competency.

He has no directorships in other public companies and listed issuers. He does not have any family relationship with any other director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

MUHAMMAD ZAWIR BIN SJAFII

General Manager of International Gateway Services Sdn. Bhd.

Male, Malaysian, 37 years old

Muhammad Zawir Sjafii commenced his initial career with the Group as an accountant in the year 2010. He holds various positions throughout his tenure with the Group and on 25 September 2018, he has been appointed as General Manager of International Gateway Services Sdn. Bhd. ("IGS") (formerly known as Alam Offshore Logistics & Services Sdn. Bhd.).

He is responsible for managing IGS in order to support the Group's fleet engaging in transportation, ship forwarding and agent, ship chandelling, managing yard, warehouse facilities and other related activities in Kemaman and Labuan. Besides, he was also involved in managing and monitoring third-party agents appointed by the Group throughout Malaysia. For 2019 and beyond, he had been assigned to re-engineer IGS and strengthen it further to cater not only for the increased Group's logistics and provisions needs, but also to cater for regional market demands.

He has been with the Company since the year 2010 and has more than six (6) years of shipping agency experience in the OSV, Subsea, OIC industries. He has played an important role to lead the Company's effort toward the achievement of Company objectives. He holds a Bachelor of Accounting from Mara University of Technology (UiTM). He does not have directorship in other public companies and listed issuers.

He has no directorship in other public companies and listed issuers. He does not have any family relationship with any other director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

SENIOR MANAGEMENT TEAM

SUZILIANA ANISMA BINTI MOHD AZMI

Head, Human Resource Department Female, Malaysian 41 years old

Suziliana Anisma Binti Mohd. Azmi has been with the Group since 2013 and she has more than 10 years of experience in Human Resource. She was graduated with Bachelor Degree in Maritime Management from University Malaysia Terengganu (UMT). She started her career in oil and gas industry with Malaysia International Shipping Corporation Berhad and served Alam Hidro (M) Sdn Bhd as Assistant Manager Crewing cum Human Resource and Administration, prior joining Alam Maritim (M) Sdn Bhd in March 2018. She was appointed as Head, Human Resources and Administration with effect from March 2021 and responsible for managing overall Human Resources and talent related initiatives of the group.

She has no directorship in other public companies and listed issuers. She does not have any family relationship with any other director and/or major shareholder of the Company. She does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

SITI HAJAR BINTI ABDUL RANI

Group Head, Health, Security, Safety and Environment Female, Malaysian, 40 years old

Siti Hajar Binti Abdul Rani has been appointed as Group Head of HSSE on 1 September 2017. She is responsible for AMRB Group's Health, Safety, Security and Environment (HSSE) Management System performance, the development of the Integrated Security and Safety Management System (ISSMS) and the implementation of various HSSE programs to support business operation excellence.

She has been with the company since the year 2005 and has more than 12 years of broad-based HSSE experience in the OSV, Subsea and OIC industries. She has played an important role to lead the Company's effort towards the achievement of Corporate HSE objectives. She holds an MBA specializing in Strategic Management from the Universiti Teknologi Malaysia (UTM) and a Bachelor's Degree in Maritime Management from the Universiti Malaysia Terengganu (UMT). She is also a certified IRCA OSHAH 18001 Lead Auditor and Safety and Health Officer Competency (SHO).

She has no directorship in other public companies and listed issuers. She does not have any family relationship with any other director and/or major shareholder of the Company. She does not have any conflict of interest with the Company and has no convictions for any offenses within the past five (5) years.

SUSTAINABILITY STATEMENT

About This Report

Alam Maritim Resources Berhad ("AMRB" or "the Group"), upheld its resilience and adaptability during FY2023-24 amidst a backdrop of challenges and opportunities. This was achieved by leveraging the Group's inherent knowledge, experience and courage, as well as relying on the established collaborative support system. The global macroeconomic landscape, characterised by geopolitical conflicts and inflationary pressures, significantly affected the oil and gas industry, further adding to the complexity. Despite these unpredictable conditions, AMRB navigated through them to the best of its abilities.

The Group is currently focused on debt restructuring initiatives and proposed regularisation plan. This goal is pursued with confidence due to AMRB's ability to adapt to changing circumstances. As an integrated business provider, AMRB's adaptive business model enables it to identify and address critical issues while taking proactive measures accordingly. Additionally, the pursuit of net-zero emissions aligns with broader global initiatives and AMRB is committed to contributing to this cause.

AMRB's ability to fulfill contractual obligations amidst challenging conditions underscores the strength of its sustainability agenda, which is rooted in its vision, mission, shared values and cultural beliefs. These principles shape the Group's character and guide its operations, ensuring alignment with strategic objectives and long-term goals. The Corporate Agenda, derived from the Corporate Vision, Mission Statement, strategic direction, and cultural values, serves as a guiding framework for business conduct, emphasising commitment and sustainability.

The Group remains steadfast in its commitment to improving cash flow optimisation, enhancing work and cost efficiency through integrated processes, and bolstering safety measures across projects. These objectives are crucial for long-term success, and AMRB's approach effectively addresses short to medium-term concerns while laying the groundwork for sustainable value creation in the future.

SUSTAINABILITY STATEMENT

SUSTAINABILITY AGENDA AND MATERIAL MATTERS

AMRB continues to acknowledge the significance of addressing key material matters in collaboration with stakeholders, a commitment we intend to uphold. Developing appropriate policies to enhance overall sustainability, while adhering to international and domestic standards regarding our values and supply chain, will yield substantial long-term benefits for the Group. This aligns with our ongoing efforts and aspirations for continuous improvement.

A vital matter that displays our materiality matters progress is our ability to address Quality, Health, Safety, Security and Environment ("QHSSE") sustainability over time. QHSSE is one of our identified material matters which is why it is a good indication on our overall development to achieve sustainability and handle material matters. Climate change is also a growing focus area that AMRB is looking into further addressing within its capacity.

AMRB has also remained focused on integrating sustainable practices guide by the four pillars of Economic, Environment, Social and Governance ("EESG"), into aspects that deal with the operations, our broader economy and social issues throughout FY2023-24. Through this integration, AMRB has experienced significant benefits that involve our ability to:

REPORTING SCOPE AND BOUNDARY

The contents of our Sustainability Statement ("SS2023-24") encompass AMRB'S Malaysian operations that are wholly owned by the Group which consist of:

1. Alam Maritim Resources Berhad
2. Alam Maritim (M) Sdn Bhd
3. International Gateway Services Sdn Bhd
4. Alam Food Industries (M) Sdn Bhd
5. Alam Maritim Properties (M) Sdn Bhd
6. Alam Hidro (M) Sdn Bhd
7. Subsea Worldwide Solutions Sdn Bhd

SUSTAINABILITY STATEMENT

The FY2023-24 report encompasses onshore and offshore projects, initiatives, and activities relevant to AMRB's materiality matters, including expanded sustainability targets. Information, activities and performance data outside the reporting scope are not disclosed in this SS2023-24.

AMRB's sustainability reporting is focused on prioritized materiality topics. While external assurance is not currently provided, future reports will evaluate scope and boundary considerations.

AMRB'S sustainability reporting boundaries are governed by the prioritisation of its identified materiality topics and whilst no external assurances can be made currently, considerations regarding scope and boundaries for future reports will be made.

The information presented in this SS2023-24 addresses matters that are most material to our business and stakeholders currently prevailing. We identify, prioritise and validate our material matters.

Reporting Period:

1 July 2023 to 30 June 2024 ("FY2023-24")

Reporting Cycle:

Annual

Reporting Frameworks Referenced:

The SS2023-24 was prepared according to the following frameworks:

BURSA MALAYSIA
Bursa Securities' Main Market Listing Requirement Practice

BURSA MALAYSIA
Bursa Malaysia Corporate Governance Guide (3rd Edition)

SUSTAINABLE DEVELOPMENT GOALS
United Nations Sustainability Development Goals ("UNSDGs")

MEMBERSHIP IN ASSOCIATIONS

AMRB is committed to promoting positive and sustainable industry standards. To achieve this, the Group actively participates in relevant industry associations. This membership enables us to stay informed and adopt the best sustainability practices across our organisation and value chain. AMRB's wholly owned subsidiary, Alam Maritim (M) Sdn Bhd ("AMSB") is a member of the following professional bodies and industry associations:

1. Malaysia OSV Owners' Association (MOSVA)
2. Malaysia Shipowners' Association (MASA)

Alam Hidro (M) Sdn Bhd is a member of :

1. International Marine Contractors Association (IMCA)
2. Lloyds Register

ASSURANCE

SS2023-24's financial data has been audited and assured by the Group's auditor, Crowe Malaysia PLT. Non-financial data and information have not been externally assured for this Sustainability Statement FY2023-24 but it was internally assured by senior management and the relevant data owners. AMRB will possibly garner external assurance for its sustainability statements in the future.

LIMITATIONS

AMRB understands that data-gathering challenges remain for some indicators. Therefore, we are continually working towards applying more robust data tracking and gathering mechanisms to improve our reporting in the future.

FORWARD-LOOKING STATEMENTS

The SS2023-24 contains forward-looking statements that include future plans, targets and prospects that are reasonably formulated based on appropriate assumptions regarding performance, current operating conditions and available data to the Group. These aspects may alter due to unforeseen circumstances beyond AMRB's control. Hence, readers are advised to not place undue reliance on forward-looking statements in this report as our business is always subject to risks and uncertainties, and actual results may differ.

REPORT AVAILABILITY AND FEEDBACK

AMRB's SS2023-24 was prepared by the Senior Management Team of the Group. The Statement was reported to the Board of Directors ("the Board") for consideration and approval. Feedback and inquiries relating to this report, including any unethical and unlawful behaviour by an employee or any of the subsidiaries, may be channelled in confidence to:

Encik Ahmad Hassanudin bin Ahmad Kamaluddin
(Group Risk & QHSSE Director)
Tel : +603 90582244
Fax : +603 90596845
Email : info@alam-maritim.com.my

Letters may be directed to:

Attention: QHSSE Director
Alam Maritim Resources Berhad
No. 38F, Level 3, Jalan Radin Anum,
Bandar Baru Sri Petaling,
57000 Kuala Lumpur,
Wilayah Persekutuan, Malaysia.

SUSTAINABILITY STATEMENT

FY2023-24 HIGHLIGHTS AND ACHIEVEMENTS

12 UNSDGs adopted

Governance / Economic

100% of Board members and have undergone anti-corruption trainings and briefings.

Zero confirmed incidents of corruption

30% women in top management

Environmental

Employs low-sulphur Marine Gas Oil ("MGO") containing 0.1% or less sulphur content

8.30% decrease in overall CO2 emissions

12.6% decrease in electricity consumption

Social

Zero fatalities

100 total employees

8 total new hires

RM272,290 spent on employee training

RM8,565,244 spent on employee salaries and benefits

RM26,500 total spent on community investment activities

SUSTAINABILITY STATEMENT

SUSTAINABILITY STRATEGY, FRAMEWORK & MATERIALITY MATTERS

AMRB recognises the roles that Economic, Environmental and Social ("EES") factors play in achieving sustainability and the Group remains focused on these factors whilst comprehensively assessing the risks involved with implementation. AMRB's Vision and Mission can be seen below:

The group's sustainability strategy is supported by our Vision and Mission, which consists of the following elements:

1. **Sustainability Goals, Benefits and Policy**
2. **Materiality Matters**
3. **United Nations Sustainability Development Goals ("UNSDGs")**

These fundamental elements provide the foundational groundwork for which our framework was constructed on and will remain pivotal throughout our sustainability journey. Our sustainability strategy is implemented through our sustainability initiatives that aim to involve our stakeholders as much as possible. These initiatives are:

SUSTAINABILITY GOALS, BENEFITS AND POLICY

Establishing clear and distinct targets is important for AMRB in enhancing its overall sustainability. Not only does it provide clear objectives for the Group, it also enables our progress to be more easily assessed which allows for more accurate and effective changes to be made for improvement.

Our sustainability goals are the following:

Sustainability Goals

1. Sustain strong resilience and business agility towards maximising returns and upholding stakeholders' interests.
2. Achieve best performance in QHSSE as part of the organisation's long-term culture and reputation.
3. Retain and enhance our competitive edge, focusing on technology, innovation and customer needs.
4. Impart caring values with community and environment within the organisation through Company Social Responsibility ("CSR") activities.
5. Enhance corporate governance via maintaining strong framework and implementations, focusing on internal control, risk management and stringent quality controls.
6. Commit to delivering on adopted UNSDGs that allow the significantly contribute to global prosperity and sustainability by addressing universal challenges.

The benefits of achieving sustainability for AMRB can be seen below:

Sustainability Benefits

1. **Corporate Governance**
   a) Enhancing Risk Management
   b) Maintaining QHSSE License to Operate
   c) Promoting Good Corporate Governance & Integrity
   d) Enhancing Innovation for Business Continuity
   e) Securing Capital
   f) Enhancing Customer Relationship Management
2. **Organisation Culture Development**
   a) Improving Shared Values and Work Culture
   b) Improving Productivity
3. **Quality & Health, Safety, Security and Environment**
   a) Enhancing the QHSSE Culture
4. **Corporate Social Responsibility**
   a) Enhancing Brand Value and Reputation

MATERIALITY MATTERS

Prioritising the right material matters with a strategic mindset carries a vital importance in determining the agenda and direction of the Group's sustainability journey.

Gather employee and stakeholder feedback → Identify material matters that have the potential to significantly impact AMRB's ability to remain sustainable → Validate finalised material matters with approval from the Group's leadership

The following material matters either directly or indirectly influence our business practices, strategy, activities and application. Each material matter carries the same level of importance and all the matters mentioned can be seen as being interrelated and co-dependent in terms of the impact they have on sustainability.

SUSTAINABILITY STATEMENT

Materiality Matters

- Quality & Health, Safety , Security and Environment ("QHSSE")
- OIC & Subsea Projects
- Organisational Culture Development
- OSV Business
- Corporate Social Responsibility ("CSR")
- Talent Management and Development
- Waste Management and Pollution Prevention Management and Development

UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS

AMRB is dedicated towards the realisation of its 12 adopted United Nations Sustainable Development Goals in order to contribute towards the global betterment of the economy, environment and society. Contributions and achievements in these goals deal with topics such as poverty, inequality and environmental degradation.

The Group continuously integrates adopted UNSDGs into its materiality matters which includes our QHSSE framework and CSR activities, as well as among our stakeholders, supply chain and the wider community.

AMRB aims to disclose specific sustainability targets and key performance indicators aligned with the UNSDGs as relevant data becomes available. By highlighting the positive impact of these goals on our business, we will demonstrate our commitment to sustainability to key stakeholders.

STAKEHOLDER ENGAGEMENT

AMRB prioritizes strong and enduring stakeholder relationships as a cornerstone of business success. Understanding our stakeholders' dynamic needs and expectations is vital for sustainable growth. Key stakeholders have been identified based on their influence on AMRB's operations and their interest in the company.

Effective communication channels are essential for fostering stakeholder collaboration and alignment with our goals and vision. AMRB engages with stakeholders through various platforms, including meetings, media, social events, and reports, while increasing investment in online platforms like virtual teleconferencing and website updates to enhance digital communication capabilities.

AMRB's key stakeholders encompass clients, employees, shareholders, investors, government and regulatory bodies, the community, and partners/suppliers. The Group maintains a consistent stakeholder engagement strategy, utilizing the same key stakeholder list as FY2022-23.

SUSTAINABILITY STATEMENT

Stakeholder Group	Engagement Approach	Frequency	Outcomes and Values
Customers	Tender / Bidding Briefings	As and When	1. Project Requirements 2. Compliance 3. Service Delivery 4. Solutions Consultation and Support
	Client evaluation Assessments	Quarterly	
	Project contract administrator meetings	Periodic	
	Tactical Events and Road Shows	Periodic	
	Client Supervision and engagement	Per contract	
	Enquiry Correspondence	As and When	
Employees	Managing Director ("MD") engagement sessions	As and When	1. Health, Safety, Security, and Environment 2. Operational Performance Update and Reviews 3. Sustainability Updates and Reviews 4. Business Direction and Initiatives 5. Human Resource Affairs and Personal Development
	Engagement events	Periodic	
	Employee satisfaction surveys	Annually	
	Work Performance and Development Review	Annually	
	Management-Employee Town Hall / Employee Meetings	Periodic	
	Training / Workshops / Team Building	Periodic	
	Corporate Updates via Intranet	As and When	
	Staff Inquiry, Grievance & Whistleblowing	As and When	
Shareholders, Investors and Analysts	Annual Report	Annually	1. Wealth and Value creation 2. Financial Performance and Growth 3. Future prospects 4. Good Corporate Governance 5. Sustainability of Operations
	Annual General Meeting	Annually	
	Financial reports and investor briefings	Quarterly	
	Analyst briefing	As and When	
	Media releases	Periodic	
	Shareholder updates and Bursa announcements	Periodic	
	Company website updates	As and When	
Government and Regulators	Meetings and visits	Periodic	1. Regulatory Approvals and Legal Compliance 2. Good Governance and Responsible Corporate Management 3. Taxes and Levies 4. Solutions Consultation and Support
	Reports	Periodic	
	Participation in government and regulatory events	As and When	
	Facilitating Regulatory Audit and Other Periodic Statutory	Periodic	
	Support Industry / Government Initiatives	Periodic	
	Certification and Licenses	Periodic	
	Tactical Events and Road Shows	Periodic	
	Client Supervision and engagement	Per contract	
	Enquiry Correspondence	As and When	

SUSTAINABILITY STATEMENT

Stakeholder Group	Engagement Approach	Frequency	Outcomes and Values
Community, Media and General Public	Corporate social responsibility activities	Periodic	1. Corporate Social Responsibility 2. Good Governance and Responsible Corporate Management 3. Environmentally Responsible
	Social media	As and When	
	Meeting with the press	As and When	
Contractors and Suppliers	Partnership Agreement	As and When	1. Policy, Requirement & Compliance Updates and Review 2. Evaluation Assessment issues 3. Sustainability issues 4. Operational Progress 5. New Business Opportunities 6. Supply and Pricing
	Engagement and Meetings	Periodic	
	Site Visit	Periodic	
	Tender / Bidding Briefings	As and When	
	Procurement, Policy and Regulations Updates	As and When	
	Contractor / Supplier Evaluation Assessment	Annually	

SUSTAINABILITY GOVERNANCE

AMRB's sustainability governance structure plays a crucial role in ensuring the whole organisation can be managed and directed towards becoming an EES-driven company. Our sustainability governance structure is heavily influenced by AMRB's QHSSE structure.

Risk Management is also a key supporting function of this structure, with activities that include corporate and financial affairs, human resources and more. Improved focus has also been placed on stakeholders' benefit through our governance structure since maintaining a strong relationship with stakeholders remains a top priority for the Group.

The Group's sustainability governance structure has well-established roles and responsibilities that oversee and drive the Group's sustainability agenda, outline relevant Sustainability Strategy goals as well as review the Group's sustainability performance for future enhancements.

The targets that have been set for our structure can be seen through our Vision and Mission along with our iCARE cultural beliefs. Other targets that we aim to achieve within our structure involve gender diversity where we strive to ensure that at least 30% of our Board or Top Management are female and issues relating to anti-corruption especially through the implementation of our ABAC policy or whistleblowing mechanisms.

SUSTAINABILITY GOVERNANCE STRUCTURE AND ROLES

SUSTAINABILITY STATEMENT

AMRB's sustainability is overseen by our QHSSE Executive Director, who is responsible for developing and implementing the overall sustainability strategy and managing EES related risks, opportunities, goals, and metrics.

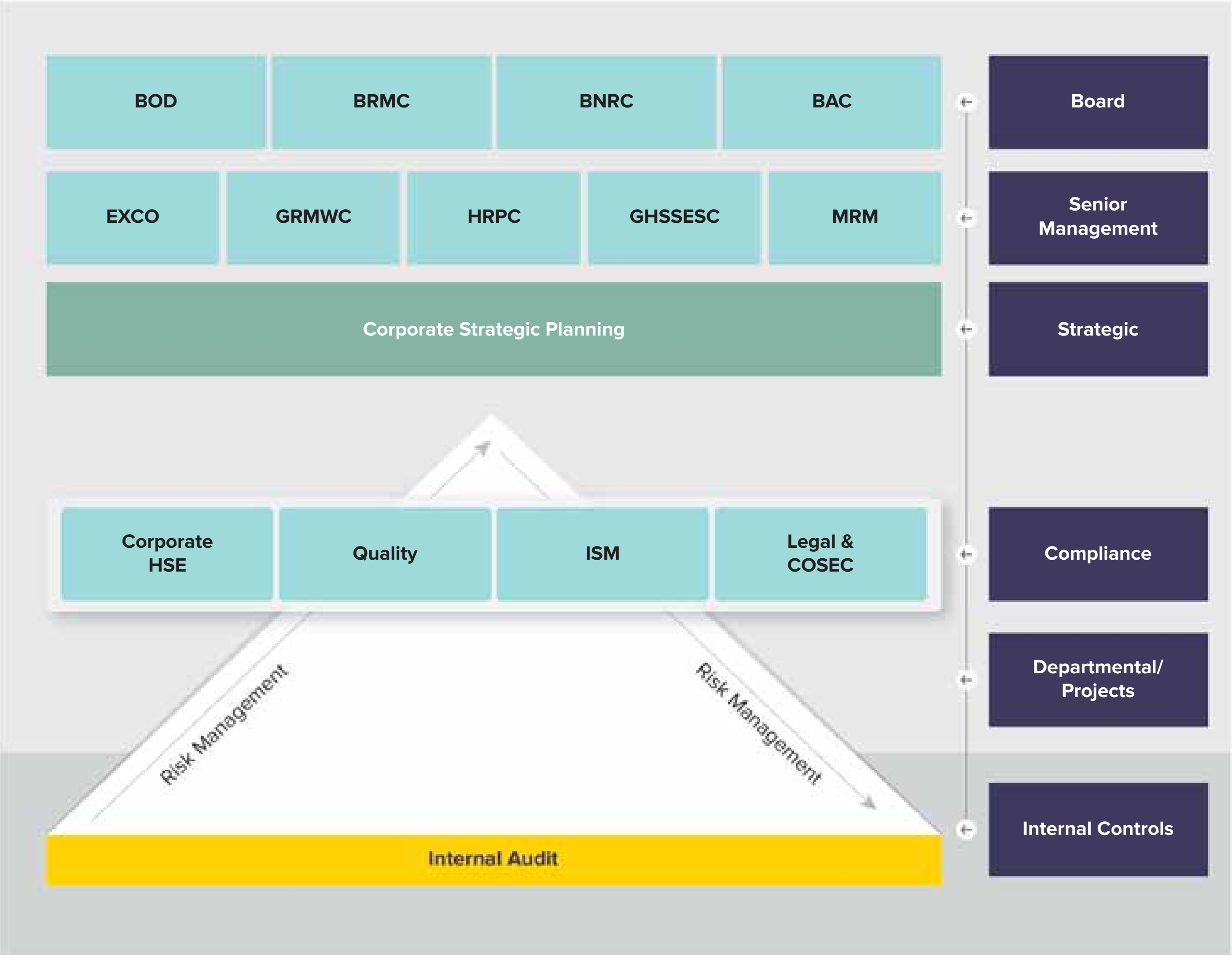
The Group's Board oversees business and risk strategy, organisational structure, financial viability, and regulatory compliance, including EES implementation. This approach facilitates the integration of sustainable practices and addresses our stakeholders' concerns.

Our cross-functional sustainability governance structure includes the Group Risk Management Working Committee ("GRMWC"), Steering Committee, and Management Review Meetings ("MRM"). This structure aligns with our broader Corporate Governance and Risk Management Framework ("CGRMF"), approved by the Board, which outlines the Group's roles, responsibilities, structure, and functional accountability.

Moreover, the Board Risk Management Committee ("BRMC"), Board Audit Committee ("BAC") and Board Nominations and Remuneration Committee ("BNRC") are also part of the CGRMF.

Our governance approach empowers leaders through increased responsibility and accountability, fostering leadership development and improved decision-making. This approach cultivates a team-oriented culture and enables leaders to drive the Group's strategic vision and mission.

While managing a complex corporate structure can pose challenges for sustainability initiatives, AMRB's governance framework is equipped to address these effectively and efficiently, allowing us to confidently move forward with our sustainability goals.



SUSTAINABILITY STATEMENT

Committee level	Main Responsibilities
1. Board of Directors	• Chaired by the Chairman of the Board • Provide oversight responsibilities to the sustainability agenda and strategies. • Reviews information provided by the QHSSE Director for evaluation of strategies and initiatives. • Approves policy changes, reviews the Board Charter. • Approves Unaudited Quarterly Financial Results and Annual Audited Financial Statements.
2. Board Risk Management Committee ("BRMC")	• Chaired by an Independent Non-Executive Director. • Approves the Annual Group Risks Profile and Risk Management of the Group. • Approves the quarterly status updates of key risks and mitigation actions as recommended by the GRMWC.
3. Board Audit Comittee	• Chaired by BAC Chairman (Independent Non-Executive Director). • Approves the appointment and resignation of external Auditors. • Approves Annual Audit Plan, budget and resources of Internal Audit Department. • Reviews the Audit progress and follow up of all internal controls matters.
4. Board Nomination and Remuneration Committee ("BNRC")	• Chaired by an Independent Non-Executive Director. • Review manpower planning, remuneration and related policy matters.
5. Group Risk Management Working Committee ("GRMWC")	• Chaired by QHSSE Director. • Attended by CEO and Heads of Department/Divisions and Business Units before quarterly BRMC meetings. • Recommends Annual Group Risks Profile of AMRB Group of Companies for BRMC approval. • Deliberates quarterly status updates of key risks and mitigations by respective Heads of Department (process owners). • Supports to define and establish the Sustainability Policy, goals and expectations. • Supports to review and conduct the Sustainability Policy, goals and strategies. • Addresses the economic, environmental and social (EES) risks, creates risk profile and provides mitigation recommendation for business and operational activities regarding sustainability. • Escalates critical concerns to QHSSE Director, as Chairman of Sustainability Governance. • Provides latest Sustainability data, actions and campaigns for the Management Committee to review performance.
6. Management Review Meeting ("MRM")	• Chaired by QHSSE Director and meets once a year as part of ISO requirements. • Comprises top Management, Heads of Department and Division. • Opportunities for improvement measured through internal/external audit finding. • Continuous improvement on IMS system and other compliance.
7. Group Quality Working Committee ("GQWC")	• Chaired by QHSSE Director. • Comprises top Management, Heads of Department and Division. • Reviews and monitors IMS implementation throughout the Group. • Supports to review and conduct the Sustainability Policy, goals and strategies. • Produce the annual Corporate Sustainability Statement for review and endorsement. • Implement and act as "Change Agents" to deliver and communicate on Sustainability Policy, goals and strategies. • Escalates critical concerns to QHSSE Director, as Chairman of Sustainability Governance.

Committee level	Main Responsibilities
8. Group HSSE Steering Committtee ("GHSSESC")	• Chaired by the Group/CEO. • Provides oversight responsibilities to the sustainability agenda and strategies. • Reviews information provided by the QHSSE Director for evaluation of strategies and initiatives.
9. Group HSSE Working Committee ("GHSSEWC")	• Chaired by an QHSSE Director. • Initiates and participates in HSSE development, training and/or continuous improvement programmes. • Conducts management site visits and HSSE talks. • Monitors the implementation and review the performance of HSSE plans. • Meets every month. • Support to review and conduct the Sustainability Policy, goals and strategies. • Implement and act as "Change Agents" to deliver and communicate the Sustainability Policy, goals and strategies. • Provides latest Sustainability data, actions and campaigns for the Management Committee to review performance.
10. Human Resource Planning Committee	• Chaired by Executive Director. • Reviews the Staff Performance & Development Appraisal Results. • Reviews HR Policies from time to time.
11. Debtors Ageing Sub Committee & Credit Review Sub Working Committee	• Chaired by GMD/CEO. • Review repayment ageing of debtors. • Assess credit risk of a new trade debtors.

BOARD INDEPENDENCE AND SKILLS

AMRB maintains separate roles for the Chairman and CEO to enhance accountability and improves the clarity of each member's responsibilities. Detailed information about directors, including roles, skills, and experience, is available in the Directors' Profile section of the Annual Report.

The Board's appointment and dismissal process is transparent and involves shareholder approval at Annual General Meetings ("AGM") or Extraordinary General Meetings ("EGM"), with independent third-party oversight. Annual performance evaluations are conducted to maintain Board member competency.

Furthermore, Remuneration packages are transparently disclosed in our audited accounts and CG statements, including long-term incentives and ESG-linked performance metrics. We also provide our shareholders with voting rights on remuneration for our executives.

BOARD LEADERSHIP DIVERSITY

AMRB takes a non-discriminatory approach towards the formation of our workforce, management, and Board members. Our female staff now numbers 40% of our entire workforce, an increase of 10% from the previous year. Furthermore, AMRB's Board is headed by a woman, which makes the group among the select few, public listed companies in Malaysia to have a woman as the chairperson.

Apart from gender diversification, AMRB has made efforts in including younger members in the Board to provide insights on emerging trends and new technologies within the industry. The group has also begun diversifying Board members to be inclusive of more ethnicities, and remain open to employ candidates with disabilities. AMRB continues to broaden the Board's diversity and seek to expand these beliefs throughout the rest of the organisation, making a key belief in our operations.

SUSTAINABILITY STATEMENT

Board Gender Breakdown (%)	FPE2022	FY2022-23	FY2023-24
Female (%)	16.67%	16.67%	20%
Male (%)	83.33%	83.33%	80%

Board Age Breakdown (%)	FPE2022	FY2022-23	FY2023-24
30 years old and below (%)	0%	0%	0%
31-50 years old (%)	0%	0%	0%
51-64 years old (%)	66.67%	66.67%	80%
65 years old and above (%)	33.33%	33.33%	20%

Board Ethnicity Breakdown (%)	FPE2022	FY2022-23	FY2023-24
Bumiputera (%)	80%	80%	80%
Chinese (%)	20%	20%	20%
Indian (%)	0%	0%	0%
Others (%)	0%	0%	0%

Board Disability Breakdown (%)	FPE2022	FY2022-23	FY2023-24
No-Disabled (%)	100%	100%	100%
Disabled (%)	0%	0%	0%

RISK MANAGEMENT ASSESSMENT

AMRB’s risk-related matters is overseen by GRMWC, which reports to the BRMC which has ultimate Board oversight over risk at the Group.

The Group’s Risk Department manages Enterprise-Wide Risks (“EWR”) and mirrors the GRMWC's core functions. As a key decision-making body, the GRMWC is aligned with the Group's objectives and contributes to the Group's direction and operations.

The GRMWC plays a crucial role in developing and refining risk management policies aligned with our strategic objectives. By fostering a risk-aware culture throughout the organisation, the Committee ensures that management teams are equipped to manage risks effectively. Integrating risk management into daily operations is fundamental to AMRB's strategy culture and business operations.

The GRMWC plays a crucial role in identifying both internal (e.g. operations and staffing) and external (e.g. legal, compliance, governance, etc.) factors influencing strategic decision-making. By conducting thorough risk assessments, the Committee helps identify gaps and prioritize areas for improvement, particularly in EES-related matters. AMRB employs the ISO 31000 framework for managing EES risks, with the Board providing oversight in general and EES-related risk management. For matters of EES-related emergencies, AMRB has protocols that place responsibility on our QHSSE Department.

PRESERVING OUR LICENSE TO OPERATE (QHSSE)

A strong QHSSE culture, emphasizing ownership, mindfulness, and proactive intervention, promotes employee engagement in achieving our goals. Maintaining our operational license and environmental compliance is critical for business continuity and this relies on the commitment of our staff and contractors.

AMRB's success is attributed to our robust QHSSE implementation, putting the company in a competitive position. A strong commitment to regulatory compliance and certifications has resulted in a clean QHSSE track record, efficient service delivery, optimized resource management, and zero operational errors.

The following are the standards that AMRB have achieved:

Certification & Standards	Awarded to	Validity
IMS STANDARDS OF ISO 9001:2015 (QUALITY MANAGEMENT)	ALAM MARITIM GROUP: i) Alam Maritim Resources Berhad ii) Alam Maritim (M) Sdn Bhd iii) Subsea Worldwide Solutions Sdn Bhd iv) International Gateway Services Sdn Bhd	11 March 2027
ISO 14001:2015 (ENVIRONMENTAL MANAGEMENT)	ALAM MARITIM GROUP: i) Alam Maritim Resources Berhad ii) Alam Maritim (M) Sdn Bhd iii) Subsea Worldwide Solutions Sdn Bhd iv) International Gateway Services Sdn Bhd	11 March 2027
ISO 45001:2018 (OCCUPATIONAL HEALTH AND SAFETY)	ALAM MARITIM GROUP: i) Alam Maritim Resources Berhad ii) Alam Maritim (M) Sdn Bhd iii) Subsea Worldwide Solutions Sdn Bhd iv) International Gateway Services Sdn Bhd	11 March 2027

AMRB is committed to achieving and maintaining international standards to enhance future quality and compliance. The QHSSE Department oversees the implementation of the following standards across all subsidiaries within the Group's Integrated Management System ("IMS"):

- International Safety Management ("ISM") Code and Maritime Pollution ("MARPOL") on our maritime operations
- Health, Safety and Environment Management System ("HSEMS") within our business operations

AMRB's Corporate Security Policy, outlining standardized security procedures, is implemented to enhance long-term business sustainability. The COVID-19 pandemic highlighted the importance of robust risk management and QHSSE practices in maintaining a safe and healthy work environment.

SUSTAINABILITY STATEMENT

AMRB's commitment to quality control, regulatory compliance, and QHSSE management has garnered industry recognition. In FY2023-24, the Group received the following awards:

No.	Date	Details of Achievement / Contribution	Client
1.	July 2023	Certificate of Achievement awarded to MV Setia Rentas for achieving Zero Incident Award during 2022/2023 Hibiscus Oil & Gas Malaysia Limited (HML) Monsoon Safety Campaign	Hibiscus Petroleum
2.	July 2023	Certificate of Achievement awarded to MV Setia Gigih for achieving Zero Incident Award during 2022/2023 Hibiscus Oil & Gas Malaysia Limited (HML) Monsoon Safety Campaign	Hibiscus Petroleum
3.	July 2023	HSE Excellence Appreciation Award presented to TH Alam Management (M) Sdn Bhd – MV Setia Jihad & Taha Assafa for HSE Excellence and Outstanding Efforts in achieving incident free operation during D35 & J4 Work Over Project 2023	Roc Oil

UPHOLDING ANTI-BRIBERY AND ANTI-CORRUPTION STANDARDS

AMRB views corruption as a critical threat to sustainability development, societal well-being, and economic growth. Corruption undermines the Group's commitment to good faith, diligence, and integrity that must be upheld at all times. Therefore, a core component of EESG is eliminating corruption through robust practices, governance mechanisms, and policies to foster sustainable, transparent business, community, and societal development.

Two years ago, AMRB introduced the Anti-Bribery and Anti-Corruption (“ABAC”) policy, in compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”). The MACC Act and ABAC policy hold commercial companies accountable for bribery and corruption within the organisation. Liability extends to board members, the Chief Executive Director, management, employees, and relevant stakeholders. This ensures that:

01 AMRB’s funds and other assets are protected

02 The highest standards of ethics, professional conduct and fiduciary responsibility are maintained

03 Integrity of ARMB as a Public Interest Entity is maintained

04 All of AMRB’s businesses are secured

05 The reputation of ARMB and its employee are protected at all times

06 The highest level of services to the community and individuals is maintained

07 AMRB's commitment to best practices is communicated

AMRB's ABAC policy outlines procedures, compliance measures, monitoring protocols, and reporting frameworks to combat corruption. This policy enhances organisational transparency and contributes to sustainable economic growth. The ABAC policy is implemented across all organisational levels and stakeholder interactions.

AMRB's Board oversees anti-corruption policy development and implementation through committees such as the BAC, GRMWC, BRMC, HRAD, and IARM. Our internal audits verify anti-corruption compliance.

AMRB aims to promote an anti-corruption culture through training and ABAC policy acknowledgment at all organisational levels. New hires receive ABAC policy briefings, and the Employee Handbook outlines ABAC policy details and ethical conduct guidelines. Plans for ABAC for board members are being drafted and will be implemented in the nearby future.

AMRB employs internal audits and whistleblower reports as key mechanisms for monitoring and assessing anti-corruption performance.

If a corruption-related offense is detected, the following Group entities will address the issue:

01 Alam Disciplinary Board ("ADB")

for accused individuals from the employee level up to the managerial level.

02 Board Panel

for accused individuals from the Management (Senior Manager & above) level up to any of the Group's Directors.

AMRB reported zero confirmed incidents of corruption in FY2023-24.

Number of confirmed incidents of corruption	FY2022-23	FY2023-24
Board of Directors	0	0

The full and approved ABAC policy framework can be viewed at AMRB's Investor Relations webpage at https://www.alam-maritim.com.my/investor/policies/.

NO GIFT POLICY

AMRB's ABAC policy includes a strict No Gift Policy, prohibiting all parties associated with the Group from directly or indirectly giving or receiving gifts, with limited exceptions. Gifts received outside of the general exceptions must be immediately recorded in the HRAD Gift Register for the GMD/CEO's approval on appropriate action.

APOLITICAL STANCE

AMRB maintains an apolitical stance and adheres to a general policy of not providing any monetary or in-kind contributions to political parties, officials, or candidates. In the current reporting year, AMRB has not made any political donations or contributions. There may be instances where the Group may engage in government-sponsored philanthropic endeavours or national development projects. Additionally, AMRB may occasionally support local community initiatives that involve political figures or parties. Any political donations made by the organisation must adhere to legal standards and should not be seen as a means to secure preferential treatment.

For more detailed information, please refer to the ABAC Policy available at: https://www.alam-maritim.com.my/investor/policies/.

WHISTLEBLOWING MECHANISM

AMRB's whistleblowing system allows employees and stakeholders to report suspected instances of fraud, misappropriation of monies, concealment of facts or information with the intention to mislead, abuse of power, embezzlement, violation of laws and regulations including taking or giving kickbacks, bribes and favours, endangerment to health and safety, violation of Group policies, abuse of privileges, criminal offences and blackmailing, amongst others.

Here is how one may submit a whistleblowing report:

a) Any concern in respect of Key Management / Senior Management should be reported to the following authority using the Group's Whistleblowing Form:

   ALAM MARITIM RESOURCES BERHAD,
   No. 38F Level 3, Jalan Radin Anum,
   Bandar Baru Sri Petaling,
   57000 Kuala Lumpur, Malaysia.
   Attention: Chairman of Board Audit Committee and copied to the Group Managing Director of AMRB

b) Any concern in respect of other general Staff should be reported to the following authority using the Group's Whistleblowing Form:

   ALAM MARITIM RESOURCES BERHAD,
   No. 38F Level 3, Jalan Radin Anum,
   Bandar Baru Sri Petaling, 57000 Kuala Lumpur, Malaysia.
   Attention: Group Managing Director of AMRB and copied to the Head, Group Human Resource of AMRB

Reports submitted through the system will be directed to the HR and Administration Department for impartial investigation by the Board, departmental heads, and executive committee members if made in good faith. No whistleblowing cases were documented in FY2023-24.

The full Whistleblowing Policy and Procedure as well as Whistleblowing Form can be viewed at AMRB's Investor Relations webpage at https://www.alam-maritim.com.my/investor/policies/.

SUSTAINABILITY STATEMENT

CODE OF CONDUCT AND BUSINESS ETHICS

AMRB's Code of Conduct sets out clear guidelines for ethical and professional behaviour for all staff. Our employees are expected to maintain high standards of conduct when interacting with colleagues, customers, and business partners.

The Code's guiding principles are:

- Strive towards a high standard of professionalism;
- Give his or her undivided loyalty and devotion to the Group at all times and on all occasions;
- Have a strong 'esprit de corps';
- Serve with honesty, integrity, goodwill and courtesy;
- Display a high sense of cooperativeness and proactiveness in carrying out his or her duties; and
- Generate new ways or approaches in the course of his work.

Our compliance with the Code of Conduct is reviewed at least every 3 years whilst the effectiveness of the Code is periodically reviewed when necessary.

MAINTAINING POSITIVE CORPORATE GOVERNANCE

Upholding AMRB's high standards of corporate governance and best practices remains a top priority. By fully integrating sustainability into our operations, we aim to enhance transparency and better protect stakeholder interests. The Board and senior management are committed to following the Malaysian Code on Corporate Governance 2021 ("MCCG 2021").

AMRB is also a Shariah-compliant company that adheres to all applicable Malaysian laws and regulations governing the energy, infrastructure, equipment, and services sectors, including the upstream oil and gas equipment and services industry and marine operations.

For more information on matters pertaining to the Corporate Governance Framework, Related Party Transaction Policies & Procedures, Board Charter, Remuneration Committee and Policy, Whistle Blowing Policy and Nomination Policy are reported in the Corporate Governance Overview Statement of the Annual Report.

ETHICAL AND PROFESSIONAL CONDUCT

AMRB prioritizes ethical and professional behaviour among our staff in all business operations. This is enforced through strict guidelines, procedures, and best practices covering professional conduct, ethics, anti-corruption, bribery prevention, fair competition, gift-giving, government relations, data protection, conflict of interest, and copyright protection.

Any form of commercial bribery, kickbacks, or unauthorized payments, gifts, or transactions will not be tolerated and will result in disciplinary action, including:

- Verbal warnings;
- Supervisory inquiries;
- Employment dismissal; or
- Legal proceedings.

All stakeholders are strongly encouraged to report any ethical violations, criminal activity, or corrupt practices through our established grievance and whistleblowing channels to enable us in taking appropriate action.

CAPITAL ACQUISITION AND RESTRUCTURING

To remain sustainable, AMRB focuses on capital acquisition as a vital initiative in order to remain at operationally viable.

The majority of the Group's CAPEX and OPEX are allocated to our vessels' upkeep and maintenance. The shipping market can be volatile, leading to fluctuating costs for vessel repairs, maintenance, and specialized crew. Despite market instability, there's a consistent trend towards larger vessels with increased cargo capacity, a demand expected to persist.

This is AMRB's general process of securing capital for project execution:

The Group continues to be proactive in repositioning the organisation and restructuring our business portfolios including the work environment, work culture, manpower rationalisation as well as financial arrangement to focus on where and how the Group's business should be competitive and viable. This is also done alongside ensuring that sufficient EBITDA is generated to meet obligations. In this vein, the AMRB has appointed BDO Capital Consultants Sdn Bhd as financial advisors to assist in this proposed scheme of arrangement. More information on these restructuring initiatives, fund raising exercises and other related developments can be read in the Management Discussion and Analysis section of the Annual Report.

CUSTOMER RELATIONSHIP AND SATISFACTION

AMRB employs various methods to engage with customers, including customer feedback, scheduled and unscheduled site visits, project contractor meetings, audits, compliance assessments, and enquiry correspondences.

The Group aims to enhance our capacity to effectively engage with and respond to customers. We intend to improve our ability to manage high volumes of customer feedback within reasonable timeframes. AMRB will also refine existing customer feedback mechanisms to facilitate efficient communication and address customer concerns promptly.

AMRB seeks to provide clients and customers with regular updates on relevant organisational information. This includes sharing key project updates, repair and maintenance records, corrective actions, and QHSSE performance data related to operational activities and project requirements.

	FY2022-23	FY2023-24
Customer complaints received	1	0
Customer complaints resolved	1	0
Customer complaint resolution rate (%)	100%	100%

Moving forward, AMRB plans to expand our customer engagement strategies to better meet evolving customer needs and expectations.

Customers / clients are welcomed to deliver their feedback and inquiries at +603 9058 2244.

SUPPLY CHAIN AND PROCUREMENT GOVERNANCE

AMRB's supply chain comprises contractors and suppliers who are expected to adhere to high standards of governance and business practices. We have carefully selected partners demonstrating integrity and reliability aligned with AMRB's values.

To strengthen our anti-corruption efforts within the supply chain, AMRB has implemented an ABAC Policy and Acknowledgement Pledge, which all suppliers and contractors must sign, communicating our strict anti-corruption stance.

Due diligence has also been, and will continue to be, conducted on new business partners in line with addressing corruption.

AMRB follows robust procurement practices outlined in our Procurement Policy. This policy centralizes procurement activities and evaluations. AMRB also prioritizes local suppliers to support the Malaysian economy and extend our sustainability practices to these partners.

Number of Suppliers

	Local	Foreigner	Total Number of Suppliers
FPE2022	368	100	468
FY2022-23	439	117	556
FY2023-24	493	135	628

SUSTAINABILITY STATEMENT

Percentage of Local Suppliers (%)

	% That Are Local Suppliers
FPE2022	78%
FY2022-23	79%
FY2023-24	81%

Proportion of Spending on Local Suppliers (%)

	Spending on Local Suppliers
FPE2022	RM68,933,421.95
FY2022-23	RM44,535,975.64
FY2023-24	RM35,201,159.01

DIRECT ECONOMIC VALUE CREATED

Despite ongoing global economic challenges such as inflation and geopolitical tensions, AMRB has demonstrated resilience and perseverance throughout this period. Key financial highlights for FY2023-24 are summarized in the tables below. Comprehensive financial details are available in this Annual Report.

Revenue
RM357,195
million
15.00% y-o-y variance

Profit After Tax
RM26,280
million
85.23% y-o-y variance

Cash and Cash Equivalents
RM45,721
million
-13.09% y-o-y variance

Total Assets
RM248,829
million
8.63% y-o-y variance

Net Assets Per Share
(RM0.02)

Basic Earnings Per Ordinary Share
RM0.02

INDIRECT ECONOMIC VALUE CREATED

Similar to previous years, AMRB consistently creates both financial and non-financial value for our stakeholders. This includes employee compensation, government tax contributions, shareholder dividends, job creation, and broader economic impact. The following table outlines some of the indirect economic value generated and distributed by the Group in the 2023-2024 fiscal year.

ORGANISATIONAL CULTURE DEVELOPMENT

CULTURAL BELIEFS & SHARED VALUES OF iCARE

The COVID-19 pandemic underscored the importance of adaptability and resilience for AMRB, prompting the company to strengthen our work culture to navigate challenging market conditions.

AMRB focuses on cultivating a high-performance workplace culture emphasizing business excellence and productivity. This involves reinforcing success-oriented values, mindsets, and behaviours while strengthening organisational unity. The Group is committed to embedding our iCare Cultural Beliefs and Shared Values into the workplace.

Our iCARE Cultural Beliefs emphasize discipline, work ethic, and accountability as key drivers of quality results, and our Shared Values focus on cultivating teamwork and synergy. Together, these principles define us as a high-performing organisation. Both sets of values align with our Vision and Mission, guiding us towards a sustainable, high-performance work culture.

AMRB actively promotes employee ownership, shared success, and a sense of belonging through these guiding principles. This fosters a high-performance work culture characterized by trust, unity, diligence, accountability, compliance, and effective collaboration among employees.

Every AMRB Group employee plays a crucial role in driving the organisation's transformation and long-term sustainability. To foster this, AMRB is dedicated to providing strong leadership and guidance to facilitate a more streamlined and expedited incorporation of these beliefs and values across the Group.

EMPLOYEE DIVERSITY AND INCLUSIVITY

AMRB believes that having a diverse workforce is vital for fostering a company culture characterized by shared business excellence, dedication, transparency, and value creation throughout the organisation that drives business success. Increasing diversity allows us to see more perspectives and ideas that foster innovation, enhance productivity, and improve decision-making. We guarantee equal opportunities for all employees, regardless of age, gender, race, religion, sexual orientation, social class, disability, or nationality. Our approach towards diversity is aligned with our corporate goals and iCARE's Cultural Beliefs and Shared Values. These factors will not influence employment, advancement, training, compensation, or benefits.

We aim to create a workplace characterized by equal opportunity and mutual respect to attract and retain the best talent. AMRB maintains a non-discriminatory hiring policy, ensuring all applicants receive fair consideration regardless of background. Employment decisions are solely based on qualifications and alignment with our iCARE values.

As of 30 June 2024, AMRB's business operations comprise of 100 shore employees and 2,841 seafarers. The Group's workforce is a combination of permanent and contract staff, with 37.70% of employees under temporary contracts. In line with our commitment to local sourcing, 99% of all AMRB employees at our operating locations are Malaysian citizens.

SUSTAINABILITY STATEMENT

Below is a breakdown of the workforce by various demographics of our employees:

	Percentage (%) of Employees by Gender based on Employee Category	Senior Management	Middle Management	Executive	Non-Executive
FPE2022	Male	80.00%	60.00%	46.51%	74.00%
	Female	20.00%	40.00%	53.49%	26.00%
FY2022-23	Male	80.00%	56.52%	40.91%	86.21%
	Female	20.00%	43.48%	59.09%	13.79%
FY2023-24	Male	80.00%	50.00%	50.79%	85.19%
	Female	20.00%	50.00%	49.21%	14.81%

	Percentage (%) of Employees by Age Group based on Employee Category	Senior Management	Middle Management	Executive	Non-Executive
FPE2022	<30	0.00%	0.00%	14.29%	13.51%
	30 - 50	0.00%	74.29%	58.93%	83.78%
	>50	100.00%	25.71%	26.79%	2.70%
FY2022-23	<30	0.00%	3.85%	20.93%	13.79%
	30 - 50	0.00%	61.54%	79.07%	75.86%
	>50	100.00%	34.62%	0.00%	10.34%
FY2023-24	<30	0.00%	10.00%	36.51%	14.81%
	30 - 50	0.00%	40.00%	63.49%	74.07%
	>50	100.00%	50.00%	0.00%	11.11%

	% Employees Under Contract of Temporary Staff
FPE2022	28.1%
FY2022-23	28.1%
FY2023-24	37.70%

HOLISTIC PRODUCTIVITY IMPROVEMENT

AMRB takes a comprehensive approach to productivity improvement, focusing on enhancing both human capital and organisational elements such as work culture, systems, processes, procedures, and organisational structure.

By leveraging these six (6) enablers, AMRB aims to increase productivity and cost efficiency. The benefits will be shared among all stakeholders, ultimately contributing to the company's long-term sustainability and operational efficiency as a high-performing organisation.

HUMAN CAPITAL MANAGEMENT

Employees are the cornerstone of our organisation. We prioritize human capital management to ensure all staff are fully informed about their rights and benefits through the onboarding process.

To enhance understanding, company inductions, training sessions, the employee handbook, and HR seminars are conducted in both Bahasa Malaysia and English, ensuring effective communication of policies, procedures, and guidelines.

The following table summarises the scope of AMRB's Human Capital Management, which include human rights, labour standards, employee benefits and more:

Compensation and Benefits	• The Group is committed to paying all employees the statutory monthly minimum wage and overtime compensation in accordance with the current national labour regulations. • We provide fair treatment and equal opportunity to wages and salary.
Foreign Employment Arrangement	• The Group has in place comprehensive processes and procedures when hiring foreign employees which will protect their rights of employment.
Communications with Senior Management	• The Group has a periodic schedule where Senior Management and Board members conduct site visits at facilities and operation sites. These visits serve as a platform for proactive engagement with our employees on-site. • Meetings and discussions are regularly conducted, with Town Hall sessions organised to update employees on the Group's strategic initiatives, business developments, policy awareness and achievements as well as targets set by the Group.
Policy of Notice Period for Significant Changes in Operation	• The notice period for any significant change in operations varies from two(2) weeks to up to 12 months, depending on the level of severity, priority and impact of the change. • Termination procedures are as per the contractual offer letter of employment unless it differs where then procedures will follow the Employment Act 1955.

SUSTAINABILITY STATEMENT

Non-Discriminatory Policy	• The Group subscribes to non-discrimination based on their relevant merits and competency regardless of gender, race, nationality, religion, age, disability, sexual orientation, marital status, union membership/affiliation/activity, employment status or political affiliation. • We respect the rights of employees to practise their religion during their working hours. • We allow employees to have the right to join any organisation as well as freedom of association with any organisation as per applicable laws. • We practice no child and young person labour, and no forced labour in any kind of work.
Anti-Bribery and Anti-Corruption ("ABAC") and Harassment	• The Group applies a zero-tolerance policy on any form of bribery and corruption practices, harassment, abuse as well as discrimination based on any personal characteristic and maintaining a workplace that is free from abuse, harassment, sexual harassment, intimidation and any other unsafe working condition. • We have set up a proper channel for whistleblowing and grievance mechanisms for an employee to report on any incident. • Policy on Anti-Bribery and Anti-Corruption ("ABAC") was approved and effective in June 2020.
Talent Management and Development	• The Group is committed to a healthy, high-performance organisation where we place high priority on knowledge and skills development. • We are committed to value our employees' achievements through yearly performance management reviews and career succession planning. • Further emphasis will be highlighted in the "Talent Management and Development" of this Annual Report.

AMRB employees enjoy rights including mandated benefits, welfare, humane working conditions, grievance expression, freedom of association, and collective bargaining. Information on minimum notice periods for operational changes can be found in the Group's policy, handbook, and employee contracts.

AMRB stays updated on global and domestic human rights policies and labour laws to ensure our policies align with current regulations. We guarantee our employee's awareness of these rights and encourage their exercise when appropriate, fostering a positive work environment.

AMRB is committed to addressing any reported cases of bullying, harassment, corruption, human rights violations, labour law breaches, or other workplace misconduct through our whistleblower channel and grievance procedures. In FY2023-24, there were zero substantiated complaints concerning human rights violations reported.

EMPLOYEE REMUNERATION AND BENEFITS

Compensation is a crucial aspect of AMRB's workforce strategy. All full-time employees receive compensation packages aligned with their qualifications, experience, and job performance. To attract and retain top talent, AMRB offers market-competitive remuneration across the organisation.

AMRB offers employee benefits to all staff, regardless of work location. This includes statutory leave entitlements as outlined in the Employment Act, including annual, medical, maternity, and paternity leave.

	FPE2022	FY2022-23	FY2023-24
Employees Entitled for Parental Leave	8	7	3
Employees Who Took Paternity Leave	4	5	1
Employees Who Took Maternity Leave	4	2	2

	FPE2022		FY2022-23		FY2023-24	
	Male	Female	Male	Female	Male	Female
Return to Work Rates (return to work after parental leave period)	100%	100%	100%	100%	100%	100%
Retention Rates (remained with the organisation for 12 months or more post parental leave)	100%	100%	100%	100%	100%	100%

The Group operates in an industry that traditionally employs a higher proportion of male staff, particularly in core technical and operational roles. This can result in salary disparities between male and female employees. Regardless, the Group is committed to narrowing this gap and has made progress in equalizing pay between genders over time, as evident below:

	FPE2022	FY2022-23	FY2023-24
Salary difference between men and women (RM)	RM256,748.47	RM201,552.81	RM196,474.43
Ratio of basic salary and remuneration of women to men for key employee categories	8:24	11:19	11:10

The Employees Provident Fund ("EPF") contributions comply with the Employees Provident Fund Act of 1951 and are tiered based on employee position. Additionally, eligible employees are covered under the SOCSO Insurance Scheme as outlined in the Employees Social Security Act of 1969, which is paid monthly in addition to the employee's compensation.

Onshore and offshore employee benefits (RM)	FPE2022	FY2022-23	FY2023-24
Total payments made to employees in terms of salaries, bonuses and benefit	RM11,288,798.55	RM9,634,767.10	RM8,565,244.00
Total statutory payments made for employees' retirement benefits (EPF)	RM1,201,384.00	RM1,250,436.02	RM794,008.00
Total payments in medical insurance (SOCSO for employees)	RM86,503.85	RM91,247.20	RM71,016.10

EMPLOYEE APPRECIATION AND LONG SERVICE AWARD

Every decade, AMRB recognizes and honours the dedication and contributions of long-serving employees through a Long Service Award ceremony. This event celebrates employee loyalty and acknowledges their valuable input, which has led to policy improvements and enhanced business sustainability. Offshore personnel and crew members with at least ten years of service are also recognized with special awards.

SOCIAL COMPLIANCE

AMRB strictly complies with the Malaysian Employment Act of 1955 and the Minimum Wages Order of 2016. The Group is pleased to report a clean record with no fines or penalties imposed for any social or governance-related violations in FY2023-24.

SUSTAINABILITY STATEMENT

TALENT MANAGEMENT AND DEVELOPMENT

EMPLOYEE TRAINING AND DEVELOPMENT

AMRB's talent management strategy focuses on empowering employees to identify their strengths, advance their careers, and maximize their potential. To achieve this, the Group has implemented training programs aimed at enhancing staff effectiveness, efficiency, productivity, and quality, aligning with overall human resource development goals.

AMRB's talent management strategy aligns with the company's long-term objectives by focusing on employee career development and skill enhancement. By building upon existing skills and identifying new opportunities, the Group aims to maintain a competitive edge in the industry.

In FY2023-24, a total of RM272,290 was invested in employee training and development. 13 training programs were conducted across various business units, engaging all levels of AMRB staff. The total training hours for the year amounted to 441 hours. Training encompassed both technical and soft skills, including coaching and leadership development.

ARMB utilises a mix of online platforms and physical sessions for our training programmes, including video calls, virtual meeting spaces and online training courses in our training programmes.

Listed below are the employee training and development initiatives held in during the reporting year:

Training / Course Attended	No. of participants
Finance for Non-Finance	12
Income Tax for Resident and Non-Resident	9
Budget 2024 - Unleash the Tiger	3
Assistant Life Support Technician (ALST)	8
OPITO Basic Hydrogen Sulphide (BH2S) (Code: 9014)	10
OPITO Tropical Bosiet with CA-EBS and Travel by Safely Boat (Code: 5509)	9
Year End Seminar Epayroll System	1
CSWIP 3.4U Underwater Inspection Controller	2
Service Tax 2024	4
Employer's Tax Obligations - Adapting Your Administrative Practices for Compliance	2
E-invoicing Made Easy: Your Roadmap to a Smooth Transition	5
Incident Investigation & Reporting Based on Tripod Beta	15
Integrity Talk on Scammer Awareness	60

Employee training needs are determined through a Training Needs Analysis (“TNA”). Based on the TNA results, the appropriate Group department identifies suitable training programs for each employee.

The Group’s in-house programmes are structured development programmes which focus on:

- Enhancing leadership quality
- Improving teamwork, communication and general management competencies
- Instilling core technical knowledge and specialised skills for respective functions

Here is the full breakdown of employee training data for the Group:

	FPE2022	FY2022-23	FY2023-24
Total training hours as a company (hours)	335 hours	218 hours	441 hours
Total training expenditure as a company (RM)	RM53,513	RM149,528	RM272,290
Total training hours per business division / business unit (hours)	119 hours	35 hours	268 hours
Total training expenditure per business division / business unit (RM)	RM22,998	RM21,200	RM18,152

	FPE2022	FY2022-23	FY2023-24
Average Training Hours Per Employee (hours)	2.29 hours	1.65 hours	12.40 hours
Average Training Days Per Employee (hours)	0.34 days	0.24 days	0.52 days
Average Training Spend Per Employee (RM)	RM366.53	RM754.76	RM840.40

HIRING AND ATTRITION TRENDS

In FY2023-24, AMRB hired 8 new employees while experiencing attrition of 18 staff. This fluctuation is attributed to the Group's ongoing restructuring and macroeconomic challenges, which have impacted operational sustainability and employee well-being. Some employees sought greater career stability during this period.

Citizenship		FPE2022	FY2022-23	FY2023-24
Gender	**Male**	32	4	5
	Female	7	9	3
Age	**Aged 50 and below**	39	11	8
	Aged 51 and above	0	2	0

AMRB maintained a healthy attrition rate compared to industry peers in FY2023-24. The company remains committed to retaining top talent.

Turnover		FPE2022	FY2022-23	FY2023-24
Gender	**Male**	22	33	5
	Female	11	10	3
Age	**Aged 50 and below**	30	40	8
	Aged 51 and above	3	3	0

EMPLOYEE INDUCTION AND EXIT PROCESS

AMRB acknowledges the significance of effective onboarding and exit processes. Onboarding facilitates smooth employee transitions, policy adherence, knowledge transfer, and improved engagement and retention.

The Group has established key guidelines that describe the steps taken to onboard new employees into the Group:

i. Receive and check the advice on the reporting of the candidate to fill up the specific position at the required department at a particular date.
ii. Prepare the potential employee's onboarding arrangements with the relevant departments for logistic and administrative requirements.
iii. Receive, welcome, attend, introduce and orient the newly-joined staff with the company's set up, management personnel, facilities, security, culture and administrative requirements.
iv. Arrange for the employee to go to the designated department for formal induction of the tasks to be assigned by the respective HODs.
v. Arrange for the newly-joined staff to attend the company's induction program within one month from the date of joining.
vi. Complete the employee registration process and update the employee's personal data in the HRIS.
vii. Announce the joining of the new employee within one week of joining the company.

Exit procedures provide valuable insights, ensure legal compliance, and support succession planning. By gathering feedback from departing employees, organisations can identify areas for improvement and enhance future practices.

Some of the key guidelines for the exit process of an employee include:

i. Receive the notice of resignation, verify and confirm the acceptance of the resignation by the Management.
ii. Process the employee's resignation notice by checking the resigned employee's employment status, records and communicate with the resigned employee on the need for:

- Exit interview report.
- Resignation Check List.
- Leave balance / actual last day in the company.
- Hand over notes.
- Other outstanding allowances and benefits.

iii. Monitor the staff attendance record until the last day and ensure all requirements pertaining staff resignation are fully met before closing the case.

EMPLOYEE SPIRITUAL GROWTH AND DEVELOPMENT

Continuing a longstanding tradition, the Group hosts daily Halaqah Al-Husna sessions, offering brief Islamic talks to support the spiritual growth of Muslim employees. Monthly Halaqah Perdana forums feature specialized topics led by respected speakers, scholars, and experts, providing employees with valuable insights and knowledge.

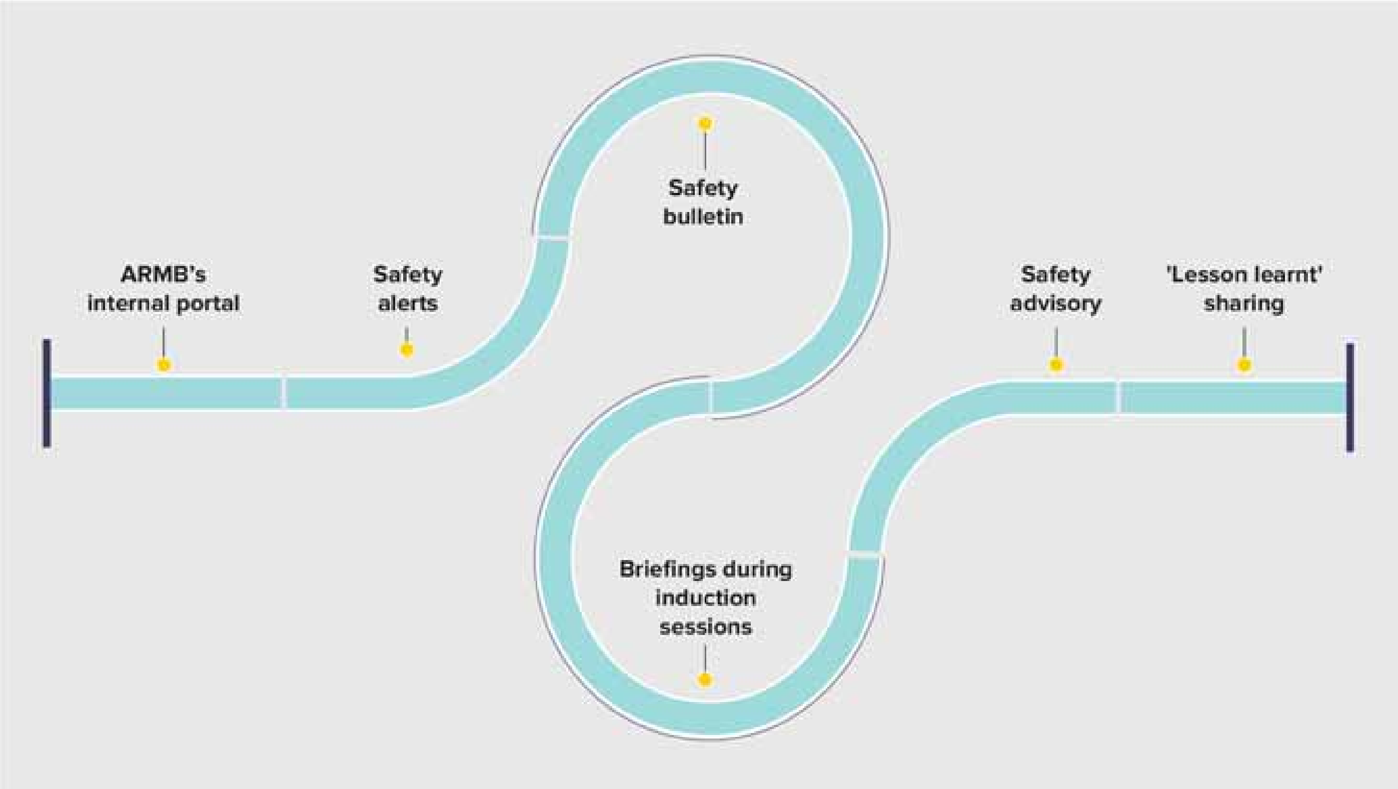
QUALITY HEALTH, SAFETY, SECURITY, AND ENVIRONMENT ("QHSSE")

AMRB upholds QHSSE excellence, maintaining exceptional health and safety standards across all operations and branches. Our unwavering commitment to QHSSE enables us to thrive in a highly competitive industry.

AMRB is committed to proactively identifying, mitigating, and managing all risks and hazards to create a safe work environment. Our mandatory and comprehensive training programs equip employees with the knowledge and skills to prevent accidents and comply with safety regulations. These initiatives, coupled with robust QHSSE programs, foster a strong safety culture.

QHSSE POLICIES AND STANDARDS

AMRB strictly adheres to our QHSSE Plan, Policy, and Standards, as well as the International Safety Management ("ISM") Code, MARPOL, and Good Governance Laws and Regulations. Our QHSSE standards and policies are communicated to employees through:



Standard operating procedures, work standards, and safety manuals guide employees in upholding safety practices, communication, and behaviour are instilled in our corporate culture, across all onshore and offshore operations and subsidiaries.

SUSTAINABILITY STATEMENT

The Group's HSEMS policy is a cornerstone of our QHSSE standards. This comprehensive framework encompasses principles, policies, and guidelines, including the Drug and Alcohol Policy, ISM Code, and Stop Work Policy. These components collectively support our commitment to a world-class health and safety culture:

These 9 elements are fundamental to AMRB's QHSSE management, driving performance, work efficiency, productivity, quality, effectiveness, profitability, and development while prioritizing safety. The Group remains committed to upholding our HSEMS policy to foster a secure workplace and safeguard employees, assets, and the environment.

QHSSE PERFORMANCE

AMRB achieved a positive QHSSE performance in FY2023-24 through the collective commitment to safety at all levels. The company is dedicated to fostering a safe and healthy work environment for our employees by continuously improving QHSSE implementation across its operations.

	Total Cases		
Job Category (as of FY2023-24)	**FPE2022**	**FY2022-23**	**FY2023-24**
Unsafe Acts / Conditions	Nil	Nil	Nil
Near Miss	2	Nil	Nil
Environmental Spillage / Fire / Explosion	1	Nil	Nil
Property / Equipment Damage	1	1	Nil
First Aid Case	Nil	Nil	1
Medical Treatment Case	Nil	Nil	Nil
Restricted Work case	Nil	Nil	Nil
Lost-Time Incident Rate	Nil	Nil	Nil
Fatality	Nil	Nil	Nil

Lost Time Injury ("LTI") Free Manhours (From 14 May 2018 – 30 June 2024)	13,415,485.5 hours
Days FREE From LTI Incident (14 May 2018 - 30 June 2024)	2239 days

SUSTAINABILITY STATEMENT

Group Manhours Worked	
1 July 2022 – 30 June 2023	2,437,748.5 hours
1 July 2023 – 30 June 2024	1,035,478.0 hours

RE-ACTIVE PERFORMANCE (as of 30 June 2024)	
Total Recordable Case Frequency (“TRCF”)	Nil
LTI Frequency Rate	Nil
LTI Severity Rate	Nil

EMERGENCIES AND ACCIDENTS MANAGEMENT

Preventing workplace and marine emergencies is paramount to safeguarding AMRB employees. The QHSSE department oversees onshore safety, while vessel crew safety is managed in accordance with the ISM Code's Designated Person Ashore (“DPA”).

The DPA plays a crucial role in successfully implementing the Safety Management System. This position is responsible for overseeing and verifying all safety and pollution prevention operations.

Quarterly risk register reviews, led by the QHSSE director, assess high-risk QHSSE locations in both existing and potential operations. Additionally, monthly and quarterly safety meetings bring together offshore and onshore representatives to discuss accident and emergency prevention measures for both environments.

Accidents / incidents that occurred during FY2023-24 was:

Date	Description
5 Jul 2023	Diver in-Contact with Jellyfish while preparing lock out from the Bell

VESSEL VISITS AND CREW ENGAGEMENT

AMRB prioritizes fostering trust and open communication with the fleet crew through regular vessel inspections and QHSSE visits. These engagements align the crew with the company's vision, mission, and goals, bridging the gap between onshore and offshore operations. To align management and employee expectations, the company conducts numerous on-site and virtual engagement sessions. These interactions, facilitated by the easing of pandemic restrictions, ensured open communication and understanding across all levels of the organisation.

AMRB conducts annual engagement sessions with marine crews to update our QHSSE policies, reinforce risk management and assessment principles, share incident lessons learned, and communicate policy changes.

SUSTAINABILITY STATEMENT

In FY2023-24, there were a total of 13 management visits and engagements that took place. These visits are summarised below:

Date	Description
14 Jul 2023	Physical management visit conducted onboard Setia Ulung at KSB by HSSE Management
20 Jul 2023	Physical management visit onboard Setia Erat at KSB by HSSE Management
5 Aug 2023	Physical management visit conducted onboard Setia Wira at KSB by HSSE Management
1 Sep 2023	Physical management visit conducted onboard Setia Jihad at KSB by ISM/ISPS Management
29 Sep 2023	Physical management visit conducted onboard Setia Jihad at KSB by TH Management with Auditor Visit
9 Nov 2023	Physical management visit conducted IGS Yard at Kemaman by HSSE Management
9 Dec 2023	Physical management visit conducted at Yard, Kemaman by HSSE Management
18 Dec 2023	Physical management visit conducted at Yard, Kemaman by HSSE Management
19 Dec 2023	Physical management visit conducted at Yard, Geliga Slipway Jetty, Sg Kuang
13 Feb 2024	Physical management visit onboard Taha Assafa at Labuan Anchorage by HSSE Management
14 Feb 2024	Physical management visit onboard Taha Assalam at Labuan Anchorage by HSSE Management
20 Feb 2024	Physical management visit onboard Setia Hijrah at Labuan Anchorage by HSSE Management
2 May 2024	Physical management visit onboard Setia Erat at Kemaman Anchorage by HSSE Management

The Group also conducted QHSSE roving visits onboard to check and verify crew compliance on QHSSE practices, including:

- Check and verify compliance on QHSSE tools implementation onboard – UAUC, PTW, TBM, PPE, Drills, UDAT, etc.
- Briefed and shared incident lesson learnt – 500-meter zone, housekeeping, incident reporting, etc.

In addition to these sessions, the Group conducts regular accommodation checks and marine crew training programs aligned with ISM requirements. These initiatives included drills, safety meetings, TBM and shipboard training.

SUSTAINABILITY
STATEMENT

QHSSE TRAINING HIGHLIGHTS

The QHSSE Department delivers annual training programs to both onshore and offshore employees. This proactive approach aims to continuously enhance QHSSE knowledge and awareness, refresh existing understanding, and ensure the implementation of effective safety controls and measures to protect employees while maximizing productivity.

	FY2022-23	FY2023-24
Total QHSSE trainings and programmes	16	11
Total number of employees trained on health and safety standards	185	198

These are the QHSSE trainings and programmes held in FY2023-24:

Date	Description
11 Jul 2023	Essentials of Environment, Sustainability and Governance
25 & 26 Jul 2023	Assistant Medical Review Officer AMRO 2023
31 & 1 Aug 2023	Essentials of Environment, Sustainability and Governance
5 & 6 Sep 2023	Essentials of Environment, Sustainability and Governance
15 & 16 Nov 2023	Ergonomics Trained Person (ETP) - Initial ERA Level 1
9 Jan 2024	HIRARC Course
26 & 27 Feb 2024	First Aid, CPR & AED Training
7 & 8 Mar 2024	OSH Coordinator Training
7 May 2024	Fire Fighting Training
8 May 2024	Emergency Response Plan and Preparedness Training
27 Jun 2024	Introduction of ESG-Steps Towards to Sustainability

AMRB also conducts periodic emergency evacuation drills at our onshore work environments. During this reporting period, the drills conducted were as follows:

Date	Description
6 Sep 2023	Emergency evacuation drill conducted at HQ, Sri Petaling
9 Nov 2023	Environmental Drill at IGS Warehouse & Yard, Kemaman

HEALTH AND SAFETY CAMPAIGN

Annual health and safety campaigns are conducted to educate both shore and offshore teams on best practices. The following campaigns were implemented:

Campaign	Description
1 Alam Monsoon Campaign 2023/2024	**Campaign Theme: PROCEED IF SAFE** • Keynote Address and Official Launching of 1 Alam Monsoon Campaign 2023/2024 by Group MD/CEO • Campaign Objectives; i. To steer awareness & alert that risk is higher for someone to get hurt or for an incident to occur during monsoon. ii. To determine control/mitigating measure(s) is/are required. iii. Safe operation is carried out during monsoon iv. No reportable incident/accident during this period both onshore and offshore. Staff participation – physical attendance at Multipurpose Hall and virtual for staff in KSB
Alam's 2024 New Energy Retreat 2023/2024	A company retreat is an opportunity for team members to come together, away from the office and their typical responsibilities. It might include learning experiences, team-building activities, downtime for informal socializing, or collaborative work. Campaign Objectives: • To re-align/re-fresh/re-set staff mindset, behavior, attitude and motivation towards embracing upcoming challenges for year 2024. • To create a strong team through forming bonds and connections. • To improved employee communication - learn more about each other's communication preferences and boundaries, as well as the importance of body language in communication i. Venue: Impiana Hotel Ipoh, Perak ii. Duration: 3 days 2 night (Friday, Saturday, Sunday) iii. Total participation: 83 employees

AMRB will continue to prioritize safe and healthy operations by implementing more health and safety campaigns for both employees and management.

DRUG & ALCOHOL TESTING INSPECTIONS

The QHSSE Department conducts unscheduled drug tests on offshore personnel to comply with the Drug and Alcohol Policy. In FY2023-24, a total of 118 offshore employees were tested, with all results negative.

Date	Location	No. of crew screened (pax)	Test Results
14 Jul 2023	Setia Ulung	15	Negative
20 Jul 2023	Setia Era	14	Negative
05 Aug 2023	Setia Wira	12	Negative
01 Sep 2023	Setia Jihad	15	Negative
13 Feb 2024	Taha Assafa	7	Negative
14 Feb 2024	Taha Assalam	14	Negative
20 Feb 2024	Setia Hijrah	15	Negative
09 Mar 2024	Setia Hebat	12	Negative
02 May 2024	Setia Erat	14	Negative

As in previous years, AMRB conducts unannounced KSB Base onboard inspections to ensure a safe, healthy, and environmentally friendly workspace. A total of 6 inspections were carried out at the following locations in the reporting year:

Date	Description
14 Jul 2023	Inspection conducted onboard Setia Ulung by HSSE, TM & TS at KSB
20 Jul 2023	Inspection conducted onboard Setia Erat by HSSE at KSB
05 Aug 2023	Inspection conducted onboard Setia Wira by HSSE at KSB
13 Feb 2024	Inspection conducted onboard Taha Assafa by HSSE at Labuan
14 Feb 2024	Inspection conducted onboard Taha Assalam by HSSE at Labuan
02 May 2024	Inspection conducted onboard Setia Erat by HSSE at KSB

SUSTAINABILITY STATEMENT

MENTOR-MENTEE PROGRAMME

AMRB continued the annual Mentor-Mentee program in FY2023-24, facilitating knowledge sharing between onshore and offshore staff. The QHSSE Department oversees this program to enhance employee well-being.

Non-technical office personnel primarily serve as mentors to vessel crew members in the program. This arrangement fosters strong relationships and collaboration between onshore and offshore teams.

Our Mentor-Mentee programme is based on the following 3 objectives:

Motivate employees to achieve improved performance levels

Instil a sense of commitment, awareness, cooperation and responsibility for the Group

Foster close working relationships and goodwill between employees and Management to enhance business coherence

CAREER ADVANCEMENT AND SUCCESSION PLANNING

The Group fosters succession planning through the Self-Development Pipeline ("SDP") framework, a cornerstone of our career advancement and development strategy.

Our SDP program develops high-potential employees with the necessary attitude, skills, and knowledge for leadership roles. This proactive approach prepares individuals for seamless leadership transitions, ensuring business continuity and is closely monitored by the Board.

Selected candidates will participate in an intensive 6-D transition program, developed in collaboration with the Malaysian Maritime Academy ("MMA"), to enhance leadership and decision-making capabilities.

ENVIRONMENTAL STEWARDSHIP

CLIMATE CHANGE

Climate change is a pressing global challenge, altering weather patterns and the physical environment. Its far-reaching consequences impact economies, businesses, ecosystems, and the quality of life worldwide.

Recognising its role as a responsible corporate citizen, AMRB acknowledges the oil and gas industry's significant resource consumption and associated environmental and social impacts. The Group has identified the following key potential negative effects of atmospheric emissions:

The emission of NOx and SOx substances into the atmosphere may cause **acid rain**, which can reduce the fertility of soil and cause loss of flora and fauna.

The emission of NOx, VOC and ultraviolet ("UV") rays into the atmosphere will **diminish human health**, which can cause respiratory issue, skin cancer and cardiovascular issues.

The emission of Chlorofluorocarbon ("CFC"), Hydro Chlorofluorocarbon ("HCFC"), Halon and burning of plastic product may cause **ozone depletion**, which can deplete the protective atmospheric layer shielding the atmosphere from dangerous rays by the sun.

The emissions of NOx and SOx substances into the atmosphere may cause **global warming**, where the gasses emitted are trapped into the atmosphere and cause the greenhouse effect. The Earth's temperature will increase and oxygen levels may decrease.

AMRB is committed to identifying, assessing, and mitigating the environmental impacts of our operations. By focusing on vessel fuel and energy management, waste management, and pollution control, the Group aims to minimize our environmental footprint.

VESSEL FUEL AND ENERGY MANAGEMENT

Vessel fuel management is central to AMRB and its subsidiaries' ESG commitment. By closely monitoring fuel consumption, the Group optimizes vessel performance while minimizing environmental impact.

The Group's Fuel Management Plan outlines procedures for controlling, accounting for, and efficiently utilizing bunker fuel while maintaining safety standards. This plan ensures optimal fuel consumption and minimizes environmental impact during vessel operations.

With this, the Group has put in place the necessary protocol and procedures to ensure that:

- **The appropriate fuel is procured and used safely**
- **Fuel is handled and stored properly**
- **Fuel is monitored in each machine and vessel**

Fuel consumption is transparently monitored and reported daily based on vessel activities. AMRB and our clients track daily operations and fuel usage through the “Vessel Daily Report”. Discrepancies between reported activities and fuel consumption trigger immediate communication between the vessel and clients.

AMRB’s total fuel consumption for its vessels is shown below:

	FPE2022	FY2022-23	FY2023-24
Fuel Consumption (Litres)	40,376,702	37,772,485	36,711,426

CLEAN FUEL AND EMISSIONS MANAGEMENT

To reduce our environmental impact and air pollution, AMRB proactively complies with the International Maritime Organisation (“IMO”) regulations by using low-sulphur Marine Gas Oil (“MGO”) containing 0.1% or less sulphur. This strategic move replaces the higher-sulphur MGO option, contributing to a cleaner environment.

By utilizing low-sulphur MGO, one of the cleanest fuels available, AMRB significantly reduces air pollution compared to traditional fuel sources. Additionally, the Group prioritizes the use of biodegradable oils whenever possible.

Controlling Emissions by AMSB / TH Vessels

NOx is formed during fuel combustion in engine cylinders. High temperatures facilitate the creation of NOx, which is then released into the atmosphere, contributing to the greenhouse effect and global warming. To address this, the MARPOL has mandated engine modifications, compliance with which is verified through the IAPP certificate.

SOx is formed when sulphur-containing fuels, primarily coal and oil, are burned. These gases contribute to air pollution and acid rain, harming ecosystems and human health. To mitigate these effects, the MARPOL has implemented regulations to reduce sulphur emissions from ships.

- Sulphur content for MGO / MDO must be <0.5%; or
- If the fuel content is >0.5%, a scrubber is to be installed to limit the gas emission to <0.5%; or
- changing the vessel engine to engine using LNG or LPG fuel.

To reduce greenhouse gas emissions, AMRB has implemented a Ship Energy Efficiency Management Plan (“SEEMP”) approved by the Malaysian Marine Department which focuses on controlling fuel consumption. Annually, vessels report their Energy Efficient Operating Index (“EEOI”) to track progress. The fuel oil monitoring is overseen by the Technical Superintendent.

AMRB is committed to preventing ozone depletion by minimizing emissions of harmful substances. Ozone depletion allows harmful UV rays to penetrate the atmosphere, posing risks to human health. To address this, the company implements the following measures:

- Any gas emission from ozone-depleting substances shall be prohibited. Usage of sprays containing aerosol must not be used and is banned e.g. insect spray, fragrance, etc
- Usages of appliances containing Chlorofluorocarbon, Hydro chlorofluorocarbon are also prohibited e.g. spraying agent
- Usage of the chemical Halon for firefighting is prohibited e.g. Fire Smothering System
- Burning of plastics onboard using an empty oil drum is strictly prohibited

SUSTAINABILITY STATEMENT

ENERGY EFFICIENCY AND CONSUMPTION

All our vessels are equipped with the SEEMP, which is regularly audited by AMRB's ISM Department. Recognising the Group's commitment to sustainability and environmental protection, AMRB was awarded with the Best Practice for Fuel-Efficient Operation Award at the Malaysia World Maritime Week 2018 by the Ministry of Transport Malaysia.

AMRB remains committed to reducing energy consumption, particularly in our onshore operations. Employees are encouraged to adopt energy-saving practices, including but not limited to:

1. Carpooling
2. Turning off lights when its not in use
3. Printing documents only when necessary
4. Unplugging machines after use
5. Shutting down computers at the end of the workday

AMRB's continued optional WFH policy in FY2023-24, with employees adopting a rotational office schedule, contributed to a 12.6% year-on-year decrease in electricity consumption. The total electricity consumption for FY2023-24 amounted to 164793 kwh.

The reduction in electricity consumption can also be attributed to our implemented energy-saving procedures. These initiatives have effectively managed electricity usage, contributing to the overall decrease. We anticipate continued reductions in electricity consumption in the future.

WATER CONSUMPTION

AMRB is committed to ongoing resource reduction and is actively exploring innovative solutions to improve operational efficiency and minimize environmental impact.

WASTE MANAGEMENT PLAN AND POLLUTION PREVENTION

MARPOL 73/78 and Safety of Life at Sea ("SOLAS") govern waste management and marine pollution prevention that are comprised of 6 annexes that establish specific regulations for different pollutant categories, including garbage disposal, oil, and air pollution.

As a signatory to Annex VI, AMRB mandates all vessels to adhere to air pollution control measures enforced through the SEEMP and Fleet Management. The ISM Department continuously refines its Annex VI strategy to optimize implementation while aligning with the overall HSEMS policy.

AMRB has ensured all vessels meet SEEMP criteria through implementing practical measures that include:

1. **Reduce, Reuse, Recycle relevant materials**
2. **Seperate and dispose waste via provided garbage management facility**
3. **Landfill or disposal sites remain last disposal options**
4. **Turning off any equipment or lights not in use to save energy**
5. **Reduce carbon footprint and fuel consumption e.g. carpooling**
6. **Reduce water wastage e.g. shorter showers**

The Group has also appointed a qualified waste management specialist to oversee and ensure compliance with scheduled waste management regulations.

Scheduled (hazardous) waste, such as used oil and lubricant oil, is managed and disposed of responsibly by an appointed third-party contractor. AMRB adheres to the Environmental Quality (Scheduled Wastes) Regulations 2014 in managing all waste and effluent disposal.

The DPA, has also continued to conduct in-house training on waste management for relevant AMRB departments.

AMRB maintained a clean environmental compliance record in FY2023-24, incurring zero fines or reprimands for environmental law violations.

SUSTAINABILITY STATEMENT

GARBAGE MANAGEMENT PLAN

Each vessel operates under a stringent waste management plan that includes onboard waste segregation. Recyclable materials like plastic, paper, and glass are recycled onshore. Other waste is treated, recovered, or disposed of on land, with some permitted wastes being incinerated on board. Unpackaged food waste is the only waste allowed to be disposed of at sea using MARPOL-approved protocols.

WASTE RECYCLING

AMRB is dedicated to waste reduction through diligent waste separation. By segregating recyclable and non-recyclable materials, the Group actively contributes to the broader recycling movement within the industry and nation. Proper waste disposal and segregation not only preserves environmental cleanliness but also generates cost savings by reducing reliance on landfills.

BIODIVERSITY

AMRB considers marine conservation a top priority and has implemented the use of environmentally friendly laundry detergents on all vessels, adhering to ISO 14001 standards. These detergents meet specific criteria to minimize environmental impact, including:

- 100% non-toxic and biodegradable
- Green certified or eco-labelled
- Free from phosphate, sulphates and petrochemicals
- Wholly paint-based enzymes in content

The Group is committed to preserving biodiversity and ecological balance by closely monitoring our operations for potential environmental impacts, particularly those related to fuel usage.

ENVIRONMENTAL COMPLIANCE

AMRB's robust sustainability initiatives, focuses on addressing material environmental issues, ensure strict adherence to regulatory standards and practices. As a result, the Group recorded zero environmental penalties or censures in FY2023-24.

SECURITY

Security is a paramount concern for AMRB, safeguarding our workplace, operations, and data to protect employee well-being and ensure long-term business sustainability. Our comprehensive Corporate Security Policy ("CSP"), implemented in 2019, integrates the following security components:

1. Facility
2. Equipment
3. Cyber Security
4. Asset
5. Client Data Privacy
6. Physical Security

AMRB's CSP framework is underpinned by the International Ship Security ("ISPS") Code, Social Security provisions of the Maritime Labour Convention 2006 ("MLC 2006"), and Cyber Security, including social media controls. To continuously improve the CSP, the Group actively seeks feedback from stakeholders, partners, clients, regulators, and insurers.

Client, customer, and other third-party data are securely stored within our data repositories and infrastructure. These systems are protected by robust safeguards that undergo regular maintenance and updates. The Group also strictly adheres to the Personal Data Protection Act 2010.

SUSTAINABILITY STATEMENT

Here are AMRB's organised FY2023-24 CSR activities:

1. Alam's 2024 - New Energy Retreat

The recent retreat organisation by our organisation marked a significant milestone as it was the first event held post-pandemic. The theme, "A Better Tomorrow Starts with Us," encapsulated the overarching objective of the retreat: to inspire and align our staff towards achieving collective success. The event provided a crucial opportunity for our team members to step back from their daily routines and reflect on the broader goals and vision of our organisation.

Throughout the retreat, various sessions were meticulously designed to cultivate positive energy and strengthen our team's momentum. Emphasizing teamwork and fostering a positive mindset were central themes, aimed at enhancing dedication to both the company and individual roles. A pivotal focus was placed on reinforcing the iCare Cultural Beliefs, urging staff to fully embrace and integrate these values into their daily practices. The goal was clear: by internalizing these shared values, our team members would be empowered to achieve excellence in all aspects of their work.

Overall, the retreat served not only as a platform for professional development but also as a reaffirmation of our organisational culture and shared commitment to success. It underscored the importance of unity, positivity, and collective effort in shaping a brighter future for our organisation and its stakeholders.

2. Annual Bowling Tournament

In an effort to strengthen ties between management and staff, the KSRK recently organisation an annual bowling event for the whole AMRB staff. In addition to bringing people together, the competition was meant to support them achieve a balance between their jobs and their lives and improve their mental health. The event helped people work together and understand each other better by giving staff and managers an opportunity to connect with one another outside of work. These kinds of efforts not only help create a good work environment, but they also boost morale and engagement throughout the entire organisation.

3. Celebration of Ihya' Ramadhan & Program Khataman Al-Quran

We celebrated the beginning of the holy month of Ramadan by distributing dates (Kurma) as a gesture of appreciation and to mark the significance of this sacred time. To deepen the spirit of giving and community, we also organisation charitable activities throughout the month. One of the key initiatives was the Tadarus program, where staff members participated in group readings of the Quran. This program not only fostered a sense of unity and spirituality among our team but also provided an opportunity for personal reflection and growth.

At the conclusion of the Tadarus program, we expressed our gratitude to all participants by presenting them with tokens of appreciation. These tokens served to acknowledge their dedication and commitment during the month of Ramadan, reinforcing the values of unity, gratitude, and community within our organisation. Through these initiatives, we aimed to create a meaningful and enriching Ramadan experience for our staff, rooted in both spiritual observance and acts of kindness towards others.

4. Eid ul Fitri Celebration

The celebration brought together directors and members from our group of companies, emphasizing unity and strengthening relationships between employees and management.

By integrating the Tadarus program with the celebration, we underscored the importance of spiritual reflection and community engagement during this auspicious time. Such initiatives not only enhance workplace harmony but also reinforce our commitment to fostering a supportive and inclusive organisational culture.

5. Hospital Visit & Contribution

In August 2023, a daughter of Alam Maritim (M) Sdn Bhd’s employee was diagnosed with, Pineal Germinoma Cancer. In response to this challenging situation, the company initiated a collection effort to support the family during this difficult time. This compassionate gesture aimed to alleviate financial burdens and provide emotional support for the family as they navigate through medical treatment and recovery. Such initiatives demonstrate the company's commitment to its employees' well-being and exemplify a culture of care and solidarity within the organisation.

SUSTAINABILITY **STATEMENT**

6. **CTR Industrial Visit**

Recently, Central Tech Resources visited our Kemaman office to explore collaboration opportunities. The primary focus was on supplying their students as trainees onboard our vessels and offering a modular courses. This initiative aims to support local training centers by providing candidates with practical experience and in the marine industry, thereby facilitating their career development.

7. **Hospital Visit & Contribution**

In April 2024, daughter of Puan Amida Anathasia Bt Mohd Nazreen, was diagnosed with chronic seizure. The company initiated a collection effort to provide assistance for the family during this challenging situation. It demonstrates its care for workers' health and fostering a supportive culture. This initiative not only helps individual families but also strengthens the sense of community among all workers.

8. **Kempen Gerobok**

The "Kempen Gerobok" initiative was launched to ease the burden on staff members. This program aims to provide essential supplies and support to employees, thereby reducing their financial and personal stresses. By offering this assistance, the company demonstrates its commitment to the well-being of its employees, fostering a supportive and caring workplace environment. Such initiatives not only help in alleviating immediate needs but also strengthen the sense of community and solidarity within the organisation, promoting a culture of mutual care and cooperation among all staff members.

FINANCIAL CALENDAR

31 OCTOBER 2023
Notice of 18th Annual General Meeting

31 OCTOBER 2023
Annual Report July 2022– June 2023

31 OCTOBER 2023
Annual Audited Account for year ended 30 June 2023

30 NOVEMBER 2023
First Quarter Report on consolidated results for the financial period ended 30 September 2023

6 DECEMBER 2023
18th Annual General Meeting

28 FEBRUARY 2024
Second Quarter Report on consolidated results for the financial period ended 31 December 2023

31 MAY 2024
Third Quarter Report on consolidated results for the financial period ended 31 March 2024

29 AUGUST 2024
Fourth Quarter Report on consolidated for the financial period ended 30 June 2024

30 OCTOBER 2024
Notice of Nineteenth Annual General Meeting

30 OCTOBER 2024
Annual Report 2023/2024

30 OCTOBER 2024
Audited Account for year ended 30 June 2024

29 NOVEMBER 2024
First Quarter Report on consolidated results for the financial period ended 30 September 2024

13 DECEMBER 2024
19th Annual General Meeting

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Alam Maritim Resources Berhad ("AMRB" or "Company") is of the firm conviction that a strong corporate governance framework and practices are essential for the Company's ability to attract capital, generate shareholder value, and protect the interests of other stakeholders. Additionally, the Board is committed to the development of a sustainable and resilient business that can withstand and prosper in the face of future challenges.

The Board views corporate governance as a fundamental process contributing towards achieving long-term shareholder value, taking into account the interest of other stakeholders. Amidst an increasingly challenging operating environment, the Board continuously strives to refine the Group's corporate governance practices and processes to meet these challenges head-on, safeguard the Group's assets, enable sustainable performance and ultimately enhance shareholders' value.

Following the revised Malaysian Code on Corporate Governance ("MCCG 2021") which was issued by the Securities Commission of Malaysia ("SC") and came into effect on 28 April 2021, the Board and Management will continue to enhance good governance practices in strategies and innovations and strive to operate responsibly to achieve short, medium, and long-term objectives with conscious consideration on the impact to stakeholders. This Corporate Governance Overview Statement ("CG Overview Statement") sets out the Company's corporate governance processes and practices applied during the financial year ended 30 June 2024 ("FY2023-24"), in compliance with Para 15.25 (1) of Main Market Listing Requirements ("MMLR") and guided by the principles and recommendations as set out in the MCCG 2021 along with the Companies Act 2016 ("CA 2016") and Corporate Governance Guide (4th Edition) issued by Bursa Malaysia Berhad. This CG Overview Statement is to be read in conjunction with the Corporate Governance Report ("CG Report") of the Company which is available on the Company's website.

This overview takes guidance from the three (3) principles of the code for MCCG 2021 as follows:
- Principle A: Board leadership and effectiveness;
- Principle B: Effective audit and risk management; and
- Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

A: BOARD LEADERSHIP AND EFFECTIVENESS

The Group continues to be led and controlled by an active, engaged and experienced Board. Throughout the year, the Board continued to drive and effectively steer the Group with strategic direction through active engagement with the Management.

Board Roles and Responsibilities

The Board has the collective responsibility for the overall conduct and performance of the Group's business and affairs by maintaining effective control over management oversight, setting the strategic direction of the Group and promoting ethical conduct in its business dealings. In discharging its roles and responsibilities, the Board is mindful of the need to safeguard the interests of all stakeholders.

The Board also sets the Group's core values, adopts proper standards to ensure that the Group operates with integrity, and complies with the relevant rules and regulations. The roles and responsibilities of the Board are set out in the **Board Charter** which is available on AMRB's website.

Board Committees have been established to assist the Board in its oversight function on specific matters. Whilst oversight of selected responsibility areas is delegated to the Board Committees, the Board nevertheless retains collective oversight and jurisdiction over the Board Committees. The Board Committees namely the Board Audit Committee ("BAC"), the Board Nomination and Remuneration Committee ("BNRC") and the Board Risk Management Committee ("BRMC") are guided by their respective Terms of Reference ("TOR"). The proceedings and deliberations of the Board Committees are reported to the Board at every Board Meeting. On matters reserved for the Board and where the Board Committees have no authority to make decisions, recommendations are highlighted in their respective reports together with the Committee members' comments and views for the Boards' deliberation and approval. The TORs of the Board Committees are available on AMRB's website.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

There is a clear separation of roles between the Chairman of the Board and the Group Managing Director/Chief Executive Officer ("GMD/GCEO") to bring about an effective check and balance mechanism. The Chairman is primarily responsible for ensuring the integrity and effectiveness of the governance process of the Board and acts as a facilitator and consults the Board promptly over any matter that gives him/her cause for concern. The Chairman is responsible for representing the Board to the shareholders. The GMD/GCEO assists the Chairman in the effectiveness of the implementation of Board policies and decisions, making operational decisions and monitoring the day-to-day running of the business, including defining the scope of the Management's responsibilities.

The functions and power delegated by the Board to the Management in managing daily business and operations of the Group spelled out in the Financial Limits of Authority ("FLOA") adopted throughout the Group. The schedule of matters reserved for the collective decision of the Board is also enshrined in the FLOA. The FLOA is reviewed when deemed necessary to ensure that they are relevant and up to date.

In performing their duties, the Board is supported by suitably qualified and competent Company Secretary in discharging its duties and functions. The Company Secretary acts as corporate governance counsel and provide the Board with periodic updates on the latest regulatory developments and facilitate the implementation of pertinent corporate governance enumerations. The Company Secretary assisted in the agenda setting and disseminates complete and accurate meeting materials to Directors in a timely manner in order to facilitate informed and rigorous Board or Board Committee discussions. The Company Secretary ensures that all Board and Committee meetings are properly convened and all deliberations and decisions made at the meetings are properly minutes and kept.

Board Meetings

During the financial year, the Board and Board Committees have met regularly to deliberate on matters under their purview. Directors have allocated an adequate amount of time to prepare, attend and actively participate in the Board and/or Board Committee meetings. The Board held seventeen (17) meetings and one (1) Annual General Meeting ("AGM") during FY2023-24.

Board meetings were attended by members of the Management team when it was deemed appropriate to facilitate the making of well-informed decisions. Management provides the Directors with complete, timely, and sufficient information both in advance of meetings and on an ongoing basis to enable them to make informed decision.

External advisers may also be invited to attend Board and Board Committee meetings, as appropriate, to offer supplementary professional perspectives, advice, and explanations on specific items on the agenda. The Board is obligated to conduct additional inquiries, if necessary, to fulfil its responsibilities, including the pursuit of independent professional advice, and has the same right of access to all information within the Group, at the Company's expense. During the year, no external expert was separately sources by the Board for advice.

The Board members have complied with the minimum 50% attendance requirement in respect of Board meetings as stipulated by the MMLR of Bursa Malaysia. The attendance of the members of the Board at the Board meetings and 18th AGM, were as follows:-

Board Activities

Board of Directors	Designation	Board Meeting Attendance	18th AGM Attendance	% of Attendance
Fina Norhizah binti Haji Baharu Zaman *(Chairman)*	Independent Non-Executive Director	17/17	1/1	100%
Datuk Azmi bin Ahmad	Non-Independent Executive Director	17/17	1/1	100%
Ahmad Hassanudin bin Ahmad Kamaluddin	Non-Independent Executive Director	16/17	1/1	94.40%
Ahmad Ruhaizad bin Hashim	Independent Non-Executive Director	17/17	1/1	100%
Yap Shuh Jian	Independent Non-Executive Director	17/17	1/1	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Among the key activities of the Board during FY2023-24 were as follows:

Strategy
- Reviewed, deliberated and approved the Group's 2024 Operational Budget.
- Reviewed, deliberated and approved the Group's Proposed Restructuring Scheme and other transactions relating to the Scheme.
- Reviewed, deliberated and approved the Group's Proposed Regularisation Plan and other transactions relating to the Plan.

Financial
- Reviewed, deliberated and approved the full Financial Statement.
- Reviewed, deliberated and approved the Director's Report and Audited Accounts.
- Reviewed and approved the Quarterly Results.

Risk and Internal Controls
- Identified principal risks following in-depth corporate and operational risk assessment with all operating units.
- Ensure efficient implementation of appropriate internal controls and mitigation measures.
- Reviewed the adequacy and integrity of the management of information and internal control systems.
- Quarterly risks register status update.
- Reviewed, deliberated and approved the Statement of Risk Management and Internal Control for the Annual Report.
- Reviewed the Internal Audit Report, the recommendations and Management's responses.
- Reviewed the report of the external auditor.

Governance
- Approved Annual Report Statements.
- Annual Board Effectiveness Evaluation.
- Reviewed all the Company's business in accordance with the Company's Constitution.
- Reviewed the tenure of the Directors.
- Established and identified a succession plan for leadership within the Group.
- Received quarterly human resources updates.
- Received quarterly health, safety, security, and environmental updates.

Board Composition

As of 30 June 2024, the Board consists of five (5) members comprising two (2) Non-Independent Executive Directors ("NIED") and three (3) Independent Non-Executive Directors ("INED"). The Company has complied with the Paragraph 15.02 of the MMLR of Bursa Securities, whereby currently 50% of its Board members are Independent Non-Executive Directors.

The three (3) INEDS of AMRB, namely Puan Fina Norhizah Binti Haji Baharu Zaman, Encik Ahmad Ruhaizad bin Hashim and Mr Yap Shuh Jian are not former employees of the Group. The INEDs are independent from Management and are able to exercise independent judgment and participate positively in all the Board's deliberations. They also play a pivotal role in corporate accountabilities as they provide unbiased and independent views, advice, opinions and judgment on Board and Board Committees deliberations as well as safeguard the interests of other parties such as minority shareholders and other stakeholders. These values are most clearly illustrated in the Board Committees chaired by the INEDs, namely the BAC, BRMC and BNRC.

The INEDs are not involved in the day-to-day management of the Group and are not a party to any business dealings or any other relationship with the Group that could reasonably be perceived to materially interfere with their exercise of unfettered and independent judgment.

The Board is of the view that the current composition is a mix of knowledge, skills and expertise relevant to the Group's operations which provides strong and effective leadership, strategic direction and necessary governance to the Group. The Board is committed to ensuring diversity and inclusion in its composition and decision-making process. In the facet of gender, it is also worthwhile to acknowledge that the Company is one (1) of the few listed issuers that have a female Non-Executive Director as the Board Chairman.

The profiles of the respective Directors are set out on pages 24 to 28 of this Annual Report.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

Succession Planning

The Board recognises that succession planning is an integral part of the Board's corporate governance practices to ensure continuity in meeting the Group's long-term goals and objectives. Hence, in sourcing for candidates, the BNRC reviews the recommendations from the NIEDs, who have a better understanding of the needs and complexity of the Group, enabling the recruitment of new director(s) as set out in its Term of Reference.

Appointment to the Board

The BNRC is entrusted with the role of proposing and recommending new candidates to the Board and Committees of the Board. In determining the suitability of candidates, various factors are considered including diversity of skills, expertise, experience, competencies and time commitment of the candidates in discharging their roles and responsibilities through attendance at their respective meetings. The Board decides on the appointment of Directors and members to the Committees of the Board after considering the recommendations of the BNRC.

For new appointments of INED, the assessment of the independence of the proposed Director, which is carried out before the appointment, is ascertained by the criteria set out in the MMLR of Bursa Malaysia and MCCG.

Annual Assessment of Directors

The Board conducts an evaluation of its members and the Board Committees on an annual basis. For FY2023-24, the Board Effectiveness Evaluation ("BEE") was conducted internally by the BNRC with the assistance of the Group Corporate Secretarial Department. The assessment considered the contribution and performance of Directors as regards to their competency, time commitment, integrity and experience in meeting the needs of the Group and suggestions to enhance board effectiveness. All assessments and evaluations carried out by the BNRC in the discharge of its functions were properly documented.

A separate independence assessment was carried out by the BNRC by way of the Director's self-assessment to ensure that Independent Directors are able to continue to bring independent and objective judgment to the Board.

Overall, the results of the year FY2023-24 BEE indicate healthy Boardroom dynamics with good working relationships among the Board members. Based on the FY2023-24 BEE results, the Board will continue to focus on the following to maintain the Group's competitiveness:
- expedite plan towards talent scouting and succession planning;
- management of key risks;
- management of human capital;
- performance of key business units, and;
- strategic planning.

Tenure of Independent Directors

The Board believes in having a healthy mix of age and experience and therefore does not impose a limit on the length of service of the INEDs as their attributes in terms of skills, experience, professionalism, integrity including core competencies in exercising their objectivity and independent judgment to discharge their responsibilities in good faith in the best interest of the Company are more critical in ascertaining the function and effectiveness of their independence than the number of years served on the Board.

The ongoing evaluation also further ensures the effectiveness of the Board as a whole in discharging their duties and responsibilities despite the duration of service for one (1) INEDs having exceeded nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Independence of the Board of Directors

During the financial year under review, the Board of Directors assessed the independence of its INEDs based on criteria set out in Paragraph 1.01 of the MMLR of Bursa Malaysia. All INEDs satisfy the following independence criteria:-

- independence from Management and free from any business or other new relationship which could interfere with independent judgment of the ability to act in the best interests of the Group;

- not involved in the day-to-day operations of the Group other than when collective Board approval is required. This mitigates the risk of undue influence from third parties and allows INEDs to exercise fair judgment;

- declare their interest or any possible conflict on any matter tabled prior to the commencement of the Board meetings. In the case of conflict of interest, Directors are required to recuse themselves and abstain from deliberation to allow unbiased discussion and decision.

The INEDs' respective backgrounds, experience and understanding of good governance enable them to exercise objective judgment. They are not easily influenced by non-related matters and are able to act in the best interest of the Group and safeguard the stakeholders' interests.

Apart from the above criteria, the independence of the INEDs is assessed annually through the BEE Survey. This exercise involves questionnaires that cover principles, perspectives and personal insights of the respective directors and is completed by all INEDs on themselves and their peers. For the FY2023-24, the BNRC has assessed and concluded that none of the Independent Directors have any business or other relationship which could materially interfere with the exercise of independent judgment, objectivity or the ability to act in the best interests of the Group. The BNRC will continue, on an annual basis, to assess the independence of INEDs.

The Board has taken note of the MCCG's recommendations on the tenure of an independent director that should not exceed a cumulative term of nine (9) years. However, an INED may continue to serve the Board of Directors upon reaching the nine (9) year limit subject to the INED's re-designation as an NIED. In the event the Board of Directors intends to retain the Director as Independent after the latter has served a cumulative term of nine (9) years, the Board of Directors must justify the decision and seek shareholders' approval at the general meeting.

In justifying the decision, the BNRC is entrusted to assess the candidate's suitability to continue as an INED based on the criteria of independence.

At the forthcoming 19th AGM, the Company will seek its shareholders' mandate to retain Puan Fina Norhizah Binti Haji Baharu Zaman as INED of the Company. Puan Fina Norhizah has served the Company as INED for a cumulative period of over nine (9) years.

Re-Appointment and Re-Election of Directors

Pursuant to the AMRB's Constitution, save for Chief Executive Officer, all Directors must submit themselves for re-election at least once every three (3) years. The Company's Constitution also mandates that one-third of the Board shall retire from office every year and shall be eligible for re-election at the AGM of the Company.

In accordance with the AMRB's Constitution, all Directors who are newly appointed to the Board shall hold office until the next AGM subsequent to their appointment and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that AGM. No new Board members of AMRB was appointed during FY2023-24.

The contributions and performance of the Directors who are subject to re-appointment and re-election at the AGM are assessed by the BNRC whose recommendations are submitted to the Board for the Board's decision on such proposed re-appointment and re-election of the Directors concerned, to be tabled for shareholders' approval at the AGM.

The BNRC's recommendations on the Directors standing for re-election at the forthcoming AGM are stated in Explanatory Note 2 under the Notice of the 19th AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors' Remuneration

In line with MCCG, the remuneration of Directors is determined at levels that enable the Group to attract and retain Directors with the relevant experience and expertise to manage the Group effectively. In AMRB, the determination of the remuneration packages of the Directors is a matter for the Board as a whole, whereas the BNRC deliberates, proposes and reviews the remuneration packages of Directors and key personnel.

The remuneration packages of both INEDs and NIEDs are drawn based on internal guidelines, considering the level of responsibilities, expertise and contribution to the Board and Board Committees. They are also benchmarked against the survey of remuneration packages of other public listed companies in a similar industry and within the same band of market capitalisation.

All Directors, executive and non-executive, abstained from deliberations and voting on decisions in respect of their remuneration.

In the case of NIEDs, the level of remuneration reflects the experience and level of responsibilities undertaken by the particular NIED concerned. The remuneration of the NIEDs will be reviewed by the BNRC and recommended to the Board thereafter.

The remuneration of the NIEDs is structured to align with the business strategy and long-term objectives of the Group and to link rewards to individual performance and the performance of the Group. The remuneration policy for the Senior Management is in line with the business strategy, objectives, values, and long-term goals and interests of the Group and guided by the Group's affordability, approved remuneration and reward matrix, and comparison against the current market practice in the same industry.

The directors' remuneration which includes the executive directors who are also Senior Management for FY2023-24 is presented below:-

BOARD OF DIRECTORS					
Description	**Director's Fee (RM'000)**	**Salary & Bonus (RM'000)**	**Emoluments & Benefits* (RM'000)**	**Meeting Allowance (RM'000)**	**Total (RM'000)**
Fina Norhizah binti Haji Baharu Zaman	113	-	17	6	136
Datuk Azmi bin Ahmad	-	795	95	-	890
Ahmad Ruhaizad bin Hashim	116	-	-	6	122
Ahmad Hassanudin bin Ahmad Kamaluddin	-	542	-	-	542
Yap Shuh Jian	96	-	-	6	102

**Emoluments & Benefits include variable allowances, EPF, SOCSO and EIS contributions.*

Board Training and Knowledge Acquisition

The Board is mindful of the importance for its members to undergo continuous training. The BNRC continues to evaluate and determine the training needs of the Directors to ensure continuous training and education for them to enhance their business acumen and professionalism in discharging their duties to the Group.

In addition, the Company Secretary also received regular updates on training programs from various organisations including the regulators. These updates are circulated to the Directors for their consideration. The Company Secretary will make the necessary arrangements for the Directors to attend the training.

The external auditors also continuously brief the Board on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

CORPORATE GOVERNANCE
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In the quest for continuous learning and acquisition of relevant skills and knowledge to enhance their business expertise and professionalism, the Directors attended the following seminars, conferences and training programmes in the FY2023-24:-

Courses/Training	Attended by
Environmental, Socio Economy and Governance (ESG) Awareness Training	FZ
• Environmental, Socio Economy and Governance (ESG) Awareness Training • Asia Pacific Green Hydrogen Conference 2024 • 11th Sabah Oil, Gas & Energy Conference 2024	DAA
Environmental, Socio Economy and Governance (ESG) Awareness Training	AHK
Environmental, Socio Economy and Governance (ESG) Awareness Training	ARH
Environmental, Socio Economy and Governance (ESG) Awareness Training	YSJ

FZ - Puan Fina Norhizah binti Haji Baharu Zaman
DAA - Datuk Azmi bin Ahmad
AHK - Encik Ahmad Hassanudin bin Ahmad Kamaluddin
ARH - Encik Ahmad Ruhaizad bin Hashim
YSJ - Mr. Yap Shuh Jian

The Directors will continuously undergo other relevant training programmes and essential practices to further enhance their skills and knowledge where relevant to enable the Directors to participate in deliberations and effectively discharge their duties.

Code of Ethics

The Group is committed to upholding the highest standards of ethical conduct, integrity and accountability in all business activities and operations. The Directors and employees of Alam Maritim are expected to behave ethically and professionally at all times and to protect the reputation of the Company. The conduct of employees is governed by the Code of Ethics of employees which provides clear direction on the conduct of business, dealing with stakeholders, and general workplace behaviours. It includes guidance on the disclosure of conflicts of interest, and practices regarding gifts and entertainment, amongst others. The Code of Ethics is published on the Company's website.

Whistle Blowing Policy

The Whistleblowing Policy of the Group was established to provide employees and third parties with proper avenues and procedures to disclose cases of improper conduct such as criminal offenses, fraud, corruption, breach of the policies and Code of Conduct or other malpractices. An early warning system such as a whistleblowing policy and procedure can assist the Group to detect wrongdoings and alert the Group to take corrective actions before a problem becomes a crisis.

In order to achieve these standards, all employees and stakeholders (i.e. shareholders/ suppliers/customers) are encouraged to report genuine concerns about unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements without fear of reprisal should they act in good faith when reporting such concerns.

For this purpose, a whistleblowing hotline has been established whereby any concern in respect of Senior Management should be reported to the Chairman of BAC, copied to the GCEO of the Group using the Whistle Blowing Form. Any concern in respect of other general staff should be reported to the Head of the Group Human Resource Department.

All reports will be investigated promptly and the progress of the investigation will be reported to the BAC at the next scheduled meeting. The identity of the whistleblower is also safeguarded at all times. Upon completion of the investigation, the appropriate course of action will be recommended to the BAC for their deliberation. The decision taken by the BAC will be implemented immediately. Where possible, steps will also be implemented to prevent a similar situation from arising.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

Anti-Corruption Policy

The Board has implemented the Company's Anti-Bribery and Corruption Policy ("ABAC") which is effective from 24 June 2020 in compliance to Section 17A of the MACC Acts 2009.

Directorship in Other Companies

In compliance with the Listing Requirements, none of the Board members of AMRB serve in more than five (5) listed companies. This enables the Directors to focus, and devote sufficient time to discharging their duties and responsibilities effectively. The NIEDs of AMRB also do not serve as directors on other listed companies.

Embracing the Corporate Governance Culture

The Board recognises that upholding high standards of corporate ethics is key to long-term value creation and contributes directly to improved business performance. The Management leads forums and engagements throughout the financial year to highlight our values, beliefs, business integrity and approach to health and safety.

B : EFFECTIVE AUDIT AND RISK MANAGEMENT

1. BAC

The BAC comprises exclusively of INEDs and is chaired by an INED. One (1) of BAC members is a member of the Malaysian Institute of Accountants (MIA) thus fulfilling the MMLR of Bursa Securities.

The BAC members are equipped with vast experience from various industries and are capable of providing sound advice to the Board not only in terms of financial reporting but also on internal audits and the state of the Group's risk and internal control environment.

Assessment of External Auditors

The BAC performs an annual assessment of the processes and performance of the external auditors and had during the year assessed the quality of audit encompassing the performance of the External Auditors, the quality processes/performance of the engagement team, audit team independence, objectivity and professionalism, audit scope and planning, audit fees, audit communication and interaction. The external auditors have provided their written assurance to the Group in respect of their independence for FY2023-24. Based on these assessments, the BAC recommends the reappointment of external auditors at the forthcoming AGM.

The Board, through the BAC, maintains a formal and transparent relationship with the External Auditors. The BAC had convened two (2) meetings with the External Auditors without the presence of Executive Directors and officers to discuss the audit planning and findings for FY2023-24.

The Board's obligation to establish formal and transparent arrangements in considering how it should apply financial reporting and internal controls, and maintaining an appropriate relationship with the Group's external auditors is met through the BAC.

An assessment of the objectivity, independence and quality of service delivery of the Group's external auditors for the FY2023-24 audit, was conducted in early June 2024, facilitated by the Internal Audit Department and no major gaps have been identified. The BAC has obtained the assurance from the external auditors confirming their independence.

In respect of fees, the details of the statutory audit and non-audit fees incurred for FY2023-24 are set out under Note of the Financial Statements of this Annual Report. To ensure full disclosure of matters, the external auditors are regularly invited to attend BAC meetings as well as general meetings of the Company.

The Board is also assisted by the BAC in overseeing the financial reporting process and the quality of the Group's financial statements. This is to ensure that the Board dispenses its fiduciary responsibility to present to the shareholders and the stakeholders, a clear and meaningful evaluation of the Group's financial position financial performance and prospects. Based on the BAC's recommendations, the Board also ensures that the Group's financial statements prepared for each financial year set out a true and fair view in accordance with Malaysian Financial Reporting Standards and the requirements of the Companies Act, 2016.

The Statement on Directors' Responsibility in respect of the preparation of the audited financial statements of the Group is set out in the Financial Statements books of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Internal Audit Function

The Internal Audit function is established by the Board to undertake an independent review and assessment of the adequacy, efficiency and effectiveness of risk management, control, and governance processes implemented by the Management. The Group Internal Audit reports functionally to the BAC and administratively to the GMD/GCEO.

The Internal Audit function is independent of the activities and operations of other operating units in the Group and has unrestricted access to the BAC and on a quarterly basis, the Head of Internal Audit is invited to attend BAC meetings to facilitate the deliberation of Internal Audit reports. The BAC also reviews the Group Internal Audit's recommendations and management responses to these recommendations to ensure any lapses/deficiencies identified are being dealt with adequately and promptly.

The compositions, summary of activities of the BAC relating to the FY2023-24 are highlighted on pages 88 to 93 of this Annual Report.

2. Risk Management and Internal Controls

The Board takes cognizance of its overall responsibility in establishing a sound risk management and internal control system as well as reviewing its adequacy and effectiveness. The Board has established a governance structure to ensure effective oversight of risks and controls in the Group. Key and potential risks identified, together with the mitigation action plans are reported to the BRMC, BAC and the Board for their attention and deliberation. The BRMC assesses and monitors the efficacy of the risk management controls and measures taken, whilst the adequacy and effectiveness of the internal controls are reviewed by the BAC through the work performed internal audit function for the Group.

Management is responsible for implementing Board approved policy on risk management through Group Risk Management Working Group Committee ("GRMWC") by identifying, evaluating and monitoring risks that affect the achievement of business objectives within approved risk appetite levels. The Group's corporate and operational risks are deliberated on a quarterly basis by BRMC and the mitigation status of top risks is effectively reviewed.

The effectiveness of risk management and internal controls is continuously reviewed to ensure that they are working adequately and effectively. The BAC regularly evaluates the adequacy and effectiveness of the Group's internal control systems by reviewing the actions taken on lapses/deficiencies identified in reports prepared by the Group's Internal Audit Department.

The Statement on Risk Management and Internal Control set out on pages 94 to 97 of this Annual Report provides an overview of the state of risk management and internal controls within the Group.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

C: INTEGRITY IN CORPORATE REPORTING AND EFFECTIVE STAKEHOLDERS COMMUNICATION

Communication with Stakeholders

The Group recognises the importance of an effective communication channel with stakeholders, institutional investors and the investing public at large to provide a clear picture of the Group's performance. The Board acknowledges the significance of communicating with its shareholders through Annual Reports, AGM and the AMRB's website.

Alam Maritim Group annual report contains invaluable information on the Group for the shareholders and investors specifically and the public in general. As a key channel of communication between the Group and its stakeholders, it contains a report and disclosures on the Group's directions, key activities and financial performance, the contents of which are continuously enhanced to take into account the developments amongst others, in corporate governance.

As part of the Group's commitment to maintaining effective and open two-way communication with shareholders and investors, the Group is represented by Nur Aznita binti Taip whose details are as follows:-

Name	:	Nur Aznita binti Taip
Designation	:	Group General Manager Corporate Services
Email	:	info@alam-maritim.com.my

The intranet and web portal are also being used in the Group as platforms to connect the employees and management, automate and increase efficiency in certain administrative processes and facilitate remote communication with staff who work offshore and in foreign waters.

While the Group endeavours to provide as much information as possible to its shareholders and stakeholders, the Board is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

General Meetings

As an annual event of the Group, the general meeting serves as a principal platform for direct two-way interaction between the Board/Senior Management and the shareholders. This enables effective shareholders' communication on the Group's performance, corporate and business developments and any other matters affecting shareholders' interests. Recognising the significance of the AGM as the primary forum for the Group's shareholders to engage with all members of the Board on a face-to-face basis, all members of the Board are committed to attending the same.

The Notice of the AGM and related circular is sent out to shareholders at least 21 or 28 days (whichever is applicable) before the meeting as required under the MMLR of Bursa Malaysia, in order to facilitate full understanding and evaluation of the issues involved and to provide the shareholders sufficient time to consider the proposed resolutions that will be tabled and decided at the AGM and make the necessary arrangements to attend and participate in person or through the appointment of corporate representatives or proxies.

During the AGM, the Group Chief Financial Officer or the Head of Finance presents a review on the Group's performance which is supported by a visual and graphic presentation of the key points and financial figures.

The Board recognises two-way communication with its shareholders at general meetings and allocates time and welcomes questions and feedback regarding directions, operations, financials and proposed resolutions from the shareholders at the general meeting. An open platform is made available for shareholders to raise questions relevant to the AGM agenda and appropriate responses and clarification are promptly provided by the Board to the shareholders. Questions raised by the Minority Shareholders Watchdog Group ("MSWG") (if any) are also addressed and shared with all shareholders during the AGM.

In the past, about 80% of the shareholders of AMRB appointed proxies to attend and vote on their behalf at general meetings.

On 6 December 2023, the 18th AGM of the Company was conducted entirely via remote participation and electronic voting. Proceedings of the AGM were broadcasted to approximately 66 shareholders and 12 proxies that had registered and logged in to a designated online meeting application.

CORPORATE GOVERNANCE
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The voting results for each resolution are also immediately announced to the shareholders in the meeting at the end of the voting process. Minutes of the AGM/EGM including significant matters discussed at the meetings are also disclosed on the Company's corporate website.

In accordance with the relevant provisions of the Constitution, shareholders who are eligible to vote at general meetings but are unable to attend the same in person, may appoint proxies to vote on their behalf. AMRB has also introduced electronic voting (e-voting) facilities and will continue to make available such facilities in future meetings, to ensure that the mandatory poll voting process at all general meetings is carried out efficiently.

Constitution of the Company

The Constitution of AMRB was adopted in 2019 in place of its Memorandum and Articles of Association pursuant to the approval of the shareholders at the 15th AGM held on 18 August 2020. The Constitution regulates the manner in which the Company is governed.

D. KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board has identified proposed debt restructuring, proposed regularisation plan and transformation program on Offshore Support Vessels, Subsea and Offshore Installation and Construction ("OIC") Segments as key focus areas for the Group for the future and will provide the appropriate guidance and oversight to the senior management team as they work towards developing a more robust sustainability agenda for the Group.

The Board will continue to refine its corporate governance practices and procedures throughout the Group to smoothen the integration of work processes and practices and to ensure all the existing and new businesses of the Group are operating in an orderly manner and in the best interests of all stakeholders.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

(Pursuant to paragraph 15.26(a) of the MMLR of Bursa Malaysia)

The Board has given its assurance that the financial statements are prepared in accordance with the Act and the applicable approved accounting standards for each financial year which gives a true and fair view of the state of affairs of the Group in a transparent manner at the end of the financial year and of the results and cash flows for the financial year.

The Directors' Report for the audited financial statements of the Group is outlined in this Annual Report together with the details of the Company and the Group financial statements for the financial year ended 30 June 2024 which are set out in this Annual Report.

COMPLIANCE STATEMENT

Save as disclosed above, the Board is satisfied that to the best of its knowledge, the Group has applied the principles and recommendations of the corporate governance set out in the MCCG as well as the relevant paragraphs under the MMLR of Bursa Malaysia for the financial year under review, where necessary and appropriate. Any practices in the MCCG which have not been implemented during the financial year will be reviewed by the Board and be implemented where practical and relevant to the Group's business.

This Statement has been presented and approved by the Board at its meeting held on 24 October 2024.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

ADDITIONAL COMPLIANCE INFORMATION
- IN ACCORDANCE WITH APPENDIX 9C OF THE LISTING REQUIREMENTS

Employee Share Option ("ESOS")

AMRB had announced and implemented the Employee Share Option Scheme ('ESOS") on 2 April 2019 and shall be force for a period of 5 years.

As at 2 April 2024, there was no changes in ESOS options over 110,410,742 ordinary shares. During the financial year under review, there was no ESOS shares granted nor exercised by the Directors and employees of the Group.

In line with the AMRB ESOS By-Laws, the AMRB ESOS has expired on 2 April 2024 and all outstanding options including exercisable ESOS Options shall no longer be exercised into new AMRB Shares.

SHARE BUYBACKS

There were no share buybacks exercised by the Company during the FY2023-24.

AUDIT AND NON-AUDIT FEES

A breakdown of fees for statutory audit and non-audit services incurred by the Group and for the FY2023-24 is set out in the Financial Statements of the Annual Report 2024.

IMPOSITION OF SANCTIONS/PENALTIES

There were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management arising from any significant breach or rules/guidelines/legislations by the relevant regulatory bodies during the financial year under review.

MATERIAL CONTRACTS

There was no material contracts entered into by AMRB and/or its subsidiaries involving the interest of the Directors and major shareholders, either still subsisting at the end of the FY2023-24 or entered into since the end of the previous financial year.

AUDIT COMMITTEE REPORT

MEMBERSHIP AND MEETINGS

The Board Audit Committee ("BAC") members and the record of their attendance at the Audit Committee meetings held during the FY2023-24 are as follows:

Member	Number of Meetings Attended in FY2023-24	% of Meetings Attended
Fina Norhizah binti Haji Baharu Zaman *(Independent Non-Executive Director)*	5/5	100%
Ahmad Ruhaizad bin Hashim *(Independent Non-Executive Director)*	5/5	100%
Mr Yap Shuh Jian *(Independent Non-Executive Director)*	5/5	100%

Composition and Attendance

Encik Ahmad Ruhaizad bin Hashim is a member of the Malaysian Institute of Accountants ("MIA"), fulfilling the requirements of the Companies Act 2016 and the Bursa Listing Requirements, which mandate that at least one (1) member of the Audit Committee must be a qualified accountant among the members of the Board Audit Committee ("BAC").

During the FY2023-24, a total of five (5) BAC meetings were held. The notices for these meetings were circulated within the stipulated timeframe by the Company Secretary, who also serves as the Secretary to the BAC.

At the invitation of the BAC, Non-Independent Executive Directors, the Head of Finance, the Head of Internal Audit, and representatives from the External Auditors attended these meetings.

Specific sessions were allocated for private discussions between the BAC and the External Auditors, excluding Non-Independent Executive Directors and Management. Two (2) separate sessions were conducted in this regard.

The Secretary of the BAC prepared minutes for all five (5) meetings held in FY2023-24. These minutes were distributed to each BAC member, reviewed, and confirmed by the BAC Chairman during each meeting.

TERMS OF REFERENCE ("ToR") OF BAC AS PER BURSA LISTING REQUIREMENT (Reference: Chapter 15 Corporate Governance)

Article 15.09: Composition of the Audit Committee:

1) A listed issuer must appoint an Audit Committee from amongst its directors which fulfills the following requirements:
   a) the Audit Committee must be composed of not fewer than three (3) members.
   b) all the Audit Committee members must be non-executive directors, with a majority of them being independent directors; and
   c) at least one member of the Audit Committee -
      i. must be a member of the Malaysian Institute of Accountants; or
      ii. if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years of working experience and –
         (aa) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
         (bb) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967;
         or
      iii. fulfills such other requirements as prescribed or approved by the Exchange.

2) A listed issuer must ensure that no alternate director is appointed as a member of the Audit Committee.

   [Cross reference: Practice Note 13]

AUDIT COMMITTEE **REPORT**

Article 15.10 Chairman of the Audit Committee
The members of an Audit Committee must elect a chairman among themselves who is an independent director.

Article 15.11 Written Terms of Reference
An Audit Committee must have written terms of reference which deal with its authority and duties, and such information must be made available on the listed issuer's website.

Article 15.12 Functions of the Audit Committee
Without limiting the generality of paragraph 15.11 above, a listed issuer must ensure an Audit Committee, amongst others, discharges the following functions:

1) review the following and report the same to the board of directors of the listed issuer:
    (a) with the external auditor, the audit plan;
    (b) with the external auditor, his evaluation of the system of internal controls;
    (c) with the external auditor, his audit report;
    (d) the assistance was given by the employees of the listed issuer to the external auditor;
    (e) the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
    (f) the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken on the recommendations;
    (g) the quarterly results and year-end financial statements, before the approval by the board of directors, focusing particularly on -
        (i) changes in or implementation of major accounting policy changes;
        (ii) significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed; and
        (iii) compliance with accounting standards and other legal requirements;
    (h) any related party transaction and conflict of interests situation that may arise within the listed issuer or group including any transaction, procedure or course of conduct that raises questions of management integrity;
    (i) any letter of resignation from the external auditors of the listed issuer; and
    (j) whether there is a reason (supported by grounds) to believe that the listed issuer's external auditor is not suitable for re-appointment; and

2) recommend the nomination of a person or persons as external auditors.

Article 15.13 Attendance of other directors and employees
A listed issuer must ensure that other directors and employees attend any particular Audit Committee meeting only at the Audit Committee's invitation, specific to the relevant meeting.

Article 15.14 Procedure of Audit Committee
An Audit Committee may regulate its own procedure, in particular -
(a) the calling of meetings;
(b) the notice to be given of such meetings;
(c) the voting and proceedings of such meetings;
(d) the keeping of minutes; and
(e) the custody, production and inspection of such minutes.

AUDIT COMMITTEE **REPORT**

Article 15.15 Audit Committee report

(1) A listed issuer must ensure that its board of directors prepares an Audit Committee report at the end of each financial year that complies with subparagraphs (2) and (3) below.
(2) The Audit Committee report must be clearly set out in the annual report of the listed issuer.
(3) The Audit Committee report must include the following:
    (a) the composition of the Audit Committee, including the name, designation (indicating the chairman) and directorship of the members (indicating whether the directors are independent or otherwise);
    (b) [deleted]
    (c) the number of Audit Committee meetings held during the financial year and details of attendance of each Audit Committee member;
    (d) a summary of the work of the Audit Committee in the discharge of its functions and duties for that financial year of the listed issuer and how it has met its responsibilities;
    (e) a summary of the work of the internal audit function.

Article 15.16 Reporting of breaches to the Exchange

Where an Audit Committee is of the view that a matter reported by it to the board of directors of a listed issuer has not been satisfactorily resolved resulting in a breach of these Requirements, the Audit Committee must promptly report such matter to the Exchange.

Article 15.17 Rights of the Audit Committee

A listed issuer must ensure that wherever necessary and reasonable for the performance of its duties, an Audit Committee must, in accordance with a procedure to be determined by the board of directors and at the cost of the listed issuer -

(a) have authority to investigate any matter within its terms of reference;
(b) have the resources which are required to perform its duties;
(c) have full and unrestricted access to any information pertaining to the listed issuer;
(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
(e) be able to obtain independent professional or other advice; and
(f) be able to convene meetings with the external auditors, the person(s) carrying out the internal audit function or activity or both, excluding the attendance of other directors and employees of the listed issuer, whenever deemed necessary.

Article 15.18 Quorum of an Audit Committee

In order to form a quorum in respect of a meeting of an Audit Committee, the majority of members present must be independent directors.

Article 15.19 Retirement and resignation

In the event of any vacancy in an Audit Committee resulting in the non-compliance of paragraphs 15.09(1) and 15.10 above, a listed issuer must fill the vacancy within three (3) months.

Article 15.20 Review of the Audit Committee

The nominating committee of a listed issuer must review the term of office and performance of an Audit Committee and each of its members annually to determine whether such Audit Committee and its members have carried out their duties by their terms of reference.

AUDIT COMMITTEE **REPORT**

DUTIES AND RESPONSIBILITIES OF THE BOARD AUDIT COMMITTEE ("BAC") OF ALAM MARITIM GROUP OF COMPANIES

The duties and responsibilities of the BAC are:

(a) Financial Reporting

- To review the quarterly, and annual financial statements of the Group, focusing particularly on:
  - any significant changes to accounting policies and practices;
  - significant adjustments arising from the audits;
  - compliance with accounting standards and regulatory requirements; and
  - the going concern assumption.

(b) Related Party Transactions

- To review any related party transactions and conflict of interest situations that may arise within the Group including any transaction, procedure or course of conduct that raises questions of the Management integrity.

(c) Audit Reports

- To prepare the annual BAC report to the Board which includes the composition of the BAC, its terms of reference, the number of meetings held, a summary of its activities and the existence of an Internal Audit Department and a summary of the activities that unit for inclusion in the Annual Report; and
- To review the Board's statements on compliance with the MCCG 2021 for inclusion in the Annual Report.

(d) Risk Management and Internal Control

- To consider annually the Risk Management Framework adopted within the Group and to be satisfied that the methodology employed allows the identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Group to minimize losses and maximize opportunities;
- To ensure that the system of internal control is soundly conceived and in place, effectively administered and regularly monitored;
- To cause reviews to be made of the extent of compliance with established internal policies, standards, plans and procedures including for example, the Group Policies & Financial Limits of Authorities ("FLOA");
- To obtain assurance that proper plans for control have been developed before the commencement of major areas of change within the Group; and
- To recommend to the Board steps to improve the system of internal control derived from the findings of the Internal and External Auditors and from the consultations of the BAC itself.

(e) Internal Audit

- To be satisfied that the strategies, plans, manning and organisation for internal auditing are communicated down through the Group specifically:
- To review Internal Audit plans and to be satisfied with their consistency with the Risk Management Framework used, adequacy of coverage and audit methodologies employed;
- To be satisfied that the Internal Audit department within the Group has the proper resources and standing to enable them to complete their mandates and approved audit plans;
- To review status reports from Internal Audit and ensure that appropriate actions have been taken to implement the audit recommendations.
- To recommend any broader reviews deemed necessary as a consequence of the issues or concerns identified;
- To review any appraisal or assessment of the performance of the key resources in the Internal Audit, approve any appointment or termination of senior staff members of Internal Audit and inform BAC of any resignations of staff of Internal Audit and reasons thereof;
- To ensure Internal Audit has full, unrestricted access to all activities, records, property and personnel necessary to perform its duties; and
- To request and review any special audit that it deems necessary.

AUDIT COMMITTEE **REPORT**

(f) External Audit

- To review the External Auditors' audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and coordination of the External Auditors.
- To assess the External Auditors' independence and their performance as a basis for re-appointment and change of External Auditors annually, based on the Management input and advice;
- To review with the External Auditors the Statement on Risk Management and Internal Control of the Group for inclusion in the Annual Report;
- To review any matters concerning the appointment and re-appointment, audit fee and any questions of resignation or dismissal of the External Auditors;
- To review and evaluate factors related to the independence of the External Auditors and assist them in preserving their independence;
- To be advised of the significant use of the External Auditors in performing non-audit services within the Group, considering both the types of services rendered and the fees, such that their position as auditors is not deemed to be compromised; and
- To review the External Auditors' findings arising from audits, particularly any comments and responses in Management Letters ("ML") as well as the assistance given by the employees of the Group to be satisfied that appropriate action is being taken.

(g) Other Matters

- To act on any other matters as may be directed by the Board.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR ENDED 30 JUNE 2024

During the FY2023-24, the BAC has carried out its duties by its TOR as specified by Bursa and the Duties and Responsibilities as endorsed by the Board. Thus, the main issues reviewed by the BAC were summarized as follows:

- Reviewed the quarterly financial results and Annual Audited Accounts of the Group before submission to the Board of Directors for consideration and approval;
- Reviewed the related party transactions entered into by the Group and the disclosure of such transactions in the Annual Report of the Group;
- Private sessions between Independent Non-Executive Directors with the External Auditors without any executives present;
- Reviewed the performance of the external auditors and made recommendations to the Board for the renewal of the external auditors and their remuneration;
- Reviewed the BAC Report, Statement on Risk Management and Internal Control and Corporate Governance Statement before their inclusion in the Group's Annual Report.
- Reviewed the Annual Internal Audit Plan and related budget to be carried out for the Group, prepared by the Internal Auditors;
- Reviewed the audit results, and followed up on the recommendations' deadlines for and Group's internal controls improvement and the performance of the internal audits in FY2023-24.

STATEMENT ON INTERNAL AUDIT FUNCTION

Internal Audit Risk Management ("IARM") is an integral part of the Group's assurance structure. The department's primary responsibility is to independently and objectively assess the adequacy, integrity, and effectiveness of the Group's internal control system, risk management practices, and governance processes.

The Head of the Internal Audit Department directly reports to the Chairman of the BAC. For administrative purposes, the Head reports to the Group Managing Director/Group CEO. The responsibilities, authority, and scope of Internal Audit, including the nature of assurance and consulting services provided to the Group, are clearly defined in the Internal Audit Charter approved by the BAC.

The Head of the Internal Audit Department maintains direct access to the BAC Chairman for all matters concerning control and audit. Any undue constraints on the audit scope are promptly reported to the BAC.

Throughout FY2023-24, the IARM Department operated with two (2) audit resources who focused on critical risk areas within the Group. Planned internal audits were successfully completed and reported. Ongoing training and oversight ensure that the current internal audit resources effectively execute risk-based audits and support risk management functions.

AUDIT COMMITTEE **REPORT**

The BAC reviews and approves the annual audit plan, budget, and staffing requirements of the Group Internal Audit to ensure sufficient resources are allocated for qualified and experienced internal auditors to meet the BAC's expectations.

During FY2023-24, approximately RM129,000 was allocated for IARM resources, primarily covering personnel expenses and incidental costs such as traveling and training costs.

IARM adopts a risk-based approach in planning and conducting audits according to the approved Annual Audit Plan, aligning with the Group's established framework for designing, implementing and monitoring internal control systems.

The internal audits are carried out to follow the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and the Internal Auditing Guidelines issued by the Malaysian Institute of Accountants (collectively referred to as "the Internal Audit Standards & Guidelines").

The main activities performed by IARM in FY2023-24 are as follows:
- Reviewing and appraising the soundness, adequacy and application of accounting, financial and other controls and promoting effective control in the Group at a reasonable cost as per the approved Annual Audit Plan;
- Ascertaining the extent of compliance with established policies, procedures and statutory requirements;
- Ascertaining the extent to which the Group's assets are accounted for and safeguarded from losses of all kinds;
- Appraising the reliability and usefulness of information developed within the Group;
- Recommending improvements to the existing systems of controls;
- Carrying out investigations and special reviews requested by the Management and/or the BAC; and
- Identifying opportunities to improve the operations and processes in the Group.

Audit findings were communicated to the BAC, Senior Management and pertinent Management of operational departments. The Management of the department is accountable to ensure proper handling of the audit issues and implementation of their action plans within the timeframe specified. Actions taken by the operating units audited were followed up by IARM and the status was updated in the subsequent audits.

This report is made in accordance with a resolution of the Board dated 24 October 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of Alam Maritim Resources Berhad (Board) is committed in maintaining sound risk management and internal control system. Each business unit or functional group has implemented its own control processes under the leadership of the Group Managing Director (GMD) / Chief Executive Officer (GCEO), who is responsible for good business and regulatory governance. The Board is pleased to provide the following statement outlining the nature and scope of Alam Maritim Resources Berhad and its subsidiaries ("Group") Risk Management and Internal Control for the FY2023-24.

RESPONSIBILITY

The Board of Directors of Alam Maritim Resources Berhad ("Board") acknowledges its overarching responsibility for the Group's risk management and internal control framework, including reviewing its adequacy and integrity. This framework encompasses financial controls as well as operational, governance, risk management, strategic, organisational, and compliance controls in accordance with applicable laws, regulations, rules, and guidelines. Recognising that the system is designed to manage rather than eliminate risks, the Board, through the Board Risk Management Committee ("BRMC"), aims to identify, assess, and respond to risks within the risk tolerance level established as As Low As Reasonably Practicable ("ALARP") by the Board and Management. Thus, the system provides a pragmatic approach and solution, albeit not absolute protection against natural events or unforeseen circumstances.

The Board affirms a continual process of reviewing and reporting on the adequacy and integrity of the Group's risk management and internal control system to reasonably safeguard shareholders' investments, Group assets, and the interests of other stakeholders. This process undergoes regular review by the Board via the Board Audit Committee ("BAC") and aligns with guidelines for Directors on internal control and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. Minutes from BAC meetings, which document these discussions, are presented to the Board.

Additionally, the Board Risk Management Committee ("BRMC") has been established and maintained in accordance with Section 22 of the Capital Markets and Services Act 2007 ("CMSA") to oversee risk and ensure prudent management across the Group's business and operations. Throughout FY2023-24, the BRMC has reviewed, deliberated on, and advised on matters pertaining to corporate risks, project and operational risk assessments, and the development of mitigation strategies and action plans.

Risk and internal control issues that warranted the Board's attention were recommended by the BAC and BRMC for approval, while matters falling within the purview of the BAC and BRMC were updated to the Board for acknowledgement.

KEY INTERNAL CONTROL PROCESS

In order to ensure Regulatory Compliance, Transparency, prevent Conflict-of-Interest, Health, Safety, Security and Environment Protection, the Group's risk management framework and internal control system comprises the following key processes:

1. CONTROL ENVIRONMENT

1.1. Board Committees
The Board acknowledges that maintaining strong governance necessitates efficient and direct communication among the Board, Management, Internal Auditors, and External Auditors. To fulfill its responsibilities effectively, the Board is supported by its committees: the BAC, the Board Nomination and Remuneration Committee ("BNRC"), and the BRMC.

1.2. Independence of the Board Audit Committee ("BAC")
The BAC consists entirely of non-executive members of the Board, all of whom are independent. The Committee has full access to both Internal and External Auditors and holds separate meetings with the External Auditors at least twice a year, excluding any executives.

1.3. Operating structure with clearly defined lines of responsibility and delegated authority.
The operating structure includes a defined delegation of responsibilities to the committees of the Board and the management team.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

2. RISK MANAGEMENT

2.1 Risk management is considered essential by the Board, integral to the business and operations. Management is tasked with fostering a culture of risk awareness, providing necessary education on risk management, and regularly updating risk tools and procedures. They are also responsible for overseeing risks and internal controls related to operations, and ensuring compliance with relevant laws, regulations, and requirements.

3. BOARD RISK MANAGEMENT COMMITTEE (“BRMC”)

3.1 The BRMC oversees the Group's Risk Management. Its members include Independent Non-Executive Directors and Non-Independent Executive Directors. Head of Finance, Head of Corporate Services and Head of Group Internal Audit and Risk Management attend BRMC meetings as invitees.

3.2 The primary role of the BRMC is to provide strategic guidance to Management on managing Enterprise Wide Risks ("EWR") within the Group through risk oversight. This ensures effective risk assessment with mitigation plans across all aspects of the Group's business activities, and prompts Management to update policies and procedures as necessary to support the achievement of the Group's objectives.

3.3 The BRMC is supported by the Group Risk Management Working Committee ("GRMWC"), composed of all Heads of Departments ("HOD"). Chaired by the Group Executive Director, the GRMWC is responsible for implementing the Group Risk Management Framework effectively. It manages risks and controls related to Group operations, ensures compliance with applicable laws, regulations, and requirements, and recommends periodic reporting of key risk exposures to the BRMC.

3.4 The GRMWC includes the Group Managing Director, Group Chief Operating Officer, Group Executive Directors, Group Chief Financial Officer, Heads of Business Units, and the Head of Group Internal Audit and Risk Management. Heads of relevant Divisions and Departments participate as invitees.

4. RISK MANAGEMENT FRAMEWORK

4.1 The Group has established a Risk Management Framework to ensure a consistent approach to risk management and to promote a shared understanding of acceptable risk among all employees. This framework delineates the governance and structure of risk management, along with processes, accountabilities, and responsibilities across the organisation.

Three (3) Line of Defense in Risk Management

First Line of Defense

- Head Of Departments (“HOD”)

Second Line of Defense

- Group Risk Management Working Committee (“GRMWC”)

Third Line of Defense

- Board Risk Management Committee (“BRMC”)

STATEMENT ON RISK MANAGEMENT AND **INTERNAL CONTROL**

5. ACCOUNTABILITY AND RISK TOLERANCE

5.1 Managing risks is a collective responsibility integrated into the Group's governance, business processes, and operations. Employee and Management commitment to the risk management process is continually reinforced through activities such as the establishment of the GRMWC, group discussions, and oversight facilitated by the Group Internal Audit and Risk Management Department.

5.2 Our risk tolerance is defined using a risk impact and likelihood matrix, which establishes a boundary for risks categorized as "exceeding risk tolerance" versus those within acceptable limits. We employ a structured framework where risks and the effectiveness of mitigations from each department are assessed during quarterly engagements with Heads of Departments (HODs). These assessments are followed by quarterly reviews in the GRMWC and BRMC, where risks, specific issues, contributing factors, impacts, and mitigations are evaluated to ensure departmental objectives align with overall corporate goals. This process ensures that planned corrective actions are implemented, monitored, and adjusted regularly to achieve the Group's desired corporate agenda and objectives.

6. RISK MANAGEMENT REPORTING

6.1 The Risk Management Framework ("RMF") includes regular comprehensive reviews and reporting. The Group Internal Audit and Risk Management Department collaborates continuously with Heads of Departments ("HODs") to review and update their respective risk registers. Significant potential risks, along with mitigation plans and actions taken, are deliberated in the GRMWC and reported to the BRMC and the Board of Directors.

6.2 To ensure the robustness and compliance of our RMF and processes with internationally recognized standards, our Business Risk Assessment ("BARA") incorporates four (4) assessment parameters—Human, Environment, Asset, and Reputation (collectively referred to as "HEAR" factors)—to identify the root causes of risks within existing procedures.

7. CONTROL ACTIVITIES

7.1 Policies, Procedures and Limits of Authority

Clear financial authority limits are established for all levels of management within the Group, ensuring accountability for financial commitments. Internal policies, standards, and procedures are well-documented to ensure compliance with internal controls, as well as applicable laws, regulations, and requirements. These documents are regularly updated to address evolving risks and operational needs. Periodic reviews are conducted to maintain the relevance and currency of these documents. Group-wide policies are accessible to employees via the Group's intranet for easy reference. All policies and standards undergo Board approval, and instances of non-compliance are promptly reported to the Board.

7.2 Strategic Business Planning, Budgeting and Reporting

Management provides regular and comprehensive information for monitoring performance against the strategic plan, encompassing key financial, investment, and operational metrics. Quarterly, the Group Managing Director (GMD) conducts reviews with the Board covering strategic issues, performance, resource allocation, and business conduct standards. An annual detailed budgeting process requires all business units to prepare budgets, which are reviewed and approved by the Board. Effective reporting systems are implemented to track significant variances against budgets and plans, ensuring proactive monitoring of performance.

8. INSURANCE AND PHYSICAL SAFEGUARD

8.1 The Group maintains adequate insurance coverage and physical safeguards for its major assets to protect against liabilities that could result in significant damage, claims, or losses.

8.2 Management conducts an annual policy renewal exercise to evaluate coverage based on the current fixed asset register and prevailing market prices for similar items, as applicable.

9. INFORMATION AND COMMUNICATION

9.1 Timely communication of relevant information including the Group's achievement and updates on corporate and organisational structure and policies and procedures, enabling employees to focus on and perform their responsibilities effectively.

9.2 Heads of subsidiaries and joint venture companies within the Group engage in business dialogue sessions with Senior Management to discuss strategies and address challenges in pursuit of business goals and objectives.

10. EFFECTIVE REGULAR MONITORING

10.1 Management Visit
Directors and Senior Management, where necessary conduct visits to marine vessels, branch offices, project sites, customers and business partners' offices to review the Group's operations and gain a better understanding to facilitate cognizant of decision-making capability.

10.2 Internal Audit Function
In order to ensure that the internal controls system is viable and robust, periodic examination of business processes and the internal controls procedures and processes by the Group Internal Audit function to monitor and review the effectiveness and efficiency of the system of internal control. Reports on the reviews carried out by the Internal Auditor are submitted on a regular basis to the management and the BAC.

10.3 Performance Management
In order to nurture the quality and competencies of employees, continuing education, training, seminar and development programs are emphasized to enable employees to discharge their duties effectively. Progressively, employees' performance is measured according to the sets of key performance indicators i.e. Performance & Development Appraisal ("PDA") aligned to their functions as assigned to them which they are expected to accomplish.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Bursa Malaysia Listing Requirements, the external auditors have reviewed this Risk Management and Internal Control Statement. Their review was performed in accordance with the scope set out in the Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA").

Based on their review, the external auditor has reported to the Board that nothing has come to the attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

For the financial year under review, following inquiries and assurance provided by the Group Managing Director and the Group Head of Finance, the Board affirms to the best of its knowledge that the internal control and risk management systems are robust and adequate. These systems provide reasonable assurance in safeguarding the shareholders' investments, Group assets and other stakeholders' interests while addressing significant risks affecting the Group's business operations.

This Statement on Risk Management and Internal Control adheres to the guidelines set forth by the Bursa Malaysia Listing Requirements and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. It was approved by the Board during its meeting on 24 October 2024.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2024

Authorised Share Capital	:	-
Issued and Paid-Up Share Capital	:	RM 442,667,403.38
Class of Shares	:	Ordinary Shares
Voting Rights	:	On a poll – One vote for every ordinary share held
No. of Voting Shares	:	1,531,828,805

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

SIZE OF HOLDINGS	NO. OF HOLDERS	%	NO. OF SHARES	%
1 - 99	144	1.220	5,569	0.000
100 - 1,000	880	7.455	516,303	0.033
1,001 - 10,000	4,113	34.847	25,075,187	1.636
10,001 - 100,000	4,996	42.328	218,884,361	14,289
100,001 - 76,591,439 (*)	1,669	14.140	956,931,949	62.469
76,591,440 and above(**)	1	0.008	330,415,436	21.569
Total	**11,803**	**100.000**	**1,531,828,805**	**100.000**

Notes:
(*) Less than 5% of issued shares
(**) 5% and above of issued shares

DIRECTORS' SHAREHOLDING

Name of Directors	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
DATUK AZMI BIN AHMAD	2,292,748[(1)]	0.149	330,581,061[(2)]	21.580
AHMAD HASSANUDIN BIN AHMAD KAMALUDDIN	1,875[(3)]	0.000	123,750[(4)]	0.008
FINA NORHIZAH BINTI HJ BAHARU ZAMAN	34,000[(5)]	0.002(*)	0	0.000
AHMAD RUHAIZAD BIN HASHIM	0	0.000	0	0.000
YAP SHUH JIAN	0	0.000	0	0.000

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2024

SUBSTANTIAL SHAREHOLDERS

Name of Directors	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SAR VENTURE HOLDINGS (M) SDN. BHD.			330,415,436	21.569
DATUK AZMI BIN AHMAD	2,292,748(1)	0.149	330,581,061(2)	21.580

Notes:
(*) *Shareholding of less than 0.01%*
(1) *Held through CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. for 14,111 ordinary shares in AMRB.*
(2) *Deemed interested by virtue of his shareholding in SAR Venture Holdings (M) Sdn Bhd and the shareholding of his spouse in AMRB pursuant to Section 8(4) and 59(11)(c) of the Act respectively.*
(3) *Held through CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. for 1,875 ordinary shares in AMRB.*
(4) *Deemed interested by virtue of the shareholding of his spouse in AMRB pursuant to Section 59(11)(c) of the Act.*
(5) *Held through Maybank Securities Nominees (Tempatan) Sdn. Bhd.*

LIST OF TOP 30 HOLDERS

(Without aggregating securities from different securities accounts belonging to the same registered holder)

No	Name	Holdings	%
1	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SAR VENTURE HOLDINGS (M) SDN. BHD.	330,415,436	21.569
2	TAY HOCK SOON	39,500,000	2.578
3	MICHAEL ONG CHENG SEANG	20,000,000	1.305
4	NING SAI PIEW	11,326,200	0.739
5	IFAST NOMINEES (TEMPATAN) SDN BHD WONG CHOONG SUN	11,000,000	0.718
6	AZMI BIN MUHAMMAD	9,962,100	0.650
7	CHOONG KEAN LEANG	9,500,000	0.620
8	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AZMI BIN MUHAMMAD (MY2422)	8,040,600	0.524
9	AHMAD NOOR ARIFF BIN AHMAD GHANI	7,900,000	0.515
10	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO LAY BAN (MY3458)	7,500,000	0.489
11	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FONG LOONG TUCK (CEB)	7,000,000	0.456
12	JOYCELYNN KHO FEI FEI	6,995,000	0.456
13	LIM SEOK KIM	6,500,000	0.424
14	TEO CHIN SIONG	6,425,000	0.419

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2024

No	Name	Holdings	%
15	AZNIZAN BIN HUSSEIN	6,200,000	0.404
16	LIM KAY KEONG	6,021,800	0.393
17	ENG LEE CHOO	5,510,000	0.359
18	FOO LEE FEI	5,000,000	0.326
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR STUART SAW TEIK SIEW	5,000,000	0.326
20	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG CHIEW KEE	5,500,000	0.326
21	TEO LAY BAN	5,000,000	0.326
22	YUE TECK SIONG	5,000,000	0.326
23	LIM SOOK YUN	4,500,000	0.293
24	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AZLI BIN MOHAMED (13000707)	4,262,600	0.278
25	AFFIN HWANG INVESTMENT BANK BERHAD IVT (YKL) LEE KHEE YIP	4,249,000	0.277
26	LIM YEE HOE	4,000,000	0.261
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GRACE SIA YING SIANG (E-LBG)	4,000,000	0.261
28	MOHD AZZART BIN MOIDEEN	3,980,000	0.259
29	ISHVERJEET SINGH A/L KERNAIL SINGH	3,750,000	0.244
30	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NING CHOON MOY (E-KTN/KLS)	3,740,000	0.244

NOTICE OF 19TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting ("19th AGM") of Alam Maritim Resources Berhad ("the Company" or "AMRB") will be conducted fully virtual meeting from the broadcast venue at Boardroom, No. 38F, Level 3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur ("Broadcast Venue") on Friday, 13th December 2024 at 10.00 a.m. via Remote Participation and Voting facilities ("RPV") which are available at Tricor Investor & Issuing House Services Sdn Bhd ("Tricor")'s TIIH Online website at https://tiih.online, for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial period ended 30 June 2024 ("FY2023-24") together with the Reports of the Directors and Auditors thereon. *Please refer to Explanatory Note (i)*

2. To re-elect the following Directors who retire pursuant to Article 100 of the Company's Constitution and being eligible, have offered themselves for re-election: *Please refer to Explanatory Note (ii)*
   (i) Encik Ahmad Ruhaizad B Hashim; and **Ordinary Resolution 1**
   (ii) Mr Yap Shuh Jian. **Ordinary Resolution 2**

3. To approve the payment of Directors' fees and remuneration to the Non-Executive Directors amounting to RM361,253.64 for the FY2023-24. **Ordinary Resolution 3**

4. To approve the payment of Directors' fees and remuneration based on the remuneration structure as disclosed in Explanatory Note (iii) for the period from 1 July 2024 until the next Annual General Meeting of the Company to be held in 2025. *Please refer to Explanatory Note (iii)* **Ordinary Resolution 4**

5. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration. **Ordinary Resolution 5**

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without modification, to pass the following resolutions which will be proposed as Ordinary Resolutions:

6. **Authority for Puan Fina Norhizah binti Haji Baharu Zaman to continue in office as Independent Non-Executive Director of the Company**
   "**THAT** authority be and is hereby given for Puan Fina Norhizah binti Haji Baharu Zaman who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM, in accordance with the Malaysia Code on Corporate Governance." **Ordinary Resolution 6**

7. **Authority to Issue Shares Pursuant to Section 75 and Section 76 of the Companies Act, 2016**
   "**THAT** pursuant to Section 75 and Section 76 of the Companies Act, 2016, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities") and the approvals of the relevant governmental and/or regulatory authority (if any), the Directors be and are hereby empowered to issue shares in the Company at any time at such price and upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares so issued does not exceed 10% of the issued capital of the Company for the time being and the Directors be and are also empowered to obtain the approval of the Bursa Malaysia Securities for listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next AGM of the Company." **Ordinary Resolution 7**

NOTICE OF 19TH
ANNUAL GENERAL MEETING

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016 and the Company's Constitution.

BY ORDER OF THE BOARD

Nur Aznita binti Taip, ACIS (MAICSA 7067607)
(SSM PC No. 202008003466)
Company Secretary

Kuala Lumpur
30 October 2024

EXPLANATORY NOTES:-

(i) **Agenda Item No. 1** – Audited Financial Statements for the FY2023-24 is meant for discussion only as the provision of Section 340(1) (a) of the Companies Act, 2016 does not require the formal approval of shareholders for the Audited Financial Statements. As such, this item is not put forward for voting.

(ii) **Ordinary Resolutions 1 and 2** – Re-election of Directors who retire by rotation pursuant to Article 100 of the Company's Constitution Encik Ahmad Ruhaizad B Hashim and Mr Yap Shuh Jian are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election.

(iii) **Ordinary Resolution 4** – Payment of Directors' Remuneration to the Non-Executive Directors for the period from 1 July 2024 until the next Annual General Meeting of the Company to be held in 2025.

Board/Board Committee	**Chairperson (RM/Year)**	**Member (RM/Year)**
Board of Directors	RM90,000	RM75,000
Board Audit Committee	RM19,000	RM12,000
Board Risk Management Committee	RM6,000	RM5,000
Board Nomination & Remuneration Committee	RM6,000	RM5,000
Allowance: Meeting Attendance	RM1,000/day	RM1,000/day

NOTICE OF 19TH ANNUAL GENERAL MEETING

EXPLANATORY NOTES ON SPECIAL BUSINESSES:-

(i) **Ordinary Resolutions 6 – Proposed Continuation in Office as Independent Non-Executive Directors** resolution is in line with the recommendation under the **Malaysian Code on Corporate Governance 2021.**

Puan Fina Norhizah binti Haji Baharu Zaman ("Puan Fina") was appointed as an Independent Non- Executive Director of the Company on 22 October 2010 and has reached more than the nine (9) years term limit prescribed by the Malaysian Code on Corporate Governance 2021 ("MCCG"). In accordance with the MCCG, the Nomination and Remuneration Committee and Board of Directors of the Company, after having assessed the independence of Puan Fina, consider her to be independent based on amongst others, the following justifications and recommend that Puan Fina be retained as an Independent Director of the Company:-

(i) She has confirmed and declared that she is an Independent Director as defined under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
(ii) She does not have any conflict of interest with the Company and has not been entering/is not expected to enter into a contract especially material contract(s) with the Company and/or its subsidiary companies;
(iii) She actively participates in the Board's and Board Committees' deliberations and decision-making in an objective manner, exercises due care in all undertakings of the Group and carries out her fiduciary duties in the interest of the Company; and
(iv) The Board of Directors of the Company is of the opinion that Puan Fina is an important Independent Director in view of his many years on the Board with incumbent knowledge of the Company and the Group's activities and corporate history and has provided invaluable contributions to the Board in his role as an Independent Director.

Pursuant to the latest revised MCCG effective on 28 April 2021, the Company would adopt a two-tier voting process in seeking the annual shareholders' approval to retain an Independent Director beyond nine (9) years for best practice of corporate governance.

(ii) **Ordinary Resolution 7** is to seek a renewal of the general authority pursuant to Section 75 and Section 76 of the Companies Act, 2016 and the MMLR for the issuance and allotment of new ordinary shares in the Company.

Proposed **Ordinary Resolution 7**, if passed, will enable Directors to issue and allot new ordinary shares up to an amount not exceeding twenty per centum (20%) of the Company's issued share capital from time to time pursuant to the exercise of any options under the Company's ESOS as well as provide them the flexibility to raise funds, including but not limited to further placement of shares for purposes of funding future investment project(s), working capital and/or acquisitions without convening a general meeting which will be both time and cost consuming. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

Statement Accompanying Notice of Annual General Meeting
PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS

The details of the Directors who are standing for re-election and the Directors' interest in the securities of the Company and/or its related companies are disclosed on pages 24, 27 & 28 of the Company's Annual Report 2024 respectively, which available on the Company's website at https://www.alam-maritim.com.my/AMRB2024/AR2024

NOTES TO MEMBERS AND PROXIES

1. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Act and Article 80 of the Constitution which require the Chairman of the Meeting to be present at the main venue of the 19th AGM Meeting.

2. Members/proxies **WILL NOT BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the 19th AGM.

3. Members are to attend and vote (collectively, "participate") remotely at the 19th AGM via the RPV facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd ("Tricor") through its TIIH Online website at https://tiih.online. Please follow the Procedures for RPV facilities provided in the Administrative Guide Details for the 19th AGM in order to participate in the Meeting remotely via RPV facilities on the 19th AGM.

NOTICE OF 19TH
ANNUAL GENERAL MEETING

4. Members may submit questions to the Company prior to the 19th AGM via email to info@alam-maritim.com.my or Tricor's TIIH Online website at https://tiih.online by selecting "e-Services" to login. Questions shall be submitted via email or the TIIH Online website no later than **Wednesday, 11 December 2024 at 10.00 a.m.** Alternatively, Members may use the query box to transmit questions to the Chairman/Board via RPV facilities during live streaming.

Appointment of Proxy/Proxies

1. For the purposes of determining a member who shall be entitled to participate in the forthcoming 19th AGM of the Company, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 3 December 2024. Only a depositor whose name appears in the Record of Depositors as at 3 December 2024 shall be entitled to participate in the 19th AGM or appoint proxy/proxies to participate on his/her behalf.

2. Every member including authorized nominees as defined under the Securities Industry (Central Depositories) Act 1991, and Exempt Authorised Nominees which hold ordinary shares in the Company for multiple beneficial owners in one (1) securities account, is entitled to appoint one (1) or more proxy to exercise all or any of his/her rights to participate instead of himself/herself at the 19th AGM, and that such proxy needs not to be a member.

3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.

4. The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorized in writing or if the Member is a corporation, shall either be executed under its common seal or under the hand of two (2) authorized officers, one of whom shall be a director, or of its attorney duly authorized in writing.

5. The instrument of proxy shall be deposited at the Registered Office of the Company at No. 38F, Level 3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur. All proxy forms submitted must be received by the Company no later than **Wednesday, 11 December 2024 at 10.00 a.m.**, being forty-eight (48) hours before the appointed time for holding the 19th AGM.

6. A member who has appointed a proxy or attorney or authorized representative to participate in the 19th AGM via RPV must request his/her proxy or attorney or authorized representative to register himself/herself for RPV facilities at Tricor's TIIH Online website at https://tiih.online. Please follow the Procedures for RPV registration in the Administrative Guide Details for the 19th AGM.

FORM OF PROXY

No. of Shares held	
CDS Account No.	
NRIC/Company No.	
ContactNo.	

Registration No. 200501018734 (700849-K)
(Incorporated in Malaysia)

I/We ____
(Block Letters)

of ____

being a member of ALAM MARITIM RESOURCES BERHAD (AMRB) hereby appoint :-

	Name/CDS Account No	NRIC/Passport	No of shares	%
Proxy 1				
Proxy 2				
		Total		100%

failing THE CHAIRMAN OF THE MEETING as my/our* proxy(ies) to vote for me/us* and on my/our* behalf at the Nineteen Annual General Meeting of the Company to be conducted fully virtual meeting from the broadcast venue at Boardroom, No. 38F, Level 3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur on Friday, 13 December 2024 at 10.00 a.m. and at any adjournment thereof, in the manner indicated below:

No	Resolutions	For	Against
1	To re-elect Ahmad Ruhaizad bin Hashim pursuant to Article 100.		
2	To re-elect Mr. Yap Shuh Jian pursuant to Article 100.		
3	To approve the payment of Directors' fees and remuneration to the Non-Executive Directors amounting to RM361,253.64 for the financial period ended 30 June 2024.		
4	To approve the payment of Directors' fee and remuneration for the period from 1 July 2024 until the next Annual General Meeting of the Company to be held in 2025.		
5	To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration.		
6	Continuation in Office of Puan Fina Norhizah binti Haji Baharu Zaman as Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance 2021.		
7	To authorise the Directors to Issue Shares Pursuant to Section 75 and Section 76 of the Companies Act, 2016.		

Please indicate with a check mark ("✓") in the appropriate box against the resolution how you wish your proxy to vote. In the absence of specific instructions, the proxy will vote or abstain at his/her discretion

Date

Signature/Common Seal of Shareholder

NOTES:
IMPORTANT NOTICE

1. *The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 and Article 80 of the Company's Constitution which require the Chairman of the Meeting to be present at the main venue of the 19th AGM Meeting.*
2. *Members/proxies **WILL NOT BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the 19th AGM.*
3. *Members are to attend and vote (collectively, "participate") remotely at the 19th AGM via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("**Tricor**") via its TIIH Online website at https://tiih.online. Please follow the Procedures for RPV provided in the Administrative Guide Details for the 19th AGM and read the notes below in order to participate remotely via RPV.*
4. *A member who is entitled to attend and vote at the meeting via RPV is entitled to appoint at least one (1) proxy to attend and vote in his/her stead. Where a member appoints up to two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holding to be represented by each proxy. The proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.*
5. *Members may submit questions to the Board prior to the 19th AGM via Tricor's TIIH Online website at https://tiih.online by selecting "e-Services" to login, pose questions and submit electronically no later than **Wednesday, 11 December 2024 at 10.00 a.m.** or to use the query box to transmit questions to the Chairman/Board via RPV during live streaming.*
5. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SIDCA**") and the Company's Constitution, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds to which shares in the Company standing to the credit of the said account.*
7. *Where a member of the Company is an exempt authorised nominee as defined under the SIDCA and the Company's Constitution which holds Deposited Securities in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorized Nominee may appoint in respect of each omnibus account it holds.*

8. *A member who has appointed a proxy or attorney or authorized representative to attend, participate and vote at this 19th AGM via RPV must request his/her proxy or attorney or authorized representative to register himself/herself for RPV at the TIIH Online website at https://tiih.online. Please follow the Procedures for RPV in the Administrative Details for the 19th AGM.*
9. *The instrument of proxy shall be deposited at the Registered Office of the Company at 38F, Level 3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur. All proxy forms submitted must be received by the Company no later than* ***Wednesday, 11 December 2024*** *at* ***10.00 a.m.****, forty-eight (48) hours before the appointed time for holding the 19th AGM.*
10. *Please ensure ALL the particulars as required in the form of proxy are completed, signed and dated accordingly.*
11. *Last date and time for lodging the form of proxy is* ***Wednesday, 11 December 2024*** *at* ***10.00 a.m.***
12. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Registered Office of the Company at 38F, Level 3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur. All proxy forms submitted must be received by the Company no later than* ***Wednesday, 11 December 2024*** *at* ***10.00 a.m.****, forty-eight (48) hours before the appointed time for holding the 19th AGM. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
13. *A corporate member who has appointed a representative, please deposit the* ***ORIGINAL*** *certificate of appointment at the Registered Office of the Company at 38F, Level 3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur. All proxy forms submitted must be received by the Company no later than* ***Wednesday, 11 December 2024*** *at* ***10.00 a.m.****, being forty-eight (48) hours before the appointed time for holding the 19th AGM. The certificate of appointment should be executed in the following manner:*

Please fold along this line (1)

AFFIX STAMP

ALAM MARITIM RESOURCES BERHAD
(Registration No. 200501018734 (700849-K))
38F, Level 3, Jalan Radin Anum,
Bandar Baru Sri Petaling
57000 Kuala Lumpur

Please fold along this line (2)

(i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
(ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
(a) at least two (2) authorised officers, of whom one shall be a director; or
(b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

14. *For the purpose of determining a member who shall be entitled to attend the AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Clause 77 of the Company's Constitution and Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at 3 December 2024. Only a depositor whose name appears therein shall be entitled to attend the said AGM or appoint a proxy to attend and/or vote on his/her stead.*

Financial Statements

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	26,279,682	8,544,344
Attributable to:-		
Owners of the Company	26,311,108	8,544,344
Non-controlling interests	(31,426)	-
	26,279,682	8,544,344

DIVIDENDS

No dividend was recommended by the directors for the financial year.

The directors do not recommend the payment of any further dividends for the financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company except for the share options granted pursuant to the Company's Employee Share Option Scheme below.

EMPLOYEE SHARE OPTION SCHEME

The Company has an Employees' Share Option Scheme ("ESOS") which was implemented on 2 April 2019 for a period of five (5) years, for the eligible directors and employees ("Eligible Persons") of the Group. The ESOS expired on 2 April 2024 pursuant to the ESOS By-Laws.

All outstanding share options offered to the Eligible Persons of the Company pursuant to the ESOS had automatically lapsed upon the expiry of the ESOS on 2 April 2024.

The details of the ESOS are disclosed in Note 17(c) to the financial statements.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

DIRECTORS' REPORT

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Fina Norhizah Binti Haji Baharu Zaman
Datuk Azmi Bin Ahmad*
Ahmad Hassanudin Bin Ahmad Kamaluddin*
Ahmad Ruhaizad Bin Hashim
Yap Shuh Jian

* Directors of the Company and certain subsidiaries

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors holding office at the end of the financial year in shares, options over unissued shares or debentures of the Company and its related corporations during the financial year are as follows:-

	< --------------------- Number of Ordinary Shares			------------------ >
	At 1.7.2023	Bought	Sold	At 30.6.2024
The Company				
Direct Interests				
Datuk Azmi Bin Ahmad	2,292,748	-	-	2,292,748
Ahmad Hassanudin Bin Ahmad Kamaluddin	1,875	-	-	1,875
Fina Norhizah Binti Haji Baharu Zaman	34,000	-	-	34,000
Indirect Interests				
Datuk Azmi Bin Ahmad *^	330,581,061	-	-	330,581,061
Ahmad Hassanudin Bin Ahmad Kamaluddin ^	123,750	-	-	123,750

* Shares held through company in which the director has substantial financial interests

^ Shares held through spouse

	< -------------------- Number of Options under ESOS				------------------ >
	At 1.7.2023	Granted	Exercised	Lapsed	At 30.6.2024
The Company					
Direct Interests					
Datuk Azmi Bin Ahmad	13,866,914	-	-	(13,866,914)	-
Ahmad Hassanudin Bin Ahmad Kamaluddin	13,866,914	-	-	(13,866,914)	-
Fina Norhizah Binti Haji Baharu Zaman	1,500,000	-	-	(1,500,000)	-

By virtue of their shareholdings in the Company, Datuk Azmi Bin Ahmad and Ahmad Hassanudin Bin Ahmad Kamaluddin are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' REPORT

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate other than the share options granted to certain directors pursuant to the ESOS of the Company.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Group and the Company during the financial year are as follows:-

	The Group RM	**The Company** RM
Fees	626,170	326,170
Other emoluments	3,613,569	35,083
	4,239,739	361,253

INDEMNITY AND INSURANCE COST

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Company.

HOLDING COMPANY

The directors regard SAR Venture Holdings (M) Sdn. Bhd., a company incorporated in Malaysia, as the immediate holding company of the Company.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

Details of significant events during and subsequent to the end of the financial year are as follows:-

On 31 October 2022, the Company announced that it had triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(d) of Practice Note 17 (“PN17”) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). Hence, with effect from 31 October 2022, the Company is considered as a PN17 listed issuer. The Company has 12 months to submit the regularisation plan to the relevant authorities for approval.

On 17 October 2023, the Company has submitted the application to Bursa Malaysia for extension of time for the Company to submit its Proposed Regularisation Plan in relation to PN17 of the MMLR of Bursa Malaysia. Subsequently, Bursa Malaysia had vide its letter dated 1 November 2023 resolved to grant the Company an extension of time of 6 months until 30 April 2024 to submit its regularisation plan to the regulatory authorities.

On 25 October 2023, the Company announced that the Company and Alam Maritim (M) Sdn. Bhd. (“AMSB”) (a wholly-owned subsidiary of the Company) (collectively “Applicants”) have obtained the following Orders from the High Court of Malaya at Kuala Lumpur (“High Court”) pursuant to Sections 366 and 368 of the Companies Act 2016 for, among others:-

(i) An order pursuant to Section 366(1) of the Companies Act 2016 to summon meetings of the creditors of the Applicants or any class of them for the purpose of considering and, if thought fit, approving with or without modification, a Scheme of Arrangement and compromise proposed between the Applicants and the Scheme Creditors;

(ii) That the Applicants be at liberty to fix the date, time and venue of the scheme meetings within three (3) months from 25 October 2023; and

(iii) A restraining order pursuant to Section 368(1) of the Companies Act 2016, whereby all current and further proceedings in any legal actions or proceedings against AMSB and/or the assets of AMSB be restrained and stayed except by leave of Court for a period of three (3) months from 25 October 2023.

On 24 January 2024, the Company announced that the High Court had granted the Company and AMSB an extension of time of 9 months from 25 January 2024 to summon the Court Convened Meeting (“CCM”) for the Proposed Debt Restructuring and an extension of the Restraining Order for AMSB for a period of 9 months from 25 January 2024.

On 29 April 2024, the Company announced that the High Court had granted a Restraining Order for the Company for a period of 3 months from 29 April 2024.

On 30 May 2024, Bursa Malaysia extended the regularisation plan submission dateline to 31 October 2024.

On 5 July 2024, the Company announced that both the Company and AMSB will convene the CCM for the Proposed Debt Restructuring on 26 July 2024 and that the notice of CCM, the proxy forms and the Explanatory Statement have been issued to the Scheme Creditors.

On 25 July 2024, the Company announced that the High Court has granted an extension of the Restraining Order for the Company until 31 December 2024.

On 26 July 2024, the Company announced that the Company had obtained the approval of the requisite majority in value of the Scheme Creditors to undertake the Proposed Debt Restructuring during the CCM held on even date.

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR (CONT'D)

Details of significant events during and subsequent to the end of the financial year are as follows:- (Cont'd)

On 19 August 2024, the Company announced that the application in relation to the Proposed Regularisation Plan had been submitted to Bursa Malaysia on 16 August 2024. As at the date of this report, the Proposed Regularisation Plan has not been approved by Bursa Malaysia.

The Proposed Regularisation Plan shall be undertaken in conjunction with the Proposed Scheme of Arrangement and compromise pursuant to Section 366 of the Companies Act 2016 between the Company, AMSB (a wholly-owned subsidiary of the Company) and their creditors comprising, amongst others, full and final and/or partial settlement of outstanding debts owing to the scheme creditors of AMSB ("AMSB Scheme Creditors") ("AMSB Scheme Amounts") and Alam Maritim Resources Berhad ("AMRB/the Company") ("AMRB Scheme Creditors") ("AMRB Scheme Amounts") by way of cash as well as issuance of the Settlement Shares and the Settlement Warrants ("Proposed Debt Restructuring").

The Scheme of Arrangement between AMSB and the AMSB Scheme Creditors shall be referred to as the "AMSB Unsecured Scheme" whereas the Scheme of Arrangement between AMRB and the AMRB Scheme Creditors shall be referred to as the "AMRB Unsecured Scheme".

The AMSB Scheme Creditors and the AMRB Scheme Creditors shall collectively be referred to as the "Scheme Creditors".

The inter-conditionality of the corporate exercises to be undertaken by the Company is as follows:-

(i) The Proposed Debt Restructuring comprises the Bilateral Settlement, AMSB Unsecured Scheme and AMRB Unsecured Scheme. Accordingly, each component of the Proposed Debt Restructuring is inter-conditional; and

(ii) The Proposed Regularisation Plan and the Proposed Debt Restructuring are inter-conditional.

On 4 September 2024, the Company announced that the Company and AMSB have obtained from the High Court of Malaya at Kuala Lumpur the following Order pursuant to Section 366 of the Act to sanction the Company's and AMSB's Schemes of Arrangement ("Order"). The Order sets out, among others:-

(i) That the Scheme of Arrangement in the Explanatory Statement dated 5 July 2024 for the Company and AMSB, be approved and sanctioned by High Court so as to be binding upon the Company and AMSB and their Scheme Creditors as defined therein; and

(ii) That an office copy of the Order shall be lodged with the Companies Commission of Malaysia.

On 20 September 2024, the sealed Order has been lodged with the Companies Commission of Malaysia and the Scheme of Arrangement took effect.

The Order granted by the High Court was obtained as part of the Group's overall restructuring and rehabilitation plan by way of a Scheme of Arrangement with its creditors.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company during the financial year are RM758,000 and RM270,000 respectively.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

Ahmad Ruhaizad Bin Hashim
Director

Datuk Azmi Bin Ahmad
Director

Kuala Lumpur

29 October 2024

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Ahmad Ruhaizad Bin Hashim and Datuk Azmi Bin Ahmad, being two of the directors of Alam Maritim Resources Berhad, state that, in the opinion of the directors, the financial statements set out on pages 117 to 209 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2024 and of their financial performance and cash flows for the financial year ended on that date.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

Ahmad Ruhaizad Bin Hashim **Datuk Azmi Bin Ahmad**

Kuala Lumpur

29 October 2024

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Siti Sarah Binti Abdullah, MIA Membership Number: 31650, being the officer primarily responsible for the financial management of Alam Maritim Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 117 to 209 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Siti Sarah Binti Abdullah, NRIC Number: 830811-14-5872
at Kuala Lumpur
in the Federal Territory
on this 29 October 2024

Siti Sarah Binti Abdullah

Before me

Muhammad Imran Bin Abu
W931
Commissioner of Oaths
1/2/2022 - 31/12/2024
Kuala Lumpur, Malaysia

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	The Group 30.6.2024 RM	The Group 30.6.2023 RM (Restated)	The Group 1.7.2022 RM (Restated)	The Company 30.6.2024 RM	The Company 30.6.2023 RM (Restated)	The Company 1.7.2022 RM (Restated)
ASSETS							
NON-CURRENT ASSETS							
Investments in subsidiaries	5	-	-	-	-	-	-
Investments in associates	6	-	-	-	-	-	-
Investments in joint ventures	7	788,677	4,126,302	14,819,480	-	-	-
Property, vessels and equipment	8	22,252,295	41,202,395	68,052,347	-	-	-
Investment properties	9	2,063,011	2,137,586	2,192,647	-	-	-
Other investments	10	350,000	350,000	350,000	-	-	-
Intangible assets	11	-	-	-	-	-	-
Deferred tax assets	12	96,000	168,251	1,212,889	-	-	-
Total non-current assets		25,549,983	47,984,534	86,627,363	-	-	-
CURRENT ASSETS							
Trade and other receivables	13	92,110,315	62,069,250	132,429,500	7,000,000	1,112,990	197,547,014
Contract assets	14	84,473,530	72,539,632	10,707,874	-	-	-
Cash and short-term deposits	15	45,721,472	52,606,962	42,277,837	516,079	6,403,201	2,216,038
Current tax assets		973,437	657,823	528,759	-	-	-
Total current assets		223,278,754	187,873,667	185,943,970	7,516,079	7,516,191	199,763,052
TOTAL ASSETS		248,828,737	235,858,201	272,571,333	7,516,079	7,516,191	199,763,052

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	The Group 30.6.2024 RM	The Group 30.6.2023 RM (Restated)	The Group 1.7.2022 RM (Restated)	The Company 30.6.2024 RM	The Company 30.6.2023 RM (Restated)	The Company 1.7.2022 RM (Restated)
EQUITY AND LIABILITIES							
EQUITY							
Share capital	16	442,667,403	442,667,403	442,667,403	442,667,403	442,667,403	442,667,403
Other reserves	17	871,683	(2,917,636)	(2,406,343)	-	165,616	165,616
Accumulated losses		(468,998,368)	(489,963,575)	(509,392,163)	(492,170,067)	(500,880,027)	(308,926,271)
Equity attributable to owners of the Company		(25,459,282)	(50,213,808)	(69,131,103)	(49,502,664)	(58,047,008)	133,906,748
Non-controlling interests		-	(4,711,499)	(3,523,162)	-	-	-
(CAPITAL DEFICIENCY)/ TOTAL EQUITY		(25,459,282)	(54,925,307)	(72,654,265)	(49,502,664)	(58,047,008)	133,906,748
NON-CURRENT LIABILITIES							
Loans and borrowings	18	1,971,859	2,272,153	2,641,459	-	-	-
Deferred tax liabilities	12	1,840,000	730,750	1,377,344	-	-	-
Total non-current liabilities		3,811,859	3,002,903	4,018,803	-	-	-
CURRENT LIABILITIES							
Loans and borrowings	18	86,404,393	109,708,988	110,845,055	53,238,097	52,997,291	56,760,420
Trade and other payables	19	174,350,692	177,955,783	230,225,585	3,780,646	12,565,908	9,095,884
Current tax liabilities		9,721,075	115,834	136,155	-	-	-
Total current liabilities		270,476,160	287,780,605	341,206,795	57,018,743	65,563,199	65,856,304
TOTAL LIABILITIES		274,288,019	290,783,508	345,225,598	57,018,743	65,563,199	65,856,304
TOTAL LIABILITIES NET OF CAPITAL DEFICIENCY/TOTAL EQUITY AND LIABILITIES		248,828,737	235,858,201	272,571,333	7,516,079	7,516,191	199,763,052

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	The Group 2024 RM	The Group 2023 RM (Restated)	The Company 2024 RM	The Company 2023 RM (Restated)
REVENUE	20	357,195,393	312,251,856	-	-
COST OF SALES	21	(324,611,310)	(302,181,198)	-	-
GROSS PROFIT		32,584,083	10,070,658	-	-
OTHER INCOME	22	27,586,872	66,276,832	3,214,755	3,174,248
		60,170,955	76,347,490	3,214,755	3,174,248
EMPLOYEE BENEFIT EXPENSES	23	(16,470,087)	(13,370,520)	(361,253)	(336,446)
OTHER EXPENSES		(12,893,511)	(26,532,265)	(2,833,635)	(2,214,334)
FINANCE COSTS	24	(4,901,402)	(5,360,470)	(3,151,184)	(3,129,660)
NET REVERSAL/ (IMPAIRMENT LOSSES) ON FINANCIAL ASSETS	25	1,452,702	(15,545,684)	11,675,661	(189,447,564)
SHARE OF PROFITS OF EQUITY ACCOUNTED JOINT VENTURES		10,112,375	3,572,065	-	-
PROFIT/(LOSS) BEFORE TAXATION	26	37,471,032	19,110,616	8,544,344	(191,953,756)
INCOME TAX EXPENSE	27	(11,191,350)	(663,416)	-	-
PROFIT/(LOSS) AFTER TAXATION		26,279,682	18,447,200	8,544,344	(191,953,756)
OTHER COMPREHENSIVE INCOME, NET OF TAX					
<u>Items that Will be Reclassified Subsequently to Profit</u>					
Foreign currency translation differences		(124,793)	(718,242)	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		26,154,889	17,728,958	8,544,344	(191,953,756)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

		The Group		The Company	
		2024	2023	2024	2023
	Note	RM	RM (Restated)	RM	RM (Restated)
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		26,311,108	19,428,588	8,544,344	(191,953,756)
Non-controlling interests		(31,426)	(981,388)	-	-
		26,279,682	18,447,200	8,544,344	(191,953,756)
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:-					
Owners of the Company		26,217,511	18,917,295	8,544,344	(191,953,756)
Non-controlling interests		(62,622)	(1,188,337)	-	-
		26,154,889	17,728,958	8,544,344	(191,953,756)
EARNINGS PER SHARE (SEN)	28				
Basic:		1.72	1.27		
Diluted:		1.72	1.27		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Share Capital RM	Foreign Exchange Translation Reserve RM	Premium Paid on Acquisition of Non-Controlling Interest RM	Employee Share Option Reserve RM	Accumulated Losses RM	Attributable to Owners of the Company RM	Non-Controlling Interests RM	Capital Deficiency RM
			< ---------------- Non-Distributable		------------ >	Distributable			
The Group									
At 30.6.2022/1.7.2022									
- As previously reported		442,667,403	2,067,875	(4,639,834)	165,616	(507,890,042)	(67,628,982)	(5,161,616)	(72,790,598)
- Prior year adjustments	37	-	-	-	-	(1,502,121)	(1,502,121)	1,638,454	136,333
Balance at 30.6.2022/1.7.2022 (Restated)		442,667,403	2,067,875	(4,639,834)	165,616	(509,392,163)	(69,131,103)	(3,523,162)	(72,654,265)
Profit after taxation for the financial year		-	-	-	-	19,428,588	19,428,588	(981,388)	18,447,200
Other comprehensive loss for the financial year:-	17(b)								
- Foreign currency translation differences		-	(511,293)	-	-	-	(511,293)	(206,949)	(718,242)
Total comprehensive income for the financial year		-	(511,293)	-	-	19,428,588	18,917,295	(1,188,337)	17,728,958
Balance at 30.6.2023 (Restated)		442,667,403	1,556,582	(4,639,834)	165,616	(489,963,575)	(50,213,808)	(4,711,499)	(54,925,307)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Share Capital RM	Foreign Exchange Translation Reserve RM	Premium Paid on Acquisition of Non-Controlling Interest RM	Employee Share Option Reserve RM	Accumulated Losses RM	Attributable to Owners of the Company RM	Non-Controlling Interests RM	Capital Deficiency RM
			< --------------- Non-Distributable		------------ >	Distributable			
The Group									
Balance at 30.6.2023/1.7.2023									
- As previously reported		442,667,403	1,556,582	(4,639,834)	165,616	(492,720,951)	(52,971,184)	(6,349,953)	(59,321,137)
- Prior year adjustments		-	-	-	-	2,757,376	2,757,376	1,638,454	4,395,830
Balance at 30.6.2023 (Restated)		442,667,403	1,556,582	(4,639,834)	165,616	(489,963,575)	(50,213,808)	(4,711,499)	(54,925,307)
Profit after taxation for the financial year		-	-	-	-	26,311,108	26,311,108	(31,426)	26,279,682
Other comprehensive loss for the financial year:-	17(b)								
- Foreign currency translation differences		-	(93,597)	-	-	-	(93,597)	(31,196)	(124,793)
Total comprehensive income for the financial year		-	(93,597)	-	-	26,311,108	26,217,511	(62,622)	26,154,889
Disposal of subsidiaries	29	-	(1,462,985)	5,511,517	-	(5,511,517)	(1,462,985)	4,774,121	3,311,136
Share options lapsed	17(c)	-	-	-	(165,616)	165,616	-	-	-
Total transaction with owners		-	(1,462,985)	5,511,517	(165,616)	(5,345,901)	(1,462,985)	4,774,121	3,311,136
Balance at 30.6.2024		442,667,403	-	871,683	-	(468,998,368)	(25,459,282)	-	(25,459,282)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Share Capital RM	Non Distributable Employee Share Option Reserve RM	Distributable Accumulated Losses RM	Capital Deficiency RM
The Company					
Balance at 30.6.2022/1.7.2022					
- As previously reported		442,667,403	165,616	(307,777,633)	135,055,386
- Prior year adjustments		-	-	(1,148,638)	(1,148,638)
Balance at 30.6.2022/1.7.2022 (Restated)		442,667,403	165,616	(308,926,271)	133,906,748
Loss after taxation/Total comprehensive loss for the financial year		-	-	(191,953,756)	(191,953,756)
Balance at 30.6.2023 (Restated)		442,667,403	165,616	(500,880,027)	(58,047,008)
The Company					
Balance at 30.6.2023/1.7.2023					
- As previously reported		442,667,403	165,616	(499,950,899)	(57,117,880)
- Prior year adjustments		-	-	(929,128)	(929,128)
Balance at 30.6.2023/1.7.2023 (Restated)		442,667,403	165,616	(500,880,027)	(58,047,008)
Profit after taxation/Total comprehensive income for the financial year		-	-	8,544,344	8,544,344
Share options lapsed	17(c)	-	(165,616)	165,616	-
Total contributions by and distributions to owners		-	(165,616)	8,709,960	8,544,344
Balance at 30.6.2024		442,667,403	-	(492,170,067)	(49,502,664)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	The Group 2024 RM	The Group 2023 RM (Restated)	The Company 2024 RM	The Company 2023 RM (Restated)
CASH FLOWS FOR OPERATING ACTIVITIES					
Profit/(Loss) before taxation:		37,471,032	19,110,616	8,544,344	(191,953,756)
Adjustments for:-					
Depreciation of:-					
− property, vessels and equipment		5,531,533	8,797,596	-	-
− investment properties		74,575	55,061	-	-
Impairment loss:-					
− property, vessels and equipment		1,086,549	4,325,708	-	-
− trade receivables		4,291,410	3,074,303	-	-
− other receivables		1,223,063	28,593,443	1,066,483	196,349,574
Reversal of impairment loss:-					
− trade receivables		(3,399,119)	(9,839,849)	-	-
− other receivables		(3,568,056)	(6,282,213)	(12,742,144)	(6,902,010)
Loss/(Gain) on disposal of:-					
− subsidiary	29	3,311,136	-	-	-
− property, vessels and equipment		4,234,925	(2,752,822)	-	-
Loss on lease modification		11,296	-	-	-
Property, vessels and equipment written off		7,320	598,905	-	-
Other receivables written off		-	12,186,639	-	-
Unrealised loss on foreign exchange		306,053	473,781	-	-
Interest income		(564,669)	(494,104)	(3,212,409)	(3,174,248)
Bad debts recovered		-	(100,000)	-	-
Share of net profits of equity accounted Joint Ventures		(10,112,375)	(3,572,065)	-	-
Finance costs		4,901,402	5,360,470	3,151,184	3,129,660
Waiver of debt	22	(19,876,569)	-	-	-
Operating profit/(loss) before working capital changes		24,929,506	59,535,469	(3,192,542)	(2,550,780)
Increase in contract assets		(11,933,898)	(61,831,758)	-	-
(Increase)/Decrease in trade and other receivables		(18,810,049)	45,982,083	(331,346)	-
(Decrease)/Increase in trade and other payables		(5,274,478)	(55,434,883)	(8,785,262)	3,298,731
CASH (USED IN)/ GENERATED FROM OPERATIONS		(11,088,919)	(11,749,089)	(12,309,150)	747,951
Interest paid		(2,715,538)	(2,230,811)	(3,151,184)	(3,129,660)
Income tax paid		(720,222)	(473,895)	-	-
NET CASH USED IN OPERATING ACTIVITIES		(14,524,679)	(14,453,795)	(15,460,334)	(2,381,709)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	The Group 2024 RM	The Group 2023 RM (Restated)	The Company 2024 RM	The Company 2023 RM (Restated)
CASH FLOWS FOR INVESTING ACTIVITIES					
Dividend received from a joint venture		3,450,000	5,000,000	-	-
Proceeds from disposal of property, vessels and equipment		8,280,531	16,400,484	-	-
Purchase of property, vessels and equipment		(213,000)	-	-	-
Repayments from subsidiaries		-	-	6,119,997	7,016,066
Repayments from joint ventures		-	-	-	141,687
Net change in short-term deposits		2,521,693	12,736,489	-	-
Interest received		564,669	494,104	3,212,409	3,174,248
NET CASH GENERATED FROM INVESTING ACTIVITIES		14,603,893	34,631,077	9,332,406	10,332,001
CASH FLOWS FOR FINANCING ACTIVITIES					
(Repayment)/Advances from associates		(516,477)	6,165,718	-	-
Net (repayments)/drawdown of term loans		(220,073)	83,325	-	-
Net (repayments)/drawdown of revolving credits		(3,463,866)	1,779,234	-	-
Drawdown/(Repayments) of Sukuk Ijarah Medium-Term Notes ("Sukuk Ijarah MTN")		240,806	(3,763,129)	240,806	(3,763,129)
Repayments of hire purchase payables		-	(63,793)	-	-
Repayment of lease liabilities		(25,147)	(99,406)	-	-
NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES		(3,984,757)	4,101,949	240,806	(3,763,129)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(3,905,543)	24,279,231	(5,887,122)	4,187,163
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(124,793)	(1,213,617)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		43,602,675	20,537,061	6,403,201	2,216,038
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	15	39,572,339	43,602,675	516,079	6,403,201

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office and principal place of business are at 38F, Level 3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 29 October 2024.

HOLDING COMPANY

The holding company is SAR Venture Holdings (M) Sdn. Bhd., a company incorporated in Malaysia.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)
MFRS 17: Insurance Contracts
Amendments to MFRS 17: Insurance Contracts
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101: Disclosure of Accounting Policies
Amendments to MFRS 108: Definition of Accounting Estimates
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

3. BASIS OF PREPARATION (CONT'D)

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):- (Cont'd)

MFRSs and/or IC Interpretations (Including the Consequential Amendments) (Cont'd)

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company except for the Amendments to MFRS 101: Disclosure of Accounting Policies.

The Amendments to MFRS 101 'Disclosure of Accounting Policies' did not result in any changes to the existing accounting policies of the Group and of the Company. However, the amendments require the disclosure of 'material' rather than 'significant' accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures.

3.2 The Group and the Company have not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	**Effective Date**
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except for MFRS 18 Presentation and Disclosure in Financial Statements.

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard sets out the new requirements for the presentation and disclosure of information in the primary financial statements and notes. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

3. BASIS OF PREPARATION (CONT'D)

3.3 Fundamental accounting principle

On 31 October 2022, the Company announced that it had triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(d) of Practice Note 17 ("PN17") of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Hence, with effect from 31 October 2022, the Company is considered as a PN17 listed issuer. The Company has 12 months to submit the regularisation plan to the relevant authorities for approval.

On 17 October 2023, the Company has submitted the application to Bursa Malaysia for extension of time for the Company to submit its Proposed Regularisation Plan in relation to PN17 of the MMLR of Bursa Malaysia. Subsequently, Bursa Malaysia had vide its letter dated 1 November 2023 resolved to grant the Company an extension of time of 6 months until 30 April 2024 to submit its regularisation plan to the regulatory authorities.

On 30 May 2024, Bursa Malaysia extended the regularisation plan submission dateline to 31 October 2024.

During the financial year ended 30 June 2024, the Group's and the Company's current liabilities exceeded their current assets by RM47,197,406 and RM49,502,664 respectively and recorded a capital deficiency of RM25,459,282 and RM49,502,664 respectively. The Group and the Company also recorded a negative operating cash flows of RM14,524,679 and RM15,462,680 respectively during the financial year ended 30 June 2024.

The outcome of the Group's and the Company's legal suit with RHB Islamic for claims as disclosed in Note 36(i)(b).

Nevertheless, the financial statements of the Group and of the Company have been prepared by the directors on a going concern basis, the validity of which is highly dependent on the successful implementation of a regularisation plan by the directors in responding to the conditions above which shall comprise the following:-

(i) Proposed Share Capital Reduction;
(ii) Proposed Share Consolidation;
(iii) Proposed Rights Issue with Warrants; and
(iv) Proposed Settlement of part of the amount owing to the creditors of the Group and of the Company via the issuance of new Company Shares ("Settlement Shares") and Warrants ("Settlement Warrants") pursuant to a Scheme of Arrangement under Section 366 of the Companies Act 2016 in Malaysia ("Act") ("Proposed Settlement")

(i) to (iv) above shall collectively be referred to as the "Proposed Regularisation Plan".

On 19 August 2024, the Company announced that the application in relation to the Proposed Regularisation Plan had been submitted to Bursa Malaysia on 16 August 2024.

As at the date of this report, the Proposed Regularisation Plan has not been approved by Bursa Malaysia.

The Proposed Regularisation Plan shall be undertaken in conjunction with the Proposed Scheme of Arrangement and compromise pursuant to Section 366 of the Companies Act 2016 between the Company, Alam Maritim (M) Sdn. Bhd. ("AMSB") (a wholly-owned subsidiary of the Company) and their creditors comprising, amongst others, full and final and/or partial settlement of outstanding debts owing to the scheme creditors of AMSB ("AMSB Scheme Creditors") ("AMSB Scheme Amounts") and Alam Maritim Resources Berhad ("AMRB/the Company") ("AMRB Scheme Creditors") ("AMRB Scheme Amounts") by way of cash as well as issuance of the Settlement Shares and the Settlement Warrants ("Proposed Debt Restructuring").

3. BASIS OF PREPARATION (CONT'D)

3.3 Fundamental accounting principle (Cont'd)

The Scheme of Arrangement between AMSB and the AMSB Scheme Creditors shall be referred to as the "AMSB Unsecured Scheme" whereas the Scheme of Arrangement between AMRB and the AMRB Scheme Creditors shall be referred to as the "AMRB Unsecured Scheme".

The AMSB Scheme Creditors and the AMRB Scheme Creditors shall collectively be referred to as the "Scheme Creditors".

During the financial year, the Group and the Company continued to be unable to meet its obligations in relation to its debts obligations. A failure by the Group and the Company to restructure its debts through the Proposed Debt Restructuring could lead to the potential liquidation of the Group and of the Company.

In this regard, the Proposed Debt Restructuring has been designed to:-

(i) Enable the Group and the Company to manage its debt obligations in an orderly manner establish a sustainable business and debt structure; and
(ii) Strengthen the financial position of the Group and allow the Group to continue its business activities.

On 25 October 2023, the Company announced that the Company and AMSB (a wholly owned subsidiary of the Company) (collectively "Applicants") have obtained the following Orders from the High Court of Malaya at Kuala Lumpur ("High Court") pursuant to Sections 366 and 368 of the Companies Act 2016 for, among others:-

(i) An order pursuant to Section 366(1) of the Companies Act 2016 to summon meetings of the creditors of the Applicants or any class of them for the purpose of considering and, if thought fit, approving with or without modification, a Scheme of Arrangement and compromise proposed between the Applicants and the Scheme Creditors;
(ii) That the Applicants be at liberty to fix the date, time and venue of the scheme meetings within three (3) months from 25 October 2023; and
(iii) A restraining order pursuant to Section 368(1) of the Companies Act 2016, whereby all current and further proceedings in any legal actions or proceedings against AMSB and/or the assets of AMSB be restrained and stayed except by leave of Court for a period of three (3) months from 25 October 2023.

On 24 January 2024, the Company announced that the High Court had granted the Company and AMSB an extension of time of 9 months from 25 January 2024 to summon the Court Convened Meeting ("CCM") for the Proposed Debt Restructuring and an extension of the Restraining Order for AMSB for a period of 9 months from 25 January 2024.

On 29 April 2024, the Company announced that the High Court had granted a Restraining Order for the Company for a period of 3 months from 29 April 2024.

On 5 July 2024, the Company announced that both the Company and AMSB will convene the CCM for the Proposed Debt Restructuring on 26 July 2024 and that the notice of CCM, the proxy forms and the Explanatory Statement have been issued to the Scheme Creditors.

On 25 July 2024, the Company announced that the High Court has granted an extension of the Restraining Order for the Company until 31 December 2024.

3. BASIS OF PREPARATION (CONT'D)

3.3 Fundamental accounting principle (Cont'd)

On 26 July 2024, the Company announced that the Company had obtained the approval of the requisite majority in value of the Scheme Creditors to undertake the Proposed Debt Restructuring during the CCM held on even date.

On 4 September 2024, the Company announced that the Company and AMSB have obtained from the High Court of Malaya at Kuala Lumpur the following Order pursuant to Section 366 of the Companies Act 2016 to sanction the Company's and AMSB's Schemes of Arrangement ("Order"). The Order sets out, among others:-

(i) That the Scheme of Arrangement in the Explanatory Statement dated 5 July 2024 for the Company and AMSB, be approved and sanctioned by High Court so as to be binding upon the Company and AMSB and their Scheme Creditors as defined therein; and
(ii) That an office copy of the Order shall be lodged with the Companies Commission of Malaysia.

On 20 September 2024, the sealed Order has been lodged with the Companies Commission of Malaysia and the Scheme of Arrangement took effect.

The Order granted by the High Court was obtained as part of the Group's overall restructuring and rehabilitation plan by way of a Scheme of Arrangement with its creditors.

The inter-conditionality of the corporate exercises to be undertaken by the Company is as follows:-

(i) The Proposed Debt Restructuring comprises the Bilateral Settlement, AMSB Unsecured Scheme and AMRB Unsecured Scheme. Accordingly, each component of the Proposed Debt Restructuring is inter-conditional; and
(ii) The Proposed Regularisation Plan and the Proposed Debt Restructuring are inter-conditional.

The Group had submitted the Proposed Regularisation Plan and pending decision by Bursa Malaysia before embarking to the implementation of the said Regularisation Plan which include:-

(i) Self-rescue funding;
(ii) Settlement of amounts owing to financial institutions and creditors;
(iii) Capital reduction of the issued share capital of the Company; and
(iv) Consolidating the total number of issued share capital of the Company

The ability of the Group and the Company to continue as going concerns are also dependent upon the Group's ability to secure significant contracts from oil and gas segment, their successful profitable operations in the foreseeable future.

The directors have concluded that the combination of the circumstances highlighted above indicate material uncertainties that may cast significant doubt over the ability of the Group and the Company to continue as going concerns and therefore, may be unable to realise their assets and discharge their liabilities in the normal course of business.

3. BASIS OF PREPARATION (CONT'D)

3.3 Fundamental accounting principle (Cont'd)

Therefore, the going concern basis used in preparing the financial statements of the Group and the Company is significantly dependent on:-

(i) Approval being obtained from all the relevant parties on the Proposed Debt Restructuring Plan.
(ii) Timely and successful implementation of each components of the Proposed Debt Restructuring Plan.
(iii) The ability of the Group to achieve sustainable and viable operations so as to generate sufficient cash flows to enable them to meet their obligations as and when they fall due.

In the event that these are not forthcoming, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. Accordingly, the financial statements may require adjustments relating to the recoverability and classification of recorded assets and liabilities that may be necessary should the Group and the Company be unable to continue as going concerns.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Going Concern

Management concludes there were material uncertainties relating to events or conditions that may cast significant doubt upon the Group's and the Company's ability to continue as a going concern at the end of the current reporting period. The judgements applied in concluding the appropriate basis for preparing these financial statements are disclosed in Note 3.3 to the financial statements.

(b) Depreciation of Property, Vessels and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, vessels and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, vessels and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, vessels and equipment as at the reporting date is disclosed in Note 8 to the financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(c) Impairment of Property, Vessels and Equipment

The Group reviews the carrying amounts of its property, vessels and equipment at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount which is the higher of its fair value less costs to sell or its value in use is estimated.

To determine fair value less cost to sell requires an estimation on price at which an orderly transaction to sell the asset would take place between market participants under current market conditions. For the current financial year, an impairment of vessels and related equipment was necessary. This was based on management's assessment of the recoverable amount, using fair value less cost of disposal as determined by an external independent valuer. The carrying amount of vessels and equipment as at the reporting date and the key assumptions are disclosed in Note 8 to the financial statements.

(d) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 13 and 14 to the financial statements respectively.

(e) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group and the Company to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of non-trade receivables as at the reporting date are disclosed in Notes 13 to the financial statements.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of current tax assets and current tax liabilities of the Group and of the Company as at the reporting date are disclosed in the Statements of Financial Position.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group account for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Group has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4.4 OTHER INTANGIBLE ASSETS

Costs directly attributable to the development of design for deep sea remotely operated subsea vehicles and peripherals are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group's intention to complete, its ability to use or sell the asset, how the asset will generate future economic benefits, and the costs can be measured reliably. Such costs include payroll-related costs of employees directly involved in the project and other costs directly related to the project. Research costs are expensed as incurred.

Deferred development costs are subsequently carried at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised to the profit and loss account using the straight-line method over their estimated useful lives of five years.

4.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

4.6 INVESTMENTS IN ASSOCIATES

Investments in associates are stated in the financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the financial statements of the Group.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.7 INVESTMENTS IN JOINT VENTURES

Investments in joint ventures are stated in the financial statements of the Company at cost less impairment losses, if any. The Group recognises its interest in the joint ventures using the equity method.

4.8 PROPERTY, VESSELS AND EQUIPMENT

All items of property, vessels and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, vessels and equipment, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on property, vessels and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates/useful lives are:-

Leasehold land	99 years
Buildings	3%
Vessels	9 to 25 years
Drydocking	20% to 50%
Overhaul	3%
Diving equipment	10%
Equipment on vessel	10% to 50%
Motor vehicles	20%
Computers	33.33%
Office equipment	10%
Furniture and fittings	10%
Renovation	10%

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term. The principal annual depreciation rates/useful lives are:-

Office building, warehouse and hostel	2 to 3 years

4.9 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are:-

Leasehold land	60 to 99 years
Buildings	2% to 3%

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.10 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

The Group presents the right-of-use assets under property, vessels and equipment in the statement of financial position.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.11 IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying values of assets, other than those to which MFRS 136: *Impairment of Assets* does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs of disposal ("FVLCD") and its value-in-use ("VIU"), which is measured by reference to discounted future cash flows using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

An impairment loss is recognised in statements of comprehensive income immediately. Any impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in statements of comprehensive income immediately.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.12 REVENUE RECOGNITION

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company is applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group and the Company measure revenue at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group and the Company estimate it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

The following describes the performance obligation in contracts with customers:-

(a) Charter hire of vessels and other shipping related income

Charter hire of vessels and other shipping related income are recognised over time using an input method to measure progress towards complete satisfaction of the services, because customer simultaneously receives and consumes the benefits provided by the Group and are computed at the contracted daily rate. In the event invoices are yet to be issued at year end, the revenue is accrued to the extent of the services rendered at the reporting date.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.12 REVENUE RECOGNITION (CONT"D)

The following describes the performance obligation in contracts with customers:- (Cont'd)

(b) Diving and subsea services

Revenue from a contract to provide services is recognised over time as the service are rendered because the customer receives and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

(c) Vessel's management fees

Vessel's management fees is recognised upon completion of services rendered in accordance with the terms of the agreement entered into.

(d) Offshore installation and construction

Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control is transferred over time as the Group creates or enhance an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

Sales are made with a credit term of 30 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customers for construction of commercial and industrial properties based on achieving a series of performance-related milestones.

The Group recognised a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

Revenue from other sources are recognised as follows:-

(a) Rental of equipment

Rental of equipment is recognised on a straight-line basis over the term of the lease.

Other income are recognised as follows:-

(a) Rental Income

Rental income is recognised on a straight-line basis over the lease term.

(b) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

5. INVESTMENTS IN SUBSIDIARIES

	The Company 30.6.2024 RM	30.6.2023 RM	1.7.2022 RM
Unquoted shares, at cost:-			
At the beginning of the financial year/period	100,302,070	100,302,420	100,302,420
Less: Struck off during the financial year	-	(350)	-
At the end of financial year/period	100,302,070	100,302,070	100,302,420
Less: Accumulated impairment losses			
At the beginning of the financial year/period	(100,302,070)	(100,302,420)	(33,743,980)
Add: Impairment during the financial period	-	-	(66,558,440)
Less: Struck off during the financial year	-	350	-
At the end of the financial year/period	(100,302,070)	(100,302,070)	(100,302,420)
At the end of the financial year/period	-	-	-

The details of the subsidiaries are as follows:-

Name of Subsidiaries	Principal Place of Business/ Country of Incorporation	Ownership Interest 30.6.2024 %	30.6.2023 %	1.7.2022 %	Principal Activities
(i) *Held by the Company:-*					
Alam Maritim (M) Sdn. Bhd. ("AMSB")	Malaysia	100	100	100	Ship owning, chartering and managing and other shipping related activities
Alam Maritim (L) Inc. ("AMLI")	Federal Territory of Labuan, Malaysia	100	100	100	Investment holding and ship owning
Alam Maritim Investment Holdings (L) Inc. ("AMIH") @	Federal Territory of Labuan, Malaysia	-	-	100	Investment holding and ship owning

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:- (Cont'd)

	Name of Subsidiaries	Principal Place of Business/ Country of Incorporation	Ownership Interest 30.6.2024 %	30.6.2023 %	1.7.2022 %	Principal Activities
(ii)	*Held through AMSB:-*					
	Alam Hidro (M) Sdn. Bhd. ("AHSB")	Malaysia	100	100	100	Offshore facilities construction and installation and subsea services
	International Gateway Services Sdn. Bhd. ("IGS") #	Malaysia	100	100	100	Transportation, ship forwarding and agent, ship chandelling and other related activities
	Alam Food Industries (M) Sdn. Bhd. ("AFI")	Malaysia	100	100	100	Catering and messing service
	Alam Maritim Properties (M) Sdn. Bhd. ("AMP")	Malaysia	100	100	100	Property owner and management
(iii)	*Held through AMLI:-*					
	Eastar Offshore Pte. Ltd. ("EASTAR") *^	Singapore	-	75	75	Designing manufacturing and operating of Remotely Operated Vehicles ("ROV")
(iv)	*Held through EASTAR:-*					
	Alam Subsea Pte. Ltd. ("ASPL") *^	Singapore	-	75	75	Rental of ROV and providing ROV services

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:- (Cont'd)

AMSB is the beneficiary owner of the entire issued and paid-up share capital of IGS, a private company in Malaysia, since the date of incorporation of IGS on 20 September 2000.

* Audited by an auditor other than Crowe Malaysia PLT.

^ EASTAR and ASPL is consolidated using unaudited management financial statements as auditors' report is not available as the financial year end of EASTAR and ASPL is 31 December. On 8 January 2024 and 10 October 2024, EASTAR and ASPL, indirect wholly owned subsidiaries of the Company had completed the application for striking off with Accounting and Corporate Regulatory Authority ("ACRA"), Singapore. The latest audited accounts were as at 31 December 2022, and since then, there have been no significant transactions.

@ During the financial period 1 July 2022/30 June 2022, AMIH were struck-off pursuant to Section 151(4) of the Labuan Companies Act 1990. AMIH was consolidated using unaudited management financial statements for the financial period 1 July 2022/30 June 2022, auditors' report is not available.

Summarised financial information of non-controlling interests has not been presented as the non-controlling interests of the subsidiaries are not individually material to the Group.

6. INVESTMENTS IN ASSOCIATES

		The Group	
	30.6.2024	**30.6.2023**	**1.7.2022**
	RM	RM	RM
Unquoted shares, at cost:-			
At the beginning of the financial year/period	61,699,516	61,699,516	61,699,516
Share of post-acquisition reserves	(61,699,516)	(61,699,516)	(61,699,516)
At the end of the financial year/period	-	-	-

6. INVESTMENTS IN ASSOCIATES (CONT'D)

The details of the associates are as follows:-

	Name of Associates	Principal Place of Business/ Country of Incorporation	Ownership Interest 30.6.2024 %	30.6.2023 %	1.7.2022 %	Principal Activities
(i)	*Held through AMLI:-*					
	TH-Alam Holdings (L) Inc. ("THAH") ^*	Federal Territory of Labuan, Malaysia	49	49	49	Investment holding
(ii)	*Held through THAH:-*					
	Alam-JV DP1 (L) Inc. ("AJVDP1") ^*	Federal Territory of Labuan, Malaysia	49	49	49	Ship owning
	Alam-JV DP2 (L) Inc. ("AJVDP2") ^*	Federal Territory of Labuan, Malaysia	49	49	49	Ship owning

^ Equity accounted using unaudited management financial statements as auditors' report is not available for the financial year ended 30 June 2024. The financial year end of THAH is 31 December.

* Audited by an auditor other than Crowe Malaysia PLT.

THAH and its subsidiaries are involved in the ship-owning business and are based in Malaysia. These associate companies are a strategic investment of the Group and form an essential part of the Group's growth strategy. It is a strategic investment for enhancing the Group's involvement in offshore support vessel services.

6. INVESTMENTS IN ASSOCIATES (CONT'D)

The following table illustrates the summarised financial information of the Group's associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate:-

	THAH (Consolidated)	
	30.6.2024 Unaudited RM	**30.6.2023 Unaudited** RM
Assets and liabilities		
Non-current assets	120,624,641	130,813,443
Current assets	56,047,245	31,812,706
Current liabilities	(172,349,231)	(180,715,036)
Net assets/(liabilities)	4,322,655	(18,088,887)
12 month Period Ended 30 June		
Revenue	39,551,940	55,817,052
(Loss)/Profit for the financial year	(15,426,678)	21,152,576
Total comprehensive (loss)/income	(15,426,678)	21,152,576

The Group has not recognised its share of losses of THAH because the Group's cumulative share of losses has exceeded its interest in that associate and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses not recognised were RM22,441,348 (30.6.2023: RM14,882,276, 1.7.2022: RM25,247,038).

7. INVESTMENTS IN JOINT VENTURES

		The Group	
	30.6.2024 RM	**30.6.2023** RM	**1.7.2022** RM
Unquoted shares, at cost:-			
At the beginning of the financial year/period	51,137,649	51,137,649	99,771,377
Share of post-acquisition reserves	288,677	3,626,302	(25,397,278)
	51,426,326	54,763,951	74,374,099
Accumulated impairment losses	(50,637,649)	(50,637,649)	(59,554,619)
At the end of the financial year/period	788,677	4,126,302	14,819,480

7. INVESTMENTS IN JOINT VENTURES (CONT'D)

The details of the joint ventures are as follows:-

	Name of Joint Ventures	Principal Place of Business/ Country of Incorporation	Ownership Interest 30.6.2024 %	30.6.2023 %	1.7.2022 %	Principal Activities
(i)	*Held by AMSB:-*					
	Alam Eksplorasi (M) Sdn. Bhd. ("AESB") *	Malaysia	60	60	60	Ship owning, operating and chartering
	Alam Radiance (M) Sdn. Bhd. ("ARMSB") *	Malaysia	50	50	50	Ship owning, ship management, ship operation, maintenance and consultancy
	Alam Synergy I (L) Inc. ("AS I") *	Federal Territory of Labuan, Malaysia	60	60	60	Ship owning, operating and chartering
	Alam Synergy II (L) Inc. ("AS II") *	Federal Territory of Labuan, Malaysia	60	60	60	Ship owning, operating and chartering
	Alam Synergy III (L) Inc. ("AS III") *	Federal Territory of Labuan, Malaysia	60	60	60	Ship owning, operating and chartering
	YSS Alam Energy (M) Sdn. Bhd. ("YSS Alam") *@	Malaysia	-	-	50	Ship owning, ship management, ship operation, maintenance and consultancy
(ii)	*Held by AMLI:-*					
	Workboat International DMCCO ("WBI") *@	United Arab Emirates	-	-	60	Ship owning, ship management, ship operation, maintenance and consultancy
	Alam Fast Boats (L) Inc. ("AFBLI") *	Federal Territory of Labuan, Malaysia	60	60	60	Ship owning, operating and chartering

7. INVESTMENTS IN JOINT VENTURES (CONT'D)

The details of the joint ventures are as follows:- (Cont'd)

Name of Joint Ventures	Principal Place of Business/ Country of Incorporation	Ownership Interest 30.6.2024 %	30.6.2023 %	1.7.2022 %	Principal Activities
(ii) *Held by AMLI:- (Cont'd)*					
Alam Radiance (L) Inc. ("ARLI") *	Federal Territory of Labuan, Malaysia	51	51	51	Ship owning and chartering
TH Alam Management (M) Sdn. Bhd. ("THAM") *	Malaysia	50	50	50	Ship management and consultancy
Alam-PE Holdings (L) Inc. ("Alam-PE (H)") *^	Federal Territory of Labuan, Malaysia	51	51	51	Ship owning, ship management, ship operation, maintenance and marine consultancy
(iii) *Held by Alam-PE (H):-*					
Alam-PE I (L) Inc. ("Alam-PE I") *^	Federal Territory of Labuan, Malaysia	51	51	51	Ship owning, operating and chartering
Alam-PE II (L) Inc. ("Alam-PE II") *^	Federal Territory of Labuan, Malaysia	51	51	51	Ship owning, operating and chartering
Alam-PE III (L) Inc. ("Alam-PE III") *^	Federal Territory of Labuan, Malaysia	51	51	51	Ship owning, operating and chartering
Alam-PE IV (L) Inc. ("Alam-PE IV") *^	Federal Territory of Labuan, Malaysia	51	51	51	Ship owning, operating and chartering
Alam-PE V (L) Inc. ("Alam-PE V") *^	Federal Territory of Labuan, Malaysia	51	51	51	Ship owning, operating and chartering

7. INVESTMENTS IN JOINT VENTURES (CONT'D)

The details of the joint ventures are as follows:- (Cont'd)

Name of Joint Ventures	Principal Place of Business/ Country of Incorporation	Ownership Interest 30.6.2024 %	30.6.2023 %	1.7.2022 %	Principal Activities
(iii) *Held by ALAM-PE (H):- (Cont'd)*					
Alam-PE Holdings Sdn. Bhd. ("Alam PE (H) SB") *^	Malaysia	51	51	51	Ship management
(iv) *Held through AHSB:-*					
Subsea Worldwide Solutions Sdn. Bhd. ("SWS")	Malaysia	50	50	50	Providing offshore under water and subsea services
(v) *Held through AMIH:-*					
Deepsea Leader Venture (L) Inc. ("DLV")*@	Federal Territory of Labuan, Malaysia	-	-	51	Ship owning, ship management, ship operation, maintenance and marine consultancy

* Audited by an auditor other than Crowe Malaysia PLT.

^ Equity accounted in financial period ended 30 June 2022/1 July 2022 using unaudited management financial statements as auditors' report is not available.

@ Struck off during the financial year/period.

ALAM-PE (H) Group are involved in the ship-owning business and are based in Malaysia. This joint venture company is a strategic investment of the Group and form an essential part of the Group's growth strategy. It is a strategic investment for enhancing the Group's involvement in offshore support vessel services.

SWS is involved in the provision of sub-sea engineering services, operating Remotely Operated Vehicles ("ROV") and saturation diving services business segment of the Group. This joint venture company is a strategic investment of the Group and forms an essential part of the Group's growth strategy. It is a strategic investment for enhancing the Group's involvement in subsea services.

7. INVESTMENTS IN JOINT VENTURES (CONT'D)

The following table illustrates the summarised financial information of the Group's material joint ventures, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the joint ventures:-

	SWS	
	30.6.2024	**30.6.2023**
	RM	RM
Assets and liabilities		
Non-current assets	3,650,014	1,545,690
Current assets	93,665,832	85,258,370
Non-current liabilities	(1,132,263)	-
Current liabilities	(94,606,227)	(78,551,454)
Net assets	1,577,356	8,252,606
12 month Period Ended 30 June		
Revenue	255,568,853	248,604,851
Profit and total comprehensive income for the financial year	20,224,750	7,144,129
Group's share of profit for the financial year:-		
Group's share of other comprehensive income	10,112,375	3,572,065
Dividend income	(13,450,000)	(8,000,000)
Reconciliation of net assets to carrying amount:-		
Group's share of net assets	1,577,356	8,252,606
Effective ownership interest	50%	50%
Carrying amount	788,677	4,126,302
Accumulated impairment losses	-	-
Carrying amount in the statements of financial position	788,677	4,126,302

7. INVESTMENTS IN JOINT VENTURES (CONT'D)

The following table illustrates the summarised financial information of the Group's material joint ventures, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the joint ventures:- (Cont'd)

	ALAM-PE (H) (Consolidated)	
	30.6.2024	**30.6.2023**
	Unaudited	**Audited**
	RM	RM
Assets and liabilities		
Non-current assets	16,300,088	20,518,404
Current assets	8,761,601	13,165,369
Non-current liabilities	-	(9,319,290)
Current liabilities	(2,441,529)	(2,799,172)
Net assets	22,620,160	21,565,311
12 month Period Ended 30 June		
Revenue	21,600,445	17,331,551
Profit/(Loss) and total comprehensive income/(loss) for the financial year	1,049,323	(26,487,296)
Group's share of profit for the financial year:-		
Group's share of other comprehensive income	-	-
Dividend received	-	-

The investment cost in Alam-PE (H) Group was fully impaired since previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

8. PROPERTY, VESSELS AND EQUIPMENT

The Group
30.6.2024
Carrying Amount

	At 1.7.2023 (Restated) RM	Additions (Note 8(a)) RM	Disposal RM	Written-Off (Note 26) RM	Derecognition RM	Adjustments RM	Depreciation Charges (Note 26) RM	Impairment Losses (Note 26) RM	Exchange Differences RM	Transfer From Investment Properties (Note 9) RM	Transfer To Investment Properties (Note 9) RM	At 30.6.2024 RM
Owned assets												
Leasehold land	10,532,359	-	(10,461,425)	-	-	-	(70,934)	-	-	-	-	-
Buildings	7,757,263	-	(304,614)	(7,320)	-	-	(357,578)	-	-	-	-	7,087,751
Vessels	17,970,427	-	(1,749,402)	-	-	-	(1,738,328)	(1,086,549)	-	-	-	13,396,148
Drydocking	2,590,660	-	-	-	-	-	(1,793,495)	-	-	-	-	797,165
Diving equipment and equipment on vessel	1,589,345	-	(15)	-	-	-	(1,343,204)	-	-	-	-	246,126
Motor vehicles	406,809	213,000	-	-	-	-	(66,614)	-	-	-	-	553,195
Computers, office equipment and furniture fittings	96,200	-	-	-	-	-	(32,508)	-	-	-	-	63,692
Renovation	225,077	-	-	-	-	-	(116,859)	-	-	-	-	108,218
	41,168,140	213,000	(12,515,456)	(7,320)	-	-	(5,519,520)	(1,086,549)	-	-	-	22,252,295
Right-of-use												
Office building	-	-	-	-	-	-	-	-	-	-	-	-
Warehouse	28,530	-	-	-	(22,242)	-	(6,288)	-	-	-	-	-
Hostel	5,725	-	-	-	-	-	(5,725)	-	-	-	-	-
	34,255	-	-	-	(22,242)	-	(12,013)	-	-	-	-	-
	41,202,395	213,000	(12,515,456)	(7,320)	(22,242)	-	(5,531,533)	(1,086,549)	-	-	-	22,252,295

NOTES TO THE FINANCIAL STATEMENTS

8. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

The Group
30.6.2023 (Restated)
Carrying Amount

	At 1.7.2022 (Restated) RM	Additions (Note 8(a)) RM	Disposal RM	Written-Off (Note 26) RM	Derecognition RM	Adjustments RM	Depreciation Charges (Note 26) RM	Impairment Losses (Note 26) RM	Exchange Differences RM	Transfer From Investment Properties (Note 9) RM	Transfer To Investment Properties (Note 9) RM	At 30.6.2023 (Restated) RM
Owned assets												
Leasehold land	10,653,970	-	-	-	-	-	(121,611)	-	-	-	-	10,532,359
Buildings	8,122,166	-	-	-	-	-	(364,903)	-	-	-	-	7,757,263
Vessels	32,562,122	-	(12,038,166)	-	-	-	(2,553,529)	-	-	-	-	17,970,427
Drydocking	6,251,589	-	(414,551)	-	-	-	(3,246,378)	-	-	-	-	2,590,660
Diving equipment and equipment on vessel	9,409,095	-	(1,314,112)	(598,905)	-	-	(2,100,944)	(4,325,708)	519,919	-	-	1,589,345
Motor vehicles	466,324	-	(1)	-	-	-	(59,514)	-	-	-	-	406,809
Computers, office equipment and furniture fittings	103,973	-	119,168	-	-	-	(126,941)	-	-	-	-	96,200
Renovation	352,141	-	-	-	-	-	(127,064)	-	-	-	-	225,077
	67,921,380	-	(13,647,662)	(598,905)	-	-	(8,700,884)	(4,325,708)	519,919	-	-	41,168,140
Right-of-use												
Office building	1,772	-	-	-	-	-	(1,772)	-	-	-	-	-
Warehouse	54,771	-	-	-	-	-	(26,241)	-	-	-	-	28,530
Hostel	74,424	-	-	-	-	-	(68,699)	-	-	-	-	5,725
	130,967	-	-	-	-	-	(96,712)	-	-	-	-	34,255
	68,052,347	-	(13,647,662)	(598,905)	-	-	(8,797,596)	(4,325,708)	519,919	-	-	41,202,395

NOTES TO THE FINANCIAL STATEMENTS

8. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

The Group
1.7.2022 (Restated)
Carrying Amount

	At 1.1.2021 RM	Additions (Note 8(a)) RM	Disposal RM	Written-Off RM	Derecognition RM	Adjustments RM	Depreciation Charges RM	Impairment Losses RM	Exchange Differences RM	Transfer From Investment Properties (Note 9) RM	Transfer To Investment Properties (Note 9) RM	At 30.6.2022 (Restated) RM
Owned assets												
Leasehold land	12,378,385	-	-	-	-	(771,915)	(182,417)	-	-	-	(770,083)	10,653,970
Buildings	6,761,501	-	-	-	-	1,867,046	(227,065)	-	-	771,600	(1,050,916)	8,122,166
Vessels	166,926,523	-	(3,227,547)	(12,125)	-	(5,900,363)	(22,197,066)	(103,027,300)	-	-	-	32,562,122
Drydocking	20,722,167	2,065,323	-	(4)	-	(3,757,484)	(6,963,353)	(5,815,060)	-	-	-	6,251,589
Diving equipment and equipment on vessel	11,373,786	-	-	(22,536)	-	4,664,161	(5,470,490)	(657,879)	(477,947)	-	-	9,409,095
Motor vehicles	139,111	297,572	(3)	(3)	-	108,374	(78,727)	-	-	-	-	466,324
Computers, office equipment and furniture fittings	(102,373)	51,567	-	(579)	-	481,832	(326,474)	-	-	-	-	103,973
Renovation	674,265	-	-	-	-	(112,785)	(209,339)	-	-	-	-	352,141
	218,873,365	2,414,462	(3,227,550)	(35,247)	-	(3,421,134)	(35,654,931)	(109,500,239)	(477,947)	771,600	(1,820,999)	67,921,380
Right-of-use												
Office building	136,167	11,443	-	-	(110,886)	-	(34,952)	-	-	-	-	1,772
Warehouse	92,498	-	-	-	-	-	(37,727)	-	-	-	-	54,771
Hostel	-	137,398	-	-	-	-	(62,974)	-	-	-	-	74,424
	228,665	148,841	-	-	(110,886)	-	(135,653)	-	-	-	-	130,967
	219,102,030	2,563,303	(3,227,550)	(35,247)	(110,886)	(3,421,134)	(35,790,584)	(109,500,239)	(477,947)	771,600	(1,820,999)	68,052,347

8. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation and Impairment Losses RM	Carrying Amount RM
30.6.2024			
Buildings	11,626,572	(4,538,821)	7,087,751
Vessels	94,422,571	(81,026,423)	13,396,148
Drydocking	12,172,754	(11,375,589)	797,165
Diving equipment and equipment on vessel	83,865,481	(83,619,355)	246,126
Motor vehicles	3,049,603	(2,496,408)	553,195
Computers, office equipment and furniture fittings	7,928,696	(7,865,004)	63,692
Renovation	5,140,857	(5,032,639)	108,218
	218,206,534	(195,954,239)	22,252,295
30.6.2023 (Restated)			
Leasehold land	12,039,511	(1,507,152)	10,532,359
Buildings	12,283,719	(4,526,456)	7,757,263
Vessels	120,269,247	(102,298,820)	17,970,427
Drydocking	15,322,503	(12,731,843)	2,590,660
Diving equipment and equipment on vessel	83,976,178	(82,386,833)	1,589,345
Motor vehicles	2,836,603	(2,429,794)	406,809
Computers, office equipment and furniture fittings	7,928,696	(7,832,496)	96,200
Renovation	5,140,857	(4,915,780)	225,077
Right-of-use assets	274,012	(239,757)	34,255
	260,071,326	(218,868,931)	41,202,395
1.7.2022 (Restated)			
Leasehold land	12,039,511	(1,385,541)	10,653,970
Buildings	12,283,719	(4,161,553)	8,122,166
Vessels	236,345,231	(203,783,109)	32,562,122
Drydocking	27,688,691	(21,437,102)	6,251,589
Diving equipment and equipment on vessel	107,759,621	(98,350,526)	9,409,905
Motor vehicles	3,118,424	(2,652,100)	466,324
Computers, office equipment and furniture fittings	8,183,717	(8,079,744)	103,973
Renovation	5,140,857	(4,788,716)	352,141
Right-of-use assets	274,012	(143,045)	130,967
	412,833,783	(344,781,436)	68,052,347

8. PROPERTY, VESSELS AND EQUIPMENT (CONT'D)

(a) The Group acquired property, vessels and equipment, which were satisfied by the following:-

	The Group		
	30.6.2024 RM	**30.6.2023** RM (Restated)	**1.7.2022** RM (Restated)
Purchase of property, vessels and equipment	213,000	-	2,563,303
Financed by way of lease arrangements	-	-	(148,841)
	213,000	-	2,414,462

(b) The carrying amount of property, vessels and equipment pledged as security for banking facilities as disclosed in Note 18 are as follows:-

	The Group		
	30.6.2024 RM	**30.6.2023** RM (Restated)	**1.7.2022** RM (Restated)
Buildings	2,659,045	3,120,454	3,277,253
Vessels	3,905,000	7,695,548	16,769,665
Motor vehicles	-	-	1
	6,564,045	10,816,002	20,046,919

(c) The Group leases several assets including office building, warehouse and hostel. The Group leases office building, warehouse and hostel with lease terms of 2 to 3 years.

(d) During the financial year, an impairment loss of RM1,086,549 (30.6.2023: RM4,325,708) is recognised in statements of comprehensive income under other operating expenses as disclosed in Note 26 to the financial statements, representing the impairment of vessels, drydocking and equipment on vessels as the carrying amount of these vessels and equipment are higher than their recoverable amount. The recoverable amount of the vessels and equipment were based on the valuation reports issued by an independent professional valuer.

The valuation judgement by the independent professional valuer was derived using the following assumptions:-

(i) type, size, main and auxiliary machinery fitted on board, age of the vessels and other specification of the vessels;
(ii) condition of the vessels hull, machinery and equipment are consistent with its age as noted with the normal wear and tear; and
(iii) recent transacted or offered price for vessels of this similar specification and size in the sales and purchase market.

9. INVESTMENT PROPERTIES

	The Group		
	30.6.2024 RM	**30.6.2023** RM (Restated)	**1.7.2022** RM (Restated)
Cost:-			
At the beginning of the financial year/period	2,688,600	2,688,600	1,320,000
Transfer from property, vessels and equipment (Note 8)	-	-	2,288,600
Transfer to property, vessels and equipment (Note 8)	-	-	(920,000)
At the end of the financial year/period	2,688,600	2,688,600	2,688,600
Accumulated depreciation:-			
At the beginning of the financial year/period	551,014	495,953	170,037
Transfer from property, vessels and equipment (Note 8)	-	-	467,601
Transfer to property, vessels and equipment (Note 8)	-	-	(148,400)
Depreciation charge for the financial year/period	74,575	55,061	6,715
At the end of the financial year/period	625,589	551,014	495,953
Carrying amount	2,063,011	2,137,586	2,192,647
Represented by:-			
Leasehold commercial buildings	1,128,600	1,128,600	1,128,600
Freehold land	800,000	800,000	800,000
Leasehold land	400,000	400,000	400,000
Condominium	360,000	360,000	360,000
At the end of the financial year/period	2,688,600	2,688,600	2,688,600
Fair value	4,410,000	4,410,000	4,131,648

(a) The fair value of investment properties of the Group is categorised under Level 3 fair value.

Fair value of investment properties has been derived using the sales comparison approach. Sales prices of comparable buildings in close proximity are adjusted for differences in location, size, age and condition of the building, floor level, tenure, title restrictions and other relevant characteristics to arrive at the market value.

There are no transfer between levels of fair value hierarchy during the financial year ended 30 June 2024 and 30 June 2023 and financial period ended 30 June 2022.

9. INVESTMENT PROPERTIES (CONT'D)

(b) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases are renewed annually.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

		The Group	
	30.6.2024	**30.6.2023**	**1.7.2022**
	RM	RM (Restated)	RM (Restated)
Within 1 year	174,000	174,000	174,000

(c) The following are recognised in profit or loss in respect of investment properties:-

	The Group	
	2024	**2023**
	RM	RM (Restated)
Rental income	180,500	182,798
Direct operating expense	17,477	12,964

10. OTHER INVESTMENTS

		The Group	
	30.6.2024	**30.6.2023**	**1.7.2022**
	RM	RM	RM
<u>Non-current</u>			
Financial assets designated at fair value through other comprehensive income ("DFVOCI")			
At fair value:-			
Golf club membership	350,000	350,000	350,000

11. INTANGIBLE ASSETS

The Group	Goodwill on consolidation RM	Deferred Development cost RM	Total RM
Cost:-			
At 1 January 2021	1,569,529	920,245	2,489,774
Exchange difference	801	-	801
At 30 June 2022/1 July 2022	1,570,330	920,245	2,490,575
Exchange difference	1,889	-	1,889
At 30 June 2023	1,572,219	920,245	2,492,464
Struck off	(1,572,219)	(920,245)	(2,492,464)
At 30 June 2024	-	-	-
Accumulated amortisation and impairment losses:-			
At 1 January 2021	1,569,529	920,245	2,489,774
Exchange difference	801	-	801
At 30 June 2022/1 July 2022	1,570,330	920,245	2,490,575
Exchange difference	1,889	-	1,889
At 30 June 2023	1,572,219	920,245	2,492,464
Struck off	(1,572,219)	(920,245)	(2,492,464)
At 30 June 2024	-	-	-
Carrying amount:-			
At 1 July 2022/30 June 2023/30 June 2024	-	-	-

The goodwill and deferred development costs were allocated to Eastar Offshore Pte. Ltd., a 75% equity-owned subsidiary. During the financial year, the Group applied to strike-off Eastar on 15 September 2023. The strike-off application was completed on 8 January 2024.

In the previous financial year, deferred development costs represent costs incurred to develop remotely operated vehicles and peripherals.

In the previous financial year, the carrying amount of goodwill is allocated to the Group's cash-generating unit (“CGU”) that the goodwill relates to, which is the subsea service business.

12. DEFERRED TAX ASSETS/(LIABILITIES)

	The Group 30.6.2024 RM	30.6.2023 RM
The movement of deferred tax assets/(liabilities):-		
At the beginning of the financial year	(562,499)	(164,455)
Recognised in profit or loss (Note 27)	(1,181,501)	(338,906)
Translation differences	-	(59,138)
At the end of the financial year	(1,744,000)	(562,499)

(a) Presented after appropriate offsetting as follows:-

	The Group 30.6.2024 RM	30.6.2023 RM	1.7.2022 RM
Deferred tax assets	96,000	168,251	1,212,889
Deferred tax liabilities	(1,840,000)	(730,750)	(1,377,344)
	(1,744,000)	(562,499)	(164,455)

(b) The components of deferred tax assets/(liabilities) prior to offsetting are as follows:-

	The Group 30.6.2024 RM	30.6.2023 RM	1.7.2022 RM
Deferred tax assets			
Unused tax losses	96,000	499,347	1,079,285
Unabsorbed capital allowance	-	-	1,235,582
Differences between the carrying amounts of property, vessels and equipment and their tax base	-	(331,096)	(1,101,978)
	96,000	168,251	1,212,889
Deferred tax liabilities			
Differences between the carrying amounts of property, vessels and equipment and their tax base	(1,840,000)	(730,750)	(1,377,344)

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

(c) The estimated amount of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:-

	The Group		
	30.6.2024 RM	30.6.2023 RM	1.7.2022 RM
Deductible temporary differences	(92,336)	(103,816)	(16,718,205)
Unabsorbed capital allowance	203,671	275,932	1,702,129
Unused tax losses	557,251	1,621,661	49,288,072
	668,586	1,793,777	34,271,996
Potential deferred tax assets not recognised at 24% (30.6.2023: 24% and 1.7.2022: 24%)	160,461	430,507	8,225,279

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under Income Tax Act, 1967 and guidelines issued by the tax authority.

The unused tax losses are available indefinitely for offset against future taxable profits of the Group except for certain unused tax losses which are available for utilisation up to the following financial years:-

	The Group 2024 RM
2028	371,858
2029	16,380
2030	17,911
2031	27,389
2032	5,956
2033	117,757
	557,251

NOTES TO THE FINANCIAL STATEMENTS

13. TRADE AND OTHER RECEIVABLES

	The Group 30.6.2024 RM	The Group 30.6.2023 RM (Restated)	The Group 1.7.2022 RM (Restated)	The Company 30.6.2024 RM	The Company 30.6.2023 RM	The Company 1.7.2022 RM
Current:-						
Trade:-						
Third parties	96,436,191	77,484,864	126,438,986	-	-	-
Joint ventures	16,827,894	6,535,405	13,520,094	-	-	-
Associates	-	31,225	31,225	-	-	-
	113,264,085	84,051,494	139,990,305	-	-	-
Allowance for impairment losses (Note 13(a))						
- third parties	(44,579,471)	(45,001,630)	(64,531,738)	-	-	-
- joint ventures	(3,344,219)	(4,534,685)	(13,487,618)	-	-	-
- associates	-	(31,225)	(31,225)	-	-	-
	(47,923,690)	(49,567,540)	(78,050,581)	-	-	-
	65,340,395	34,483,954	61,939,724	-	-	-
Non-trade:-						
Other receivables	8,322,045	11,821,068	29,494,567	8,691	8,691	8,691
Amount due from joint ventures	52,722,105	52,598,051	180,084,722	67,884	67,884	4,749,643
Amount due from associates	490,956	159,818	1,224,343	349,623	18,485	37,179
Amount due from subsidiaries	-	-	-	322,157,101	328,277,098	433,218,234
Deposits	165,474	166,158	110,168	-	-	-
Prepayments	117,613	233,675	5,594,928	-	-	-
	61,818,193	64,978,770	216,508,728	322,583,299	328,372,158	438,013,747
Allowance for impairment losses (Note 13(b))						
- other receivables	(22,635)	(13,944)	(13,944)	(8,691)	-	-
- amount due from joint ventures	(34,534,682)	(37,219,712)	(144,780,665)	(67,884)	(67,884)	(4,713,119)
- amount due from associates	(490,956)	(159,818)	(1,224,343)	(349,623)	(18,485)	(37,179)
- amount due from subsidiaries	-	-	-	(315,157,101)	(327,172,799)	(235,716,435)
	(35,048,273)	(37,393,474)	(146,018,952)	(315,583,299)	(327,252,168)	(240,466,733)
	26,769,920	27,585,296	70,489,776	7,000,000	1,112,990	197,547,014
Total trade and other receivables	92,110,315	62,069,250	132,429,500	7,000,000	1,112,990	197,547,014

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) The Group's normal trade credit terms range from 30 to 90 days (30.6.2023: 30 to 90 days and 1.7.2022: 30 to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

Trade receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:-

	The Group	
	30.6.2024 RM	**30.6.2023** RM (Restated)
At the beginning of the financial year	49,567,540	78,050,581
Charge for the financial year (Note 25)	4,291,410	3,074,303
Reversal of impairment losses (Note 25)	(3,399,119)	(9,839,849)
Written off	(2,536,141)	(21,717,495)
At the end of the financial year	47,923,690	49,567,540

The information about the credit exposures is disclose in Note 34.1(b).

(b) Non-trade receivables

The Group's non-trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of non-trade receivables are as follows:-

	The Group		The Company	
	30.6.2024 RM	**30.6.2023** RM (Restated)	**30.6.2024** RM	**30.6.2023** RM
At the beginning of the financial year	37,393,474	146,018,952	327,259,168	240,466,733
Charge for the financial year (Note 25)	1,223,063	28,593,443	1,066,483	196,349,574
Reversal of impairment losses (Note 25)	(3,568,056)	(6,282,213)	(12,742,144)	(6,902,010)
Written off	(208)	(130,936,708)	(208)	(102,655,129)
At the end of the financial year	35,048,273	37,393,474	315,583,299	327,259,168

(c) The non-trade balance due from subsidiaries, joint ventures and associates are non-interest bearing and repayable on demand. These balances represent unsecured payments made on behalf.

14. CONTRACT ASSETS

	The Group 30.6.2024 RM	30.6.2023 RM (Restated)	1.7.2022 RM (Restated)
At the beginning of the financial year/period	72,539,633	10,707,874	6,385,531
Transfer to trade receivables	(72,539,633)	(10,707,874)	(6,385,531)
Increase due to revenue recognised for unbilled goods and services transferred to customers	84,473,530	72,539,632	10,707,874
At the end of the financial year/period	84,473,530	72,539,632	10,707,874
Represented by:-			
Diving and subsea services	55,561,501	66,653,991	-
Charter hire of vessels	25,741,650	2,301,628	3,674,989
Other shipping related income	2,817,579	1,259,166	637,165
Vessel's management fees	352,800	2,324,847	1,823,376
Offshore installation and construction	-	-	4,572,344
	84,473,530	72,539,632	10,707,874

The contract assets primarily relate to the Group's right to consideration for work completed but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

15. CASH AND SHORT-TERM DEPOSITS

	The Group 30.6.2024 RM	The Group 30.6.2023 RM	The Group 1.7.2022 RM	The Company 30.6.2024 RM	The Company 30.6.2023 RM	The Company 1.7.2022 RM
Cash and bank balances	22,313,552	44,499,227	21,433,613	516,079	6,403,201	2,216,038
Short-term deposits	5,586,042	8,107,735	20,844,224	-	-	-
Fixed deposits with licensed banks	17,821,878	-	-	-	-	-
	45,721,472	52,606,962	42,277,837	516,079	6,403,201	2,216,038

Short-term deposits include margin deposits for bank guarantee facilities and sinking funds to secure loans and borrowings as disclosed in Note 18.

The fixed deposits with licensed banks of the Group at the end of the reporting period borne effective interest rates of 3.75% per annum. The fixed deposits with licensed banks have maturity periods of 90 days for the Group.

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:-

	The Group 30.6.2024 RM	The Group 30.6.2023 RM	The Group 1.7.2022 RM	The Company 30.6.2024 RM	The Company 30.6.2023 RM	The Company 1.7.2022 RM
Cash and bank balances	22,313,552	44,499,227	21,433,613	516,079	6,403,201	2,216,038
Short-term deposits	5,586,042	8,107,735	20,844,224	-	-	-
Fixed deposits with licensed banks	17,821,878	-	-	-	-	-
Bank overdrafts (Note 18)	(563,091)	(896,552)	(896,552)	-	-	-
	45,721,472	52,606,962	42,277,837	516,079	6,403,201	2,216,038
Less: Short-term deposits pledged to licensed banks	(5,586,042)	(8,107,735)	(20,844,224)	-	-	-
Cash and cash equivalents	39,572,339	43,602,675	20,537,061	516,079	6,403,201	2,216,038

NOTES TO THE FINANCIAL STATEMENTS

16. SHARE CAPITAL

	The Group/The Company					
	30.6.2024	30.6.2023	1.7.2022	30.6.2024	30.6.2023	1.7.2022
	Number of shares			RM	RM	RM
Issued and Fully Paid-Up						
Ordinary Shares						
At the beginning of the financial year/period	1,531,828,805	1,531,828,805	1,368,882,405	442,667,403	442,667,403	432,981,346
Issued during the financial year/period	-	-	162,946,400	-	-	9,686,057
At the end of the financial year/period	1,531,828,805	1,531,828,805	1,531,828,805	442,667,403	442,667,403	442,667,403

(a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

(b) In the previous financial period, the Company had increased the total number of its share capital from 1,368,882,405 ordinary shares to 1,531,828,805 ordinary shares by way of:-

(i) issuance of 65,000,000 new ordinary shares through private placement at an issue price of RM0.0771 per ordinary share;

(ii) issuance of 97,776,400 new ordinary shares through private placement at an issue price of RM0.0476 per ordinary share; and

(iii) issuance of 170,000 new ordinary shares at an exercise price of RM0.12 per share pursuant to the exercise of warrants.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

17. OTHER RESERVES

	The Group			The Company		
	30.6.2024 RM	30.6.2023 RM	1.7.2022 RM	30.6.2024 RM	30.6.2023 RM	1.7.2022 RM
Premium paid on acquisition of non-controlling interest (a)	871,683	(4,639,834)	(4,639,834)	-	-	-
Foreign currency translation reserve (b)	-	1,556,582	2,067,875	-	-	-
Employee share option reserve (c)	-	165,616	165,616	-	165,616	165,616
	871,683	(2,917,636)	(2,406,343)	-	165,616	165,616

(a) Premium paid on acquisition of non-controlling interest

A reduction of capital reserve amounting to RM5,511,517 was in relation to subsidiaries that were struck off in the current financial year as disclosed in Note 29.

(b) Foreign currency translation reserve

The foreign currency translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency. A reduction of foreign currency translation reserve was in relation to subsidiaries that were struck off in the current financial year as disclosed in Note 29.

17. OTHER RESERVES (CONT'D)

(c) Employee Share Option Reserve ("ESOS")

The share option reserve comprises the cumulative value of directors' and employees' services received for the issue of share options. The reserve is recorded over the vesting period commencing from the grant date and is reduced by the expiry of exercise of the share options. When the option is exercised, the amount from the share option reserve is transferred to share capital. When the share options expire, the amount from the share option reserve is transferred to retained earnings.

Vesting period of the share option offered:-

(i) First 20%: Year 2019
(ii) Remaining 80% will vest over 4 years from 2020 to 2023

Share options are granted to eligible directors and employees. The settlement of the option granted is by issuance of fully paid ordinary shares. The exercise price is determined by the ESOS committee and shall be based on the 5 days Volume Weighted Average Market Price ("VWAMP") of the Company's share immediately preceding the date of offer, with a discount, if any, of not more than 10%. The contractual term of each option granted is five years. There are no cash settlement alternatives. The options carry neither rights to dividends nor voting rights. Options may be exercised any time from the date of vesting to the date of expiry.

The ESOS expired on 2 April 2024 pursuant to the By-Laws of the ESOS.

The details of the options over ordinary shares of the Company are as follows:-

Grant Date	Balance as at 1.7.2023	Lapsed *	Balance as at 30.6.2024	Exercisable as at 30.6.2024
22 April 2019	56,553,828	(56,553,828)	-	-

Grant Date	Balance as at 1.7.2022	Lapsed *	Balance as at 30.6.2023	Exercisable as at 30.6.2023
22 April 2019	69,413,828	(12,860,000)	56,553,828	39,587,680

Grant Date	Balance as at 1.1.2021	Lapsed *	Balance as at 30.6.2022	Exercisable as at 30.6.2022
22 April 2019	110,410,742	(40,996,914)	69,413,828	48,589,680

* Due to resignation/retirement of eligible employees during the financial year/period and expiry of ESOS on 2 April 2024.

17. OTHER RESERVES (CONT'D)

(c) Employee Share Option Reserve ("ESOS") (Cont'd)

Exercise period	Exercise options	Exercise price RM
22 April 2019 to 21 April 2020	11,310,766	0.105
30 June 2020 to 21 April 2021	28,276,914	0.075

Options granted which are not exercised in the respective exercise period in which they first become exercisable will be carried forward and will be exercisable in subsequent periods up to 2 April 2024. The exercise price for the carried forward options will be the exercise price of the options in the respective exercise period in which they first become exercisable.

The weighted average remaining contractual life for the share options outstanding as at 30 June 2023 is 0.81 years (1 July 2022: 1.81 years).

The ESOS expired on 2 April 2024 pursuant to the By-Laws of the ESOS.

NOTES TO THE
FINANCIAL STATEMENTS

18. LOANS AND BORROWINGS

	The Group			The Company		
	30.6.2024 RM	30.6.2023 RM (Restated)	1.7.2022 RM (Restated)	30.6.2024 RM	30.6.2023 RM (Restated)	1.7.2022 RM (Restated)
Non-current:-						
Term loans	1,971,859	2,267,201	2,605,366	-	-	-
Lease liabilities	-	4,952	36,093	-	-	-
	1,971,859	2,272,153	2,641,459	-	-	-
Current:-						
Term loans	11,385,463	11,225,827	10,245,941	-	-	-
Lease liabilities	-	31,141	99,406	-	-	-
Bank overdrafts	563,091	896,552	896,552	-	-	-
Sukuk Ijarah Medium-Term Notes (“Sukuk Ijarah MTN”)	53,238,097	52,997,291	56,760,420	53,238,097	52,997,291	56,760,420
Revolving credit	21,217,742	44,558,177	42,778,943	-	-	-
Hire purchase payables	-	-	63,793	-	-	-
	86,404,393	109,708,988	110,845,055	53,238,097	52,997,291	56,760,420
	88,376,252	111,981,141	113,486,514	53,238,097	52,997,291	56,760,420
Total loans and borrowings:-						
Term loans	13,357,322	13,493,028	12,851,307	-	-	-
Lease liabilities	-	36,093	135,499	-	-	-
Bank overdrafts	563,091	896,552	896,552	-	-	-
Sukuk Ijarah MTN	53,238,097	52,997,291	56,760,420	53,238,097	52,997,291	56,760,420
Revolving credit	21,217,742	44,558,177	42,778,943	-	-	-
Hire purchase payables	-	-	63,793	-	-	-
	88,376,252	111,981,141	113,486,514	53,238,097	52,997,291	56,760,420

(a) The term loans of the Group are secured by:-

(i) First legal charge over certain building of certain subsidiaries as disclosed in Note 8(b);
(ii) First preferred statutory mortgage on vessels of certain subsidiaries as disclosed in Note 8(b);
(iii) Legal assignments of charter proceeds of certain subsidiaries;
(iv) Debentures incorporating fixed and floating asset of certain subsidiaries;
(v) Corporate guarantees by the Company; and
(vi) Assignment of the insurance policy for vessels of certain subsidiaries.

(b) Lease liabilities

The interest rates implicit in the leases are at rates ranging from NIL (30.6.2023: 4.95% to 7.67% and 1.7.2022: 4.95% to 7.67%).

18. LOANS AND BORROWINGS (CONT'D)

(i) Lease liabilities (Cont'd)

Future minimum lease payments together with the present value of net minimum lease payments are as follows:-

	The Group		
	30.6.2024 RM	**30.6.2023** RM (Restated)	**1.7.2022** RM (Restated)
Minimum lease payments:-			
Not later than one year	-	36,000	110,998
Later than one year and not later than five years	-	5,000	35,000
	-	41,000	145,998
Less: Future finance charges	-	(4,907)	(10,499)
Present value of minimum lease payments	-	36,093	135,499
Present value of minimum lease payments:-			
Not later than one year	-	31,141	99,406
Later than one year and not later than five years	-	4,952	36,093
	-	36,093	135,499
Less: Amount due within 12 months	-	(31,141)	(99,406)
Amount due after 12 months	-	4,952	36,093

(ii) Bank overdrafts

The bank overdrafts of the Group are secured by short-term deposits with licensed banks of the Group as disclosed in Note 15.

(iii) Sukuk Ijarah MTN

The Sukuk Ijarah MTN are secured by:-
(i) a first legal charge over the designated accounts as defined in the Trust Deed;
(ii) third party second fixed legal charge over each of the Sukuk Ijarah MTN assets and assignment of all insurance
(iii) thereon and charter contracts; and
(iv) sinking fund as disclosed in Note 15.

(iv) Revolving credits

The features of revolving credits issued are as follows:-
(i) Unsecured over the non-current assets and contracts; and
(ii) Required money pledged by way of sinking fund and corporate guarantee

(v) Hire purchase payables

In the financial period ended 1.7.2022, hire purchase payables of the Group bear interest at rates ranging from 2.47% to 3.50% per annum and were secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 8(b).

19. TRADE AND OTHER PAYABLES

	Note	The Group 30.6.2024 RM	The Group 30.6.2023 RM (Restated)	The Group 1.7.2022 RM (Restated)	The Company 30.6.2024 RM	The Company 30.6.2023 RM (Restated)	The Company 1.7.2022 RM (Restated)
Current:-							
Trade:-							
Third parties	(a)	18,509,305	25,299,903	80,530,661	-	-	-
Joint ventures		52,326,207	61,606,958	124,805,630	-	-	-
Total trade payables	(b)	70,835,512	86,906,861	205,336,291	-	-	-
Non-trade:-							
Other payables		202,344	1,054,339	2,315,058	344,360	453,237	551,247
Accruals	(c)/(d)	90,762,336	69,126,675	11,738,142	3,115,982	11,792,367	8,395,626
Amount due to immediate holding company	(e)	29,855	29,855	29,855	-	-	-
Amount due to joint ventures	(e)	1,780,995	9,581,926	5,715,830	320,304	320,304	149,011
Amount due to associate	(e)	10,739,650	11,256,127	5,090,409	-	-	-
		103,515,180	91,048,922	24,889,294	3,780,646	12,565,908	9,095,884
Total trade and other payables		174,350,692	177,955,783	230,225,585	3,780,646	12,565,908	9,095,884

19. TRADE AND OTHER PAYABLES (CONT'D)

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranging from 30 to 60 days (30.6.2023: 30 to 60 days and 1.7.2022: 30 to 60 days). Other credit terms are assessed and approved on a case by case basis.

(b) In light of the Proposed Debt Restructuring Plan, the completeness of the trade payables, including any interests or penalties, has not been reliably determined by the directors.

(c) Included in accruals are primarily relate to the diving and subsea services payable to a joint venture as at reporting date, amounting to RM54,612,925 (30.6.2023: RM46,920,555 and 1.7.2022: NIL).

(d) In light of the Proposed Debt Restructuring Plan, the interest, including any penalties, on loans and borrowings after the date of Proof of Debts ("POD") on 31 December 2023, were classified as accruals. The interest and penalty amount after POD date to financial year end was determined by the directors based on bank confirmation balances.

(e) The non-trade balance due to immediate holding company, joint ventures, and associates are non-interest bearing and repayable on demand. These balances are advances granted to the Group and the Company.

(f) For explanations on the Group's and the Company's liquidity risk management processes, refer to Note 34.1(c).

20. REVENUE

	The Group	
	2024	**2023**
	RM	RM (Restated)
Revenue from Contracts with Customers		
Recognised over time:-		
Charter hire of vessels	100,669,045	26,472,732
Other shipping related income	8,462,017	5,079,173
Ship catering	5,689,879	3,389,784
Diving and subsea services	234,385,373	245,254,438
Vessel's management fees	7,286,702	6,510,360
Offshore installation and construction	-	24,170,399
	356,493,016	310,876,886
Revenue from Other Sources		
Rental income	702,377	1,374,970
	357,195,393	312,251,856

21. COST OF SALES

Cost of sales represents cost of services provided, labour cost related overheads, development cost, cost of goods sold, and cost of operation.

The following employee benefits expenses have been included in arriving at cost of sales:-

	The Group	
	2024	2023
	RM	RM (Restated)
Salaries, bonuses and allowances	1,244,354	3,923,732
Defined contribution plans	84,160	325,449
Other staff related expenses	16,227	46,632
	1,344,741	4,295,813

22. OTHER INCOME

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM (Restated)	RM	RM (Restated)
Bad debts recovered	-	100,000	-	-
Gain on disposal of property, vessels and equipment	-	2,752,822	-	-
Interest income	564,669	494,104	61,225	44,588
Interest recharged to subsidiaries	-	-	3,151,184	3,129,660
Gain on realised foreign exchange	-	975,417	-	-
Lease income:-				
− rental income from investment properties	180,500	182,798	-	-
− property, vessels and equipment	556,982	21,179	-	-
Waiver of debts (a)	19,876,569	-	-	-
Others (b)	6,408,152	61,750,512	2,346	-
	27,586,872	66,276,832	3,214,755	3,174,248

(a) Waiver of debt resulted from the agreed settlement of the revolving credit facilities balance with a licensed bank (secured creditor) during the financial year.

(b) Included in others are an amount of RM2,195,440 (30.6.2023: RM60,619,083) being other income recognised arising from the Group's exercise on reconciling major balances in the financial position of the Group.

23. EMPLOYEE BENEFIT EXPENSES

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RM	RM	RM	RM
Salaries bonuses and allowances	10,857,189	10,906,524	361,253	336,446
Defined contribution plan	1,015,014	1,110,554	-	-
Other staff related expenses	4,597,884	1,353,442	-	-
	16,470,087	13,370,520	361,253	336,446
Cost of sales (Note 21)	1,344,741	4,295,813	-	-
	17,814,828	17,666,333	361,253	336,446
Included in employee benefits expenses are:-				
Executive directors:-				
− fees	300,000	-	-	-
− other emoluments	3,578,486	2,161,593	-	-
	3,878,486	2,161,593	-	-
Non-executive directors:-				
− fees	326,170	243,337	326,170	243,337
− other emoluments	35,083	93,109	35,083	93,109
	361,253	336,446	361,253	336,446
Total directors' remuneration	4,239,739	2,498,039	361,253	336,446

24. FINANCE COSTS

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RM	RM	RM	RM
		(Restated)		(Restated)
Interest expense on:-				
− term loans	445,638	443,524	-	-
− lease liabilities	1,566	7,479	-	-
− revolving credit	1,303,014	1,779,235	-	-
− Sukuk Ijarah MTN	3,151,184	3,129,659	3,151,184	3,129,660
− hire purchase payables	-	573	-	-
	4,901,402	5,360,470	3,151,184	3,129,660

25. NET REVERSAL/(IMPAIRMENT LOSS) ON FINANCIAL ASSETS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM (Restated)	RM	RM (Restated)
Impairment losses (Note 13)				
− trade receivables	4,291,410	3,074,303	-	-
− non-trade receivables	1,223,063	28,593,443	-	-
− amount owing from subsidiaries	-	-	1,066,483	196,349,574
Reversal of impairment losses (Note 13)				
− trade receivables	(3,399,119)	(9,839,849)	-	-
− non-trade receivables	(3,568,056)	(6,282,213)	-	-
− amount owing from subsidiaries	-	-	(12,742,144)	(6,902,010)
	(1,452,702)	15,545,684	(11,675,661)	189,447,564

26. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM (Restated)	RM	RM (Restated)
Profit/(Loss) before taxation is arrived at after charging:-				
Auditors' remuneration (Crowe Malaysia PLT)				
− audit fees	750,000	-	262,000	-
− non-audit fees	8,000	-	8,000	-
Auditors' remuneration (Baker Tilly Monteiro Heng PLT)				
− audit fees	-	452,000	-	160,000
− non-audit fees	-	8,000	-	8,000

26. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RM	RM	RM	RM
		(Restated)		(Restated)
Profit/(Loss) before taxation is arrived at after charging:- (Cont'd)				
Material Expenses				
Depreciation of:-				
− property, vessels and equipment	5,531,533	8,797,596	-	-
− investment property	74,575	55,061	-	-
Lease expenses:-				
− short-term leases	1,496,463	1,848,333	-	-
− low-value assets	49,470	95,542	-	-
Impairment losses on property, vessels and equipment	1,086,549	4,325,708	-	-
Loss on foreign exchange:-				
− realised	48,260	-	-	-
− unrealised	306,053	473,781	-	-
Property, vessels and equipment written off	7,320	598,905	-	-
Other receivables written off	-	12,186,639	-	-
Loss on disposal of property, vessels and equipment	4,234,925	-	-	-
Loss on lease modification	11,296	-	-	-
Loss on disposal of subsidiaries (Note 29) (including cumulative foreign exchange translation losses reclassified from other comprehensive income of RM1,462,985)	3,311,136	-	-	-

27. INCOME TAX EXPENSE

Income Tax Expenses Recognised in Profit or Loss

	The Group		The Company	
	2024 RM	2023 RM (Restated)	2024 RM	2023 RM (Restated)
Current tax expense	9,884,168	105,612	-	-
Under provision in the previous financial year	125,681	218,898	-	-
	10,009,849	324,510	-	-
Deferred tax (Note 12):-				
− origination and reversal of temporary differences	1,677,426	710,027	-	-
− overprovision in the previous financial year	(495,925)	(371,121)	-	-
	1,181,501	338,906	-	-
Total tax expense	11,191,350	663,416	-	-

27. INCOME TAX EXPENSE (CONT'D)

Income Tax Expenses Recognised in Profit or Loss (Cont'd)

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RM	RM (Restated)	RM	RM (Restated)
Profit/(Loss) before taxation	37,471,032	19,110,616	8,544,344	(191,953,756)
Tax at the statutory tax rate of 24% (30.6.2023: 24%)	8,993,048	4,586,548	2,050,643	(46,068,901)
Tax effects of:-				
Share of results in joint ventures	(2,426,970)	(857,296)	-	-
Non-taxable income	(2,925,617)	(20,784,070)	(3,265,788)	(1,709,165)
Non-deductible expenses	8,120,032	16,814,092	1,215,145	47,778,066
Deferred tax assets not recognised during the financial year	3,444	2,194,518	-	-
Utilisation of deferred tax assets previously not recognised	(273,490)	-	-	-
Effect of tax rates in other tax jurisdiction	71,147	(1,138,153)	-	-
Under provision of current tax in the previous financial year	125,681	218,898	-	-
Over provision of deferred taxation in the previous financial year	(495,925)	(371,121)	-	-
Total tax expense	11,191,350	663,416	-	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (30.6.2023: 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

28. EARNINGS PER SHARE

(a) Basic Earnings per ordinary share

Basic earnings per share is based on the profit/(loss) for the financial year attributable to owners of the Company and the weighted average number of ordinary shares during the financial year, calculated as follows:-

	The Group	
	2024	**2023**
	RM	RM (Restated)
Profit attributable to owners of the Company		
Profit for the financial year	26,311,108	19,428,588
Weighted average number of ordinary shares for basic earnings per share	1,531,828,805	1,531,828,805
Basic earnings per ordinary share (sen)	1.72	1.27

The comparative figures have been restated to reflect the adjustments arising from restatement to the profit for the financial year.

(b) Diluted earnings per ordinary share

The diluted earnings per ordinary share of the Group for the financial year ended 30 June 2024 and financial year ended 30 June 2023 are same as the basic earnings per ordinary share of the Group as the Company has no dilutive potential ordinary shares.

29. DISPOSAL OF INDIRECTLY OWNED SUBSIDIARIES

On 8 January 2024 and 10 October 2024, Eastar Offshore Pte. Ltd. (“EASTAR”) and Alam Subsea Pte. Ltd. (“ASPL”), indirectly owned subsidiaries of the Company had completed the application for striking off with Accounting and Corporate Regulatory Authority (“ACRA”), Singapore.

The financial effects of the disposal at the date of struck off are summarised below:-

	The Group 2024 RM
Non-controlling interests	4,774,121
Carrying amount of net assets disposed of	-
Foreign exchange translation reserve reclassified to profit or loss (Note 17)	(1,462,985)
	3,311,136
Net disposal proceeds	-
Loss on disposal of subsidiaries (Note 26)	3,311,136
Consideration received, satisfied in cash	-
Less: Cash and bank balances of subsidiaries disposed of	-
Net cash inflow from the disposal of subsidiaries	-

30. CASH FLOW INFORMATION

(a) The reconciliations of liabilities arising from financing activities are as follows:-

	1.7.2023 RM (Restated)	**Cash Flows** RM	**Non-Cash** RM	**30.6.2024** RM
The Group				
Term loans	13,493,028	(220,073)	84,367	13,357,322
Lease liabilities	36,093	(25,147)	(10,946)	-
Sukuk Ijarah MTN	52,997,291	240,806	-	53,238,097
Revolving credit	44,558,177	(3,463,866)	(19,876,569)	21,217,742
Amounts owing to associates	11,256,127	(516,477)	-	10,739,650
	122,340,716	(3,984,757)	(19,803,148)	98,552,811

Included in non-cash movement of revolving credit is waiver of debt of RM19,876,569 resulted from the agreed settlement of the revolving credit facilities balance with a licensed bank (secured creditor) during the financial year.

The non-cash movement of RM84,367 resulted from foreign exchange.

30. CASH FLOW INFORMATION (CONT'D)

(a) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

The Group	1.7.2022 RM (Restated)	Cash Flows RM	Non-Cash RM	30.6.2023 RM (Restated)
Term loans	12,851,307	83,325	558,396	13,493,028
Lease liabilities	135,499	(99,406)	-	36,093
Sukuk Ijarah MTN	56,760,420	(3,763,129)	-	52,997,291
Revolving credit	42,778,943	1,779,234	-	44,558,177
Hire purchase payables	63,793	(63,793)	-	-
Amounts owing to associates	5,090,409	6,165,718	-	11,256,127
	117,680,371	4,101,949	558,396	122,340,716

The non-cash movement of RM558,396 resulted from foreign exchange.

The Company	1.7.2023 RM (Restated)	Cash Flows RM	Non-Cash RM	30.6.2024 RM
Sukuk Ijarah MTN	52,997,291	240,806	-	53,238,097

The Company	1.7.2022 RM (Restated)	Cash Flows RM	Non-Cash RM	30.6.2023 RM (Restated)
Sukuk Ijarah MTN	56,760,420	(3,763,129)	-	52,997,291

(b) The total cash outflows for leases as a lessee are as follows:-

	The Group 2024 RM	The Group 2023 RM (Restated)
Payment of short-term leases	1,496,463	1,848,333
Payment of low-value assets	49,470	95,542
Interest paid on lease liabilities	1,566	7,479
Payment of lease liabilities	25,147	99,406
	1,572,646	2,050,760

31. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
(a) Executive directors				
− Fees	300,000	-	-	-
− Other emoluments	3,578,486	2,161,593	-	-
	3,878,486	2,161,593	-	-
(b) Non-executive directors				
− Fees	326,170	243,337	326,170	243,337
− Other emoluments	35,083	93,109	35,083	93,109
	361,253	336,446	361,253	336,446
Total directors' remuneration (Note 23)	4,239,739	2,498,039	361,253	336,446
(c) Other Key Management Personnel				
− Short-term employee benefits	2,158,768	3,350,295	-	-
− Post employee benefit	247,912	286,752	-	-
	2,406,680	3,637,047	-	-
Total Key Management Personnel Compensations	6,646,419	6,135,086	361,253	336,446

32. RELATED PARTY DISCLOSURES

(a) Identity of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:-

(i) Company's holding company;
(ii) Subsidiaries;
(iii) Associates;
(iv) Joint ventures;
(v) Entities in which directors have substantial financial interests; and
(vi) Key management personnel of the Group's and the Company's holding company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RM	RM (Restated)	RM	RM (Restated)
Associates				
Vessels management fees income	(1,380,000)	(1,265,660)	-	-
Joint ventures				
Vessels management fees income	-	(2,519,019)	-	-
Corporate management fees income	(2,775,000)	-	-	-
Chartering cost vessels	46,941,435	-		
Purchase of project equipment	220,132,867	241,157,263	-	-
Subsidiaries				
Interest recharged	-	-	3,214,755	3,174,248

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

The related party transactions described above were entered into in the normal course of business carried out based on negotiated terms and conditions and are mutually agreed with respective parties.

33. OPERATING SEGMENTS

33.1 Reporting format

Operating segments are prepared in a manner consistent with the internal reporting provided to the Board of Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis.

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group is organised into two (2) main reportable segments as follows:-

(i) Offshore support vessels and services

Provision of vessels for charter hire, assisting seismic operators in seismic survey related activities, transportation of crew and supplies, towing and mooring of rigs offshore, anchor-handling services and other support, repair and maintenance services for the oil and gas industry.

(ii) Subsea services

Provision of offshore facilities construction and installation services such as marine construction related services, subsea engineering services and offshore pipeline construction related services and designing, manufacturing and operating of remotely operated vehicles.

33.2 Business segments

Other business segments include investment holding and provision of transportation, ship forwarding and agent and ship handling to the subsidiaries, none of which are of a sufficient size to be reported separately.

All inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materiality different from those obtainable in transactions with unrelated parties.

33.3 Geographical segments

Segmental reporting by geographical segments has not been prepared as the Group's operations are carried out predominantly in Malaysia.

33.4 Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include the transfers between business segments. These transfers are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

33. OPERATING SEGMENTS (CONT'D)

33.5 Business segments

30.6.2024	Offshore Support and Services RM	Subsea Services RM	All Other Segments RM	Consolidation Adjustments RM	The Group RM
Revenue					
External revenue	119,091,882	234,562,492	3,541,019	-	357,195,393
Inter-segment revenue	1,765,000	-	1,547,844	(3,312,844)	-
Total revenue	120,856,882	234,562,492	5,088,863	(3,312,844)	357,195,393
Results					
Segment profit	53,969,895	15,147,077	14,691,837	(51,548,750)	32,260,059
Finance costs	(4,774,894)	-	(3,277,692)	3,151,184	(4,901,402)
Share of profits of equity-accounted joint ventures	-	10,112,375	-	-	10,112,375
Profit before taxation	49,195,001	25,259,452	11,414,145	(48,397,566)	37,471,032
<u>Other Information</u>					
Depreciation:-					
- property, vessels and equipment	4,482,839	700,261	83,789	264,644	5,531,533
- investment properties	-	80,304	267,074	(272,803)	74,575
Impairment losses on:-					
- property, vessels and equipment	1,086,549	-	-	-	1,086,549
- trade and other receivables	5,410,933	-	1,279,883	(1,176,343)	5,514,473
Reversal of impairment losses on trade and other receivables	(5,532,084)	(31,225)	(14,787,758)	13,383,892	(6,967,175)
Loss on disposal of:-					
- subsidiary	-	-	-	3,311,136	3,311,136
- property, vessels and equipment	4,234,925	-	-	-	4,234,925
Property, vessels and equipment written off	7,320	-	-	-	7,320

33. OPERATING SEGMENTS (CONT'D)

33.5 Business segments (Cont'd)

30.6.2024	Offshore Support and Services RM	Subsea Services RM	All Other Segments RM	Consolidation Adjustments RM	The Group RM
Assets					
Segment assets	372,333,377	86,228,352	18,338,050	(228,955,719)	247,944,060
Investments in joint ventures	-	500,000	-	288,677	788,677
Unallocated assets:-					
− deferred tax assets	-	96,000	-	-	96,000
Consolidated total assets					248,828,737
Liabilities					
Segment liabilities	682,833,190	84,407,877	69,273,428	(573,787,551)	262,726,944
Unallocated liabilities:-					
− deferred tax liabilities	1,840,000	-	-	-	1,840,000
− current tax liabilities	9,637,576	-	83,499	-	9,721,075
Consolidated total liabilities					274,288,019

33. OPERATING SEGMENTS (CONT'D)

33.5 Business segments (Cont'd)

30.6.2023 (Restated)	Offshore Support and Services RM	Subsea Services RM	All Other Segments RM	Consolidation Adjustments RM	The Group RM
Revenue					
External revenue	61,991,138	246,236,798	4,023,920	-	312,251,856
Inter-segment revenue	1,780,000	-	3,222,451	(5,002,451)	-
Total revenue	63,771,138	246,236,798	7,246,371	(5,002,451)	312,251,856
Results					
Segment profit/(loss)	34,156,015	20,455,386	(211,997,472)	178,285,092	20,899,021
Finance costs	(5,260,562)	(1,887)	(3,234,413)	3,136,392	(5,360,470)
Share of profits of equity-accounted joint ventures	-	3,572,065	-	-	3,572,065
Profit/(Loss) before taxation	28,895,453	24,025,564	(215,231,885)	181,421,484	19,110,616
Other Information					
Depreciation:-					
- property, vessels and equipment	7,022,218	1,578,057	177,494	19,827	8,797,596
- investment properties	-	50,584	267,074	(262,597)	55,061
Impairment losses on:-					
- property, vessels and equipment	4,325,708	-	-	-	4,325,708
- trade and other receivables	39,344,051	16,734	197,239,828	(204,932,867)	31,667,746
Reversal of impairment losses on trade and other receivables	(14,918,933)	(7,304)	(8,136,390)	6,940,565	(16,122,062)
Gain on disposal of:-					
- property, vessels and equipment	(1,609,509)	(3,208,476)	-	2,065,163	(2,752,822)
Property, vessels and equipment written off	-	598,905	-	-	598,905

33. OPERATING SEGMENTS (CONT'D)

33.5 Business segment (Cont'd)

30.6.2023 (Restated)	Offshore Support and Services RM	Subsea Services RM	All Other Segments RM	Consolidation Adjustments RM	The Group RM
Assets					
Segment assets	342,569,690	81,018,955	17,945,732	(209,970,729)	231,563,648
Investments in joint ventures	-	500,000	-	3,626,302	4,126,302
Unallocated assets:-					
− deferred tax assets	-	168,251	-	-	168,251
Consolidated total assets					235,858,201
Liabilities					
Segment liabilities	702,669,578	73,622,297	78,821,740	(565,176,691)	289,936,924
Unallocated liabilities:-					
− deferred tax liabilities	-	-	-	730,750	730,750
− current tax liabilities	-	-	115,834	-	115,834
Consolidated total liabilities					290,783,508

(a) Business segment and geographical information

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

(b) Major customers

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:-

	Revenue 2024 RM	Revenue 2023 RM (Restated)	Segment
Customer #1	232,032,474	163,569,618	Offshore support and subsea services
Customer #2	49,041,131	376,041	Offshore support and subsea services
Customer #3	5,206,984	36,290,440	Offshore support and subsea services

34. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

34.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales, purchases, cash and short-term deposits and loans and borrowings that are denominated in a foreign currency). The foreign currency in which these transactions are denominated is mainly United States Dollar ("USD").

The Group does not use any forward contracts to hedge against its exposure to foreign currency risk as the foreign exchange exposure in transactional currencies other than functional currency of the Group are kept to an acceptable level.

The Group's unhedged financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows:-

Foreign Currency Exposure

	The Group	
	30.6.2024	**30.6.2023**
	RM	RM (Restated)
United States Dollar (USD)		
Financial Assets		
Cash and bank balances	48,826	568,338
Trade and other receivables	2,599,764	9,278,288
	2,648,590	9,846,626
Financial Liabilities		
Trade and other payables	(10,804,479)	(2,144,406)
Loans and borrowings	(11,129,311)	(10,883,925)
	(21,933,790)	(13,028,331)
Net financial liabilities	(19,285,200)	(3,181,705)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group	
	30.6.2024	**30.6.2023**
	RM	RM (Restated)
Effects on Profit After Taxation and Equity		
USD/RM – strengthened by 3% (2023: 3%)	(439,703)	(72,543)
– weakened by 3% (2023: 3%)	439,703	72,543

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from:-

(i) Interest bearing financial assets

Cash deposits are short-term in nature and are not held for speculative purposes. The Group manages its interest rate yield by prudently placing deposits with varying maturity periods.

(ii) Interest bearing financial liabilities

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating borrowings. The Group actively review its debt portfolio, taking into account the investment holding period and the nature of its assets. This strategy allows them to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

<u>Sensitivity analysis for interest rate risk</u>

As at the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM101,516 (30.6.2023: RM102,547; 1.7.2022: RM97,670) higher/lower respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the current observable market environment.

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances, deposits with banks and financial institutions and other financial instruments), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries and joint ventures. The Company monitors the ability of the subsidiaries and joint ventures to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group determines concentration of credit risk by monitoring the segment profits of its trade receivables on an ongoing basis.

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by three (3) (30.6.2023: 3) customers which constituted approximately 68% (30.6.2023: 75%) of its trade receivables and contract assets (including related parties), net of loss allowance.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost, contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:-
- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

Trade Receivables and Contract Assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

	Gross Amount RM	Lifetime Individual Allowance RM	Carrying Amount RM
The Group			
30.6.2024			
Current (not past due)	39,941,309	-	39,941,309
1 to 30 days past due	5,284,386	-	5,284,386
31 to 60 days past due	1,757,398	-	1,757,398
61 to 90 days past due	131,662	-	131,662
More than 90 days past due	18,225,640	-	18,225,640
Credit impaired	47,923,690	(47,923,690)	-
Trade receivables	113,264,085	(47,923,690)	65,340,395
Contract assets	84,473,530	-	84,473,530
	197,737,615	(47,923,690)	149,813,925
30.6.2023 (Restated)			
Current (not past due)	25,871,349	-	25,871,349
1 to 30 days past due	72,753	-	72,753
31 to 60 days past due	562,392	-	562,392
61 to 90 days past due	92,676	-	92,676
More than 90 days past due	7,884,784	-	7,884,784
Credit impaired	49,567,540	(49,567,540)	-
Trade receivables	84,051,494	(49,567,540)	34,483,954
Contract assets	72,539,632	-	72,539,632
	156,591,126	(49,567,540)	107,023,586

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:- (Cont'd)

	Gross Amount RM	Lifetime Individual Allowance RM	Carrying Amount RM
The Group			
1.7.2022 (Restated)			
Current (not past due)	46,204,468	-	46,204,468
1 to 30 days past due	1,493,229	-	1,493,229
31 to 60 days past due	164,711	-	164,711
61 to 90 days past due	2,317,929	-	2,317,929
More than 90 days past due	11,759,387	-	11,759,387
Credit impaired	78,050,581	(78,050,581)	-
Trade receivables	139,990,305	(78,050,581)	61,939,724
Contract assets	10,707,874	-	10,707,874
	150,698,179	(78,050,581)	72,647,598

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

<u>Other receivables and other financial assets</u>

For other receivables and other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit-impaired amounts owing by subsidiaries and other receivables, the Group and the Company consider these financial assets to be of low credit risk, for which no material loss allowance is required.

Refer to Note 4.2(a) for the Group's and the Company's other accounting policies for impairment of financial assets.

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
The Group					
30.6.2024					
Non-derivative Financial Liabilities					
Trade and other payables	174,350,692	174,350,692	174,350,692	-	-
Term loans	13,357,322	13,876,518	11,483,874	1,114,379	1,278,265
Bank overdrafts	563,091	563,091	563,091	-	-
Sukuk Ijarah MTN	53,238,097	53,238,097	53,238,097	-	-
Revolving credit	21,217,742	21,217,742	21,217,742	-	-
	262,726,944	263,246,140	260,853,496	1,114,379	1,278,265
30.6.2023 (Restated)					
Non-derivative Financial Liabilities					
Trade and other payables	177,955,783	177,955,783	177,955,783	-	-
Term loans	13,493,028	14,159,557	11,379,407	1,224,900	1,555,250
Lease liabilities	36,093	41,000	41,000	-	-
Bank overdrafts	896,552	896,552	896,552	-	-
Sukuk Ijarah MTN	52,997,291	52,997,291	52,997,291	-	-
Revolving credit	44,558,177	44,558,177	44,558,177	-	-
	289,936,924	290,608,360	287,828,210	1,224,900	1,555,250

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
The Group					
1.7.2022 (Restated)					
Non-derivative Financial Liabilities					
Trade and other payables	230,225,585	230,225,585	230,225,585	-	-
Term loans	12,851,307	13,634,965	10,382,416	1,420,314	1,832,235
Lease liabilities	135,499	145,998	110,998	35,000	-
Bank overdrafts	896,552	896,552	896,552	-	-
Sukuk Ijarah MTN	56,760,420	56,760,420	56,760,420	-	-
Revolving credit	42,778,943	42,778,943	42,778,943	-	-
Hire purchase payables	63,793	64,538	64,538	-	-
	343,712,099	344,507,001	341,219,452	1,455,314	1,832,235
The Company					
30.6.2024					
Non-derivative Financial Liabilities					
Trade and other payables	3,780,646	3,780,646	3,780,646	-	-
Sukuk Ijarah MTN	53,238,097	53,238,097	53,238,097	-	-
	57,018,743	57,018,743	57,018,743	-	-
30.6.2023 (Restated)					
Non-derivative Financial Liabilities					
Trade and other payables	12,565,908	12,565,908	12,565,908	-	-
Sukuk Ijarah MTN	52,997,291	52,997,291	52,997,291	-	-
	65,563,199	65,563,199	65,563,199	-	-
1.7.2022 (Restated)					
Non-derivative Financial Liabilities					
Trade and other payables	9,095,884	9,095,884	9,095,884	-	-
Sukuk Ijarah MTN	56,760,420	56,760,420	56,760,420	-	-
	65,856,304	65,856,304	65,856,304	-	-

34. FINANCIAL INSTRUMENTS (CONT'D)

34.2 CAPITAL RISK MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximises shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 30 June 2024 and 30 June 2023.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's and the Company's policy is to keep the gearing ratio not exceeding 75%. The Group and the Company include within net debt, borrowings, trade and other payables, less cash and short-term deposits. Capital includes equity attributable to the owners of the Company.

	The Group		The Company	
	30.6.2024 RM	**30.6.2023** RM (Restated)	**30.6.2024** RM	**30.6.2023** RM (Restated)
Trade and other payables	174,350,692	177,955,783	3,780,646	12,565,908
Loans and borrowings	88,376,252	111,981,141	53,238,097	52,997,291
Less: Cash and short-term deposits	(45,721,472)	(52,606,962)	(516,079)	(6,403,201)
Net debts	217,005,472	237,329,962	56,502,664	59,159,998
Equity attributable to the owners of the Company	(25,459,282)	(54,925,307)	(49,502,664)	(58,047,008)
Capital and net debts	191,546,190	182,404,655	7,000,000	1,112,990
Gearing ratio	113%	130%	807%	5315%

There were no changes in the approach to capital management during the financial year.

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:-
(i) Amortised cost
(ii) Designated fair value through other comprehensive income ("DFVOCI")

	30.6.2024 RM	30.6.2023 RM (Restated)	30.6.2022 RM (Restated)
The Group			
Financial assets			
Amortised Cost			
Trade and other receivables, net of prepayments	91,992,702	61,835,575	126,834,572
Cash and short-term deposits	45,721,472	52,606,962	42,277,837
	137,714,174	114,442,537	169,112,409
Financial assets			
DFVOCI			
Other investment	350,000	350,000	350,000
Financial liabilities			
Amortised Cost			
Loans and borrowings	88,376,252	111,981,141	113,486,514
Trade and other payables	174,350,692	177,955,783	230,225,585
	262,726,944	289,936,924	343,712,099
The Company			
Financial assets			
Amortised Cost			
Trade and other receivables, net of prepayments	7,000,000	1,112,990	197,547,014
Cash and short-term deposits	516,079	6,403,201	2,216,038
	7,516,079	7,516,191	199,763,052
Financial liabilities			
Amortised Cost			
Loans and borrowings	53,238,097	52,997,291	56,760,420
Trade and other payables	3,780,646	12,565,908	9,095,884
	57,018,743	65,563,199	65,856,304

34. FINANCIAL INSTRUMENTS (CONT'D)

34.4 FAIR VALUE INFORMATION

The carrying amounts of cash and short-term deposits, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

The carrying amounts of long-term and short-term floating rate borrowings are reasonable approximation of fair values as the loans will be re-priced to market interest rate on or near reporting date.

There have been no transfers between Level 1 and Level 2 during the financial year (30.6.2023: no transfer in either directions).

The following table provides the fair value measurement hierarchy of the Group's financial instruments:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			**Total Fair Value**	**Carrying Amount**
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM	RM	RM
The Group								
30.6.2024								
Financial Assets								
Other investments:-								
– golf club membership	350,000	-	-	-	-	-	350,000	350,000
30.6.2023								
Financial Assets								
Other investments:-								
– golf club membership	350,000	-	-	-	-	-	350,000	350,000
1.7.2022								
Financial Assets								
Other investments:-								
– golf club membership	350,000	-	-	-	-	-	350,000	350,000

Level 2 fair value

Fair value of financial instruments carried at fair value

The fair value of the golf club membership is determined by reference to its market value.

35. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of significant events during and subsequent to the end of the financial year are as follows:-

On 31 October 2022, the Company announced that it had triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(d) of Practice Note 17 ("PN17") of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Hence, with effect from 31 October 2022, the Company is considered as a PN17 listed issuer. The Company has 12 months to submit the regularisation plan to the relevant authorities for approval.

On 17 October 2023, the Company has submitted the application to Bursa Malaysia for extension of time for the Company to submit its Proposed Regularisation Plan in relation to PN17 of the MMLR of Bursa Malaysia. Subsequently, Bursa Malaysia had vide its letter dated 1 November 2023 resolved to grant the Company an extension of time of 6 months until 30 April 2024 to submit its regularisation plan to the regulatory authorities.

On 25 October 2023, the Company announced that the Company and Alam Maritim (M) Sdn. Bhd. ("AMSB") (a wholly-owned subsidiary of the Company) (collectively "Applicants") have obtained the following Orders from the High Court of Malaya at Kuala Lumpur ("High Court") pursuant to Sections 366 and 368 of the Companies Act 2016 for, among others:-

(i) An order pursuant to Section 366(1) of the Companies Act 2016 to summon meetings of the creditors of the Applicants or any class of them for the purpose of considering and, if thought fit, approving with or without modification, a Scheme of Arrangement and compromise proposed between the Applicants and the Scheme Creditors;
(ii) That the Applicants be at liberty to fix the date, time and venue of the scheme meetings within three (3) months from 25 October 2023; and
(iii) A restraining order pursuant to Section 368(1) of the Companies Act 2016, whereby all current and further proceedings in any legal actions or proceedings against AMSB and/or the assets of AMSB be restrained and stayed except by leave of Court for a period of three (3) months from 25 October 2023.

On 24 January 2024, the Company announced that the High Court had granted the Company and AMSB an extension of time of 9 months from 25 January 2024 to summon the Court Convened Meeting ("CCM") for the Proposed Debt Restructuring and an extension of the Restraining Order for AMSB for a period of 9 months from 25 January 2024.

On 29 April 2024, the Company announced that the High Court had granted a Restraining Order for the Company for a period of 3 months from 29 April 2024.

On 30 May 2024, Bursa Malaysia extended the regularisation plan submission dateline to 31 October 2024.

On 5 July 2024, the Company announced that both the Company and AMSB will convene the CCM for the Proposed Debt Restructuring on 26 July 2024 and that the notice of CCM, the proxy forms and the Explanatory Statement have been issued to the Scheme Creditors.

On 25 July 2024, the Company announced that the High Court has granted an extension of the Restraining Order for the Company until 31 December 2024.

On 26 July 2024, the Company announced that the Company had obtained the approval of the requisite majority in value of the Scheme Creditors to undertake the Proposed Debt Restructuring during the CCM held on even date.

35. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR (CONT'D)

Details of significant events during and subsequent to the end of the financial year are as follows:- (Cont'd)

On 19 August 2024, the Company announced that the application in relation to the Proposed Regularisation Plan had been submitted to Bursa Malaysia on 16 August 2024. As at the date of this report, the Proposed Regularisation Plan has not been approved by Bursa Malaysia.

The Proposed Regularisation Plan shall be undertaken in conjunction with the Proposed Scheme of Arrangement and compromise pursuant to Section 366 of the Companies Act 2016 between the Company, AMSB (a wholly-owned subsidiary of the Company) and their creditors comprising, amongst others, full and final and/or partial settlement of outstanding debts owing to the scheme creditors of AMSB ("AMSB Scheme Creditors") ("AMSB Scheme Amounts") and Alam Maritim Resources Berhad ("AMRB/the Company") ("AMRB Scheme Creditors") ("AMRB Scheme Amounts") by way of cash as well as issuance of the Settlement Shares and the Settlement Warrants ("Proposed Debt Restructuring").

The Scheme of Arrangement between AMSB and the AMSB Scheme Creditors shall be referred to as the "AMSB Unsecured Scheme" whereas the Scheme of Arrangement between AMRB and the AMRB Scheme Creditors shall be referred to as the "AMRB Unsecured Scheme".

The AMSB Scheme Creditors and the AMRB Scheme Creditors shall collectively be referred to as the "Scheme Creditors".

The inter-conditionality of the corporate exercises to be undertaken by the Company is as follows:-

(i) The Proposed Debt Restructuring comprises the Bilateral Settlement, AMSB Unsecured Scheme and AMRB Unsecured Scheme. Accordingly, each component of the Proposed Debt Restructuring is inter-conditional; and
(ii) The Proposed Regularisation Plan and the Proposed Debt Restructuring are interconditional.

On 4 September 2024, the Company announced that the Company and AMSB have obtained from the High Court of Malaya at Kuala Lumpur the following Order pursuant to Section 366 of the Companies Act 2016 to sanction the Company's and AMSB's Schemes of Arrangement ("Order"). The Order sets out, among others:-

(i) That the Scheme of Arrangement in the Explanatory Statement dated 5 July 2024 for the Company and AMSB, be approved and sanctioned by High Court so as to be binding upon the Company and AMSB and their Scheme Creditors as defined therein; and
(ii) That an office copy of the Order shall be lodged with the Companies Commission of Malaysia.

On 20 September 2024, the sealed Order has been lodged with the Companies Commission of Malaysia and the Scheme of Arrangement took effect.

The Order granted by the High Court was obtained as part of the Group's overall restructuring and rehabilitation plan by way of a Scheme of Arrangement with its creditors.

36. MATERIAL LITIGATION

As at the date of this report, save as disclosed below, the Group and the Company is not engaged in any material litigation, claim and/or arbitration, either as plaintiff or defendant, which may have a material effect on the financial position or business of the Group and the Company and the Board of Directors confirms that there are no proceedings, pending or threatened, or any facts likely to give rise to any proceedings which may have a material effect on the financial position or business of the Group and of the Company:-

(i) Matters which form part of the Proposed Debt Restructuring and will be settled via the Proposed Debt Restructuring whereby on 26 July 2024, the Company and Alam Maritim (M) Sdn. Bhd. ("AMSB") (a wholly-owned subsidiary of the Company) had obtained approval on the Company's and AMSB's Scheme of Arrangement (Debt Restructuring) from the scheme creditors; and on 4 September 2024, the Company and AMSB had obtained from the High Court an Order pursuant to Section 366 of the Companies Act 2016 ("the Act") to sanction the Company's and AMSB's Schemes of Arrangement and on 20 September 2024 the sealed Order has been lodged with the Companies Commission of Malaysia:-

(a) Kuala Lumpur High Court Companies (Winding-up) Petition No.: WA-28NCC**/2024 by CIMB Bank Berhad ("CIMB") against the Company

On 19 February 2024, CIMB issued a statutory notice of demand pursuant to Sections 465(1)(e) and 466(1)(a) and (2) of the Companies Act 2016 to the Company claiming for the sum of RM12,965,656 pursuant to a judgment dated 25 November 2022 and an allocator dated 4 December 2020 given in the Kuala Lumpur High Court Suit No.: WA-22NCC-367-08/2020 ("Notice of Demand").

Following the lapse of the Notice of Demand, CIMB filed a winding-up petition against the Company on 26 April 2024 and served the unsealed copy of the winding-up petition on AMRB on even date.

As at the date of this report, the Company has not received the sealed copy of the winding-up petition from CIMB.

For information purposes, the outstanding amount due and owing by the Company to CIMB will be settled via the Proposed Debt Restructuring/Scheme of Arrangement.

(b) RHB Islamic Bank Berhad ("RHB Islamic") vs Alam Maritim (L) Inc. ("AMLI") (a wholly-owned subsidiary of the Company) and the Company:-

(i) RHB Islamic Bank Berhad ("Plaintiff") against Alam Maritim (L) Inc. ("Defendant")

On 7 December 2023, the Plaintiff filed a legal suit against the Defendant claiming for the sum of RM10,796,317 (USD2,347,281), being the payment due and owing to the Plantiff under the Commodity Murabahah Term Financing-i and the Commodity Murabahah Revolving Credit-i granted to the Defendant (collectively, the "RHB Islamic Facilities") and subsequently filed an application for summary judgment on 13 February 2024.

The Defendant subsequently filed an application for stay and discovery of documents on 6 March 2024 ("AMLI Stay and Discovery Application"). On 8 August 2024, AMLI Stay and Discovery Application was allowed.

On 9 September 2024, the Plantiff obtained order and summary judgement for the RHB Islamic Facilities in the amount of arrears amounting to RM10,796,317 (USD2,347,281) owed. The decision of the summary judgment application was obtained by the High Court.

36. MATERIAL LITIGATION (CONT'D)

(i) Matters which form part of the Proposed Debt Restructuring and will be settled via the Proposed Debt Restructuring whereby on 26 July 2024, the Company and Alam Maritim (M) Sdn. Bhd. ("AMSB") (a wholly-owned subsidiary of the Company) had obtained approval on the Company's and AMSB's Scheme of Arrangement (Debt Restructuring) from the scheme creditors; and on 4 September 2024, the Company and AMSB had obtained from the High Court an Order pursuant to Section 366 of the Companies Act 2016 ("the Act") to sanction the Company's and AMSB's Schemes of Arrangement and on 20 September 2024 the sealed Order has been lodged with the Companies Commission of Malaysia:- (Cont'd)

(b) RHB Islamic Bank Berhad ("RHB Islamic") vs Alam Maritim (L) Inc. ("AMLI") (a wholly-owned subsidiary of the Company) and the Company:- (Cont'd)

(i) RHB Islamic Bank Berhad ("Plaintiff") against Alam Maritim (L) Inc. ("Defendant") (Cont'd)

On 13 September 2024, the Defendant filed an appeal against the summary judgment order and applied to High Court for stay of execution pending appeal and court sanction against the Plaintiff. On 23 October 2024, the High Court allowed the Stay of Execution.

(ii) RHB Islamic Bank Berhad ("Plaintiff") vs the Company ("Defendant")

On 26 December 2023, the Plaintiff filed a legal suit against the Defendant claiming for the sum of RM10,796,317 (USD2,347,281), being the payment due and owing by AMLI to the Plaintiff under the RHB Islamic Facilities by virtue of the corporate guarantee provided by the Defendant in favour of the Plaintiff.

On 22 January 2024, a judgment in default of appearance for the sum of RM10,796,317 (USD2,347,281) was entered against the Defendant ("RHB Islamic JID").

The Defendant subsequently filed an application on 24 January 2024 to set aside the RHB Islamic JID and to stay the enforcement of the RHB Islamic JID pending disposal of the Defendant's setting aside application ("JID Setting Aside Application"). The Defendant also filed an application on 6 March 2024 for discovery of documents ("AMRB Discovery Application").

According to an Order dated 29 April 2024 from High Court of Malaya Kuala Lumpur, OS No: WA-2NCC-567-10/2023, the Honourable Court allowed a Restraining Order ("RO") against court proceedings being taken against the Defendant.

In light of the RO, the case management for the JID Setting Aside Application and the AMRB Discovery Application is fixed on 6 January 2025.

For information purposes, the outstanding amount due and owing by AMLI to the Plaintiff will be settled via the Proposed Debt Restructuring/Scheme of Arrangement.

36. MATERIAL LITIGATION (CONT'D)

(i) Matters which form part of the Proposed Debt Restructuring and will be settled via the Proposed Debt Restructuring whereby on 26 July 2024, the Company and Alam Maritim (M) Sdn. Bhd. ("AMSB") (a wholly-owned subsidiary of the Company) had obtained approval on the Company's and AMSB's Scheme of Arrangement (Debt Restructuring) from the scheme creditors; and on 4 September 2024, the Company and AMSB had obtained from the High Court an Order pursuant to Section 366 of the Companies Act 2016 ("the Act") to sanction the Company's and AMSB's Schemes of Arrangement and on 20 September 2024 the sealed Order has been lodged with the Companies Commission of Malaysia:- (Cont'd)

(c) Bendera Shipping Agencies Sdn. Bhd. ("Plaintiff") vs AMSB ("Defendant")

On 2 August 2021, the Plaintiff filed a legal suit against the Defendant claiming for the sum of RM1,813,424 from the Defendant, being the payment due and owing based on the invoices issued by the Plaintiff to the Defendant pursuant to the logistics and agency services rendered.

The Plaintiff subsequently filed an application for summary judgment on 7 September 2021. In light of the Restraining Order, the hearing of the summary judgment application was adjourned by the court pending the lapse of the Restraining Order. On 28 October 2024, the Court has fixed a case management on 4 November 2024 on the status of the AMSB's Scheme of Arrangement Order which was granted on 4 September 2024 and lodged with Companies Commission of Malaysia on 20 September 2024.

For information purposes, the outstanding amount due and owing by the Defendant to the Plaintiff will be settled via the Proposed Debt Restructuring/Scheme of Arrangement.

(d) Eastern Distinction Sdn. Bhd. ("Plaintiff") vs AMSB ("Defendant")

On 30 September 2020, the Plaintiff filed a legal suit against the Defendant claiming for the sum of RM611,800 from the Defendant, being the amount due and owing to the Plaintiff pursuant to the offshore catering and associated services rendered by the Plaintiff for 2 of the projects of the Defendant.

In light of the Restraining Order, the matter was adjourned by the court pending the lapse of the Restraining Order. On 28 October 2024, the Court has fixed a case management on 4 November 2024 on the status of the AMSB's Scheme of Arrangement Order which was granted on 4 September 2024 and lodged with Companies Commission of Malaysia on 20 September 2024.

For information purposes, the outstanding amount due and owing by the Defendant to the Plaintiff will be settled via the Proposed Debt Restructuring/Scheme of Arrangement.

(e) F. H. Bertling Projects Logistics Sdn. Bhd. ("Plaintiff") vs AMSB ("Defendant")

On 14 May 2020, the Plaintiff filed a legal suit against the Defendant claiming for the sum of RM4,752,771 and all other unpaid invoices issued, expenses due and owing to the Plaintiff since 18 February 2020 pursuant to a letter of award dated 7 November 2019 for the provision of transportation services for rigid line pipes. As at the date of this report, in light of the Restraining Order, the case management for this matter is fixed on 15 November 2024.

For information purposes, the outstanding amount due and owing by the Defendant to the Plaintiff will be settled via the Proposed Debt Restructuring Scheme of Arrangement/Scheme of Arrangement.

36. MATERIAL LITIGATION (CONT'D)

(ii) Matters which are not part of the Proposed Debt Restructuring

(a) Vestigo Petroleum Sdn. Bhd. ("VPSB") vs AMSB

(i) Setting Aside Application: VPSB ("Plaintiff") against AMSB ("Defendant")
(ii) Enforcement Application: AMSB ("Plaintiff") against VPSB ("Defendant")
(iii) Stay Application: VPSB ("Plaintiff") against AMSB ("Defendant")

AMSB was appointed by VPSB to carry out works for a project in relation to the provision of engineering, procurement, construction, installation and pre-commissioning of pipeline system ("Project"). The dispute between AMSB and VPSB was referred to adjudication wherein AMSB claimed for the costs incurred by AMSB pursuant to the variation orders and the payment of outstanding invoices in respect of the work done by AMSB under the Project.

On 27 December 2022, AMSB obtained an adjudication decision against VPSB to pay the following sum ("Adjudication Decision"):-
i. RM7,347,347 for rectification works;
ii. RM2,207,177 and USD936,242 for rectification works;
iii. USD1,450,603 for invoice dated 19 May 2021;
iv. RM200,897 for invoice dated 24 November 2020; and
v. RM478,826 for invoice dated 2 February 2021

On 31 January 2023, VPSB filed the Setting Aside Application to set aside the Adjudication Decision.

On 16 February 2023, AMSB filed the Enforcement Application to enforce the Adjudication Decision.

On 28 November 2023, VPSB filed the Stay Application to stay the Adjudication Decision pending the disposal of an arbitration commenced by VPSB against AMSB pursuant to a Notice of Arbitration dated 15 December 2022 ("NOA").

As at the date of this report, the hearing of the Setting Aside Application, the Enforcement Application and the Stay Application is fixed on 8 November 2024.

(iv) Arbitration matter between VPSB ("Claimant") and AMSB ("Respondent")

Pursuant to the NOA dated 15 December 2022, the dispute between VPSB and AMSB was referred to arbitration wherein VPSB is claiming for, amongst others:-

(1) a declaration that AMSB is not entitled to claim from VPSB the costs incurred for the rectification works carried out by AMSB under the Project;

(2) a declaration that AMSB is liable to pay VPSB incidental costs incurred by VPSB amounting to USD1,615,078 due to the extension of the mechanical completion date of the Project; and

(3) alternatively, an order for AMSB to pay VPSB liquidated damages amounting to USD5,864,917 or USD4,662,609 or any amount deemed fit by the tribunal by reason of late performance by AMSB.

36. MATERIAL LITIGATION (CONT'D)

(ii) Matters which are not part of the Proposed Debt Restructuring (Cont'd)

(a) Vestigo Petroleum Sdn. Bhd. ("VPSB") vs AMSB (Cont'd)

(iv) Arbitration matter between VPSB ("Claimant") and AMSB ("Respondent") (Cont'd)

AMSB had subsequently responded to VPSB on 16 January 2023 and made counterclaims against VPSB to claim for, amongst others:-

(1) the payment of the sums of RM12,420,881 and USD1,217,115 respectively for the rectification works carried out by AMSB under the Project; and

(2) the payment of the sums of RM679,722 and USD1,466,229 respectively, being the payments due and owing based on the invoices issued by AMSB to VPSB.

As at the date of this report, in light of the Restraining Order, the arbitration proceedings could not proceed until the Restraining Order lapses.

The solicitors for AMSB are of the opinion that AMSB has a reasonable chance of success in defending the claims by VPSB and in pursuing its counterclaims against VPSB in the arbitration proceedings.

For information purposes, as at the date of this report, the parties are negotiating an amicable settlement in respect of the litigation and arbitration matters between VPSB and AMSB.

(b) John Albert D'Lima ("JADL") vs AMLI and Workboat International DMCCO ("WIDMCCO")

(i) Panama First Maritime Court Auto No. 95 del 14 de marzo de 2024 by Plaintiff and WIDMCCO against AMLI; and

(ii) Arbitration matter between the Plaintiff and the Defendants

On 28 August 2016, WIDMCCO, a joint venture company incorporated in the United Arab Emirates, entered into a memorandum of agreement with AMLI for the disposal of a vessel, WBI Trinity, for a consideration of USD7,500,000 ("WBI Trinity Disposal").

JADL, the former managing director of WIDMCCO, subsequently sought to unwind the WBI Trinity Disposal.

On 8 January 2018, WIDMCCO and JADL filed a legal suit against AMLI in the First Maritime Court of Panama ("Panama Court") claiming for an aggregate sum of USD9,647,218, being the end of service benefits owed for the termination of JADL's employment, the advances given by JADL to WIDMCCO during his tenure as the managing director of WIDMCCO, the purchase consideration of the WBI Trinity Disposal and the legal fees relating to his claim. The Panama Court had on 7 November 2019 decided in favour of WIDMCCO and JADL ("Panama Court Decision").

36. MATERIAL LITIGATION (CONT'D)

(ii) Matters which are not part of the Proposed Debt Restructuring (Cont'd)

(b) John Albert D'Lima ("JADL") vs AMLI and Workboat International DMCCO ("WIDMCCO") (Cont'd)

(ii) Arbitration matter between the Plaintiff and the Defendants (Cont'd)

AMLI subsequently appealed against the Panama Court Decision. The Maritime Court of Appeals of Panama ("Panama Court of Appeals") had on 2 September 2020 revoked the Panama Court Decision and decided that it was not the proper forum for the said dispute to be ventilated and made an order for the dispute to be referred to arbitration in Kuala Lumpur, Malaysia.

Pursuant to a notice of arbitration dated 11 September 2020, JADL referred the dispute to arbitration in Kuala Lumpur claiming for an aggregate sum of USD3,947,218 against WIDMCCO and/or AMLI, being the advances given by JADL to WIDMCCO during his tenure as the managing director of WIDMCCO and the proceeds of WBI Trinity Disposal agreed by the then existing directors of WIDMCCO.

On 6 July 2023, AMLI filed a motion to uplift the injunction registered on the Certificate of Registry of WBI Trinity in Panama, originally lodged by JADL in 2018 after the vessel sale dispute arose but the said motion was dismissed by the Panama Court.

In view of the fact that JADL did not initiate arbitration proceedings in Kuala Lumpur within the 2-year limited under the laws of Panama, the Panama Court had on 13 July 2023 ruled to re-acquire jurisdiction over this matter and granted JADL and WIDMCCO a 30-day period to formally and properly initiate arbitration proceedings in Kuala Lumpur upon notification.

On 3 August 2023, the Panama Court ordered JDL and WIDMCCO to proceed with the arbitration proceedings in Kuala Lumpur within 30 days from the acceptance of the court order ("Panama Court Order").

On 4 October 2023, JADL served the notice of arbitration dated 11 September 2020 to WIDMCCO in Kuala Lumpur. On 27 October 2023, the solicitors for AMLI and WIDMCCO responded and contended that the arbitration initiated in Kuala Lumpur was not in compliance with the Panama Court Order.

On 21 December 2023, AMLI filed another motion to uplift the injunction registered on the Certificate of Registry of WBI Trinity in Panama but the said motion was again dismissed by the Panama Court. The Panama Court had also ruled to re-acquire jurisdiction over this matter and to decide the merits of the claim in Panama given that the claim was not litigated in Kuala Lumpur.

As at the date of this report, AMLI has not received any official reply from JDL pertaining to the arbitration despite numerous follow-ups.

The solicitors for AMLI are of the opinion that JADL does not have a good claim under the Notice of Arbitration dated 11 September 2020 and a negative outcome is most probable.

NOTES TO THE FINANCIAL STATEMENTS

37. COMPARATIVE FIGURES

The following figures have been adjusted and reclassified:-

	As Previously Reported RM	Prior year adjustments RM (i)	Reclassification RM (ii)	As Restated RM
The Group				
30.6.2023				
Consolidated Statement of Financial Position (Extract):-				
Non-current assets				
Property, vessels and equipment	41,855,694	(653,299)	-	41,202,395
Investment properties	1,117,119	1,020,467	-	2,137,586
Current assets				
Trade and other receivables	61,528,844	2,807,091	(2,266,685)	62,069,250
Contract assets	66,653,992	3,618,955	2,266,685	72,539,632
Equity				
Accumulated losses	492,720,951	(2,757,376)	-	489,963,575
Non-controlling interests	6,349,953	(1,638,454)	-	4,711,499
Non-current liabilities				
Loan and borrowings	(2,649,341)	377,188	-	(2,272,153)
Current liabilities				
Loan and borrowings	(109,618,668)	(90,320)	-	(109,708,988)
Trade and other payables	(175,271,531)	(2,684,252)	-	(177,955,783)
Consolidated Statement of Comprehensive Income and Other Comprehensive Income (Extract):-				
Revenue	310,603,419	1,348,901	299,536	312,251,856
Cost of sales	(300,916,771)	(1,264,427)	-	(302,181,198)
Other income	64,361,335	2,474,819	(559,322)	66,276,832
Other expenses	(26,187,051)	(605,000)	259,786	(26,532,265)
Finance costs	(7,665,674)	2,305,204	-	(5,360,470)

37. COMPARATIVE FIGURES (CONT'D)

The following figures have been adjusted and reclassified:- (Cont'd)

	As Previously Reported RM	Prior year adjustments RM (i)	Reclassification RM (ii)	As Restated RM
The Group				
30.6.2023				
Consolidated Statement of Cash Flows (Extract):-				
Net cash used in operating activities	(17,593,324)	3,139,529	-	(14,453,795)
Net cash generated from investing activities	34,471,294	159,783	-	34,631,077
Net cash generated from financing activities	6,187,644	(2,085,695)	-	4,101,949
Effect of foreign exchange translation	-	(1,213,617)	-	(1,213,617)

	As Previously Reported RM	Prior year adjustments RM (i)	Reclassification RM (ii)	As Restated RM
The Group				
30.6.2022				
Consolidated Statement of Financial Position (Extract):-				
Non-current assets				
Property, vessels and equipment	70,409,504	(2,357,157)	-	68,052,347
Investment properties	1,130,083	1,062,564	-	2,192,647
Current assets				
Trade and other receivables	132,205,089	1,790,226	(1,565,815)	132,429,500
Contract assets	6,762,630	2,379,429	1,565,815	10,707,874
Equity				
Accumulated losses	507,890,042	1,502,121	-	509,392,163
Non-controlling interests	5,161,616	(1,638,454)	-	3,523,162
Non-current liabilities				
Loan and borrowings	(2,951,410)	372,937	(62,986)	(2,641,459)
Current liabilities				
Loan and borrowings	(108,736,277)	(2,171,764)	62,986	(110,845,055)
Trade and other payables	(229,285,683)	(939,902)	-	(230,225,585)

37. COMPARATIVE FIGURES (CONT'D)

The following figures have been adjusted and reclassified:- (Cont'd)

	As Previously Reported RM	Prior year adjustments RM (i)	Reclassification RM (ii)	As Restated RM
The Company				
30.6.2023				
Statement of Financial Position (Extract):-				
Equity				
Accumulated losses	499,950,899	929,128	-	500,880,027
Current liabilities				
Loan and borrowings	(52,055,248)	(942,043)	-	(52,997,291)
Trade and other payables	(12,578,823)	12,915	-	(12,565,908)
Statement of Comprehensive Income and Other Comprehensive Income (Extract):-				
Other income	3,393,758	(219,510)	-	3,174,248
Finance costs	(3,349,170)	219,510	-	(3,129,660)
Net impairment losses on financial assets	(189,667,074)	219,510	-	(189,447,564)

37. COMPARATIVE FIGURES (CONT'D)

The following figures have been adjusted and reclassified:- (Cont'd)

	As Previously Reported RM	Prior year adjustments RM (i)	Reclassification RM (ii)	As Restated RM
The Company				
30.6.2022				
Consolidated Statement of Financial Position (Extract):-				
<u>Equity</u>				
Accumulated losses	307,777,633	1,148,638	-	308,926,271
<u>Current liabilities</u>				
Loan and borrowings	(55,818,377)	(942,043)	-	(56,760,420)
Trade and other payables	(8,889,289)	(206,595)	-	(9,095,884)

(i) Prior year adjustments are in respect of various misstatements incurred in prior financial periods. Accordingly, the consolidated financial statements of the Group and the financial statements of the Company for the end of the preceding period, 30 June 2023 and the beginning of the preceding period, 1 July 2022 have been restated.

(ii) The comparative figures have been reclassified to conform with current year presentation.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALAM MARITIM RESOURCES BERHAD

(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Disclaimer of Opinion

We were engaged to audit the financial statements of Alam Maritim Resources Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 117 to 209.

We do not express an opinion on the accompanying financial statements of the Group and of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Going concern

   As disclosed in Note 3.3 to the financial statements:

   During the financial year ended 30 June 2024, the Group's and the Company's current liabilities exceeded their current assets by RM47,197,406 and RM49,502,664 respectively and recorded a capital deficiency of RM25,459,282 and RM49,502,664 respectively. The Group and Company also recorded a negative operating cash flow of RM14,524,679 and RM15,462,680 respectively during the financial year ended 30 June 2024.

   On 31 October 2022, the Company announced that it became an Affected Listed Issuer pursuant to Practice Note 17 ("PN 17") of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") for the Main Market.

   These events or conditions indicate existence of material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.

   Nevertheless, the financial statements of the Group and of the Company have been prepared by the directors on a going concern basis, the validity of which is highly dependent on the successful implementation of the Proposed Regularisation Plan and Proposed Debt Restructuring Plan by the directors in responding to the conditions above.

Basis for Disclaimer of Opinion (Cont'd)

1. Going concern (Cont'd)

   In view of the matters set out above, there are material uncertainties involving the approval by various parties and successful implementation of the Proposed Regularisation Plan and Proposed Debt Restructuring Plan, including sufficiency of funding support and possible monetisation of assets of the Group that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. Accordingly, we have not been able to obtain sufficient and appropriate audit evidence to ascertain the appropriateness of the preparation of the financial statements of the Group and of the Company on a going concern basis.

2. Opening balances for financial year ended 30 June 2024

   We were appointed as auditors of the Group and the Company on 12 July 2024 for the financial year ended 30 June 2024. In accordance with International Auditing Standards 510 *Initial Audit Engagements – Opening Balances*, we are required to determine whether the opening balances contain misstatements that materially affect the current period's financial statements.

   The financial statements of the Group and of the Company for the financial year ended 30 June 2023 and financial period ended 30 June 2022 were audited by another firm of Chartered Accountants. Their reports dated 28 October 2022 and 18 October 2023 included disclaimer opinion. These opinion highlighted that the predecessor auditors were unable to obtain sufficient and appropriate audit evidence on property, vessels and equipment, contract assets, other receivables, bank balances, trade and other payables, investment in joint ventures, loans and borrowings, revenue, cost of sales, other income, non-controlling interests, amounts owing from subsidiaries, inter-company balances and consolidated and equity accounted unaudited subsidiaries, associates and joint ventures.

   We were unable to obtain sufficient and appropriate audit evidence to verify the accuracy, existence and completeness and determine whether the following accounting balances as at 30 June 2023 and 30 June 2022/1 July 2022 respectively, and for the respective corresponding financial years then ended contain material misstatements:

   (i) As disclosed in Note 13 to the financial statements, the Group's trade and other receivables amounted to RM62,069,250 (1 July 2022: RM132,429,500).

      - Included in these balances are other receivables balance of RM11,821,068 and RM29,494,567 as at 30 June 2023 and 30 June 2022/1 July 2022, respectively, for which we have not received sufficient and appropriate evidence on the recoverable amount determined, and unreconciled balances arising from inter-company reconciliation that have not been eliminated, amounted to RM3,886,963 as at 30 June 2022/1 July 2022.
      - The amount due from joint ventures amounted to RM17,379,059 and RM35,336,533 as at 30 June 2023 and 30 June 2022/1 July 2022, respectively.

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Basis for Disclaimer of Opinion (Cont'd)

2. Opening balances for financial year ended 30 June 2024 (Cont'd)

   We were unable to obtain sufficient and appropriate audit evidence to verify the accuracy, existence and completeness and determine whether the following accounting balances as at 30 June 2023 and 30 June 2022/1 July 2022 respectively, and for the respective corresponding financial years then ended contain material misstatements: (Cont'd)

   (ii) As disclosed in Note 19 to the financial statements the Group's trade and other payables amounted to RM177,955,783 (1 July 2022: RM230,225,585).

   - The trade payables amounted to RM25,299,903 and RM80,530,661 as at 30 June 2023 and 30 June 2022/1 July 2022, respectively.
   - The amount due to joint ventures amounted to RM71,188,884 and RM130,521,460 as at 30 June 2023 and 30 June 2022/1 July 2022, respectively.
   - The amount due to associates amounted to RM11,256,127 and RM5,090,409 as at 30 June 2023 and 30 June 2022/1 July 2022, respectively.

   (iii) The cash and bank balances of the Group as at 30 June 2022/1 July 2022 amounted to RM42,277,837. As at the date of the report, we have not received sufficient and appropriate evidence on the bank reconciliation items on the bank balances amounted to RM9,215,747.

   (iv) As disclosed in Note 21 to the financial statements, the Group's costs of sales for the financial year ended 30 June 2023 amounted to RM302,181,198 in which we have not been able to obtain sufficient and appropriate audit evidence concerning the amount.

   (v) As disclosed in Note 22 to the financial statements, included in other income for the financial year ended 30 June 2023 is an amount of RM60,619,083 being other income recognised arising from the Group's exercise on reconciling major balances in the financial position of the Group in which the appropriateness, nature and validity cannot be reliably determined.

   (vi) As disclosed in Note 5 and Note 13 to the financial statements, the costs of investment in subsidiaries and amount due from subsidiaries of the Company as at 30 June 2022/1 July 2022 amounted to RM Nil and RM197,501,799, respectively, as at the end of the financial period. The Company has impaired the cost of investment in subsidiaries but has not yet completed its impairment assessment to determine the recoverability of the amount due from subsidiaries.

   (vii) The truth and fairness of accumulated losses balance as at 30 June 2022/1 July 2022 of the Group and the Company amounted to RM509,392,163 and RM308,926,271 respectively.

   (viii) The truth and fairness of accumulated losses balance as at 30 June 2023 of the Group and the Company amounted to RM489,963,575 and RM500,880,027 respectively.

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Basis for Disclaimer of Opinion (Cont'd)

2. Opening balances for financial year ended 30 June 2024 (Cont'd)

   Accordingly, we have not been able to obtain sufficient and appropriate audit evidence concerning these balances. Therefore, we could not determine the effect of adjustment, if any, on the financial statements of the Group and of the Company as at 30 June 2023 and 30 June 2022/1 July 2022 respectively or on its financial performance for the corresponding financial years then ended respectively.

   Since the opening amount of the above balances affects the determination of the results of operations, we are unable to determine whether any adjustment to the results of the operations and retained earnings might be necessary for the previous financial year ended 30 June 2023 and financial period ended 30 June 2022/1 July 2022.

   Our opinion on the current year's financial statements is also modified because of the possible effect of these matters on the comparability of the current year's figures and the corresponding figures.

3. Current period's account balance

   We were unable to obtain sufficient and appropriate audit evidence to verify the accuracy, existence and completeness and determine whether the following accounting balances as at 30 June 2024 and for the financial year then ended contain material misstatements:

   (i) As disclosed in Note 13 to the financial statements, the Group's trade and other receivables as at 30 June 2024 amounted to RM92,110,315.

   - Included in these balances are other receivables balance of RM8,322,045 as at 30 June 2024, for which we have not received sufficient and appropriate evidence on the recoverable amount determined, and unreconciled balances arising from inter-company reconciliation that have not been eliminated, amounted to RM1,600,162 as at 30 June 2024.
   - The amount due from joint ventures amounted to RM31,671,098 as at 30 June 2024.

   (ii) As disclosed in Note 19 to the financial statements the Group's trade and other payables as at 30 June 2024 amounted to RM174,350,692.

   - The trade payables amounted to RM18,509,305 as at 30 June 2024.
   - The amount due to joint ventures amounted to RM54,107,202 as at 30 June 2024.
   - The amount due to associates amounted to RM10,739,650 as at 30 June 2024.

   (iii) As disclosed in Note 21 to the financial statements, the Group's costs of sales for the financial year ended 30 June 2024 amounted to RM324,611,310 in which in which we have not been able to obtain sufficient and appropriate audit evidence concerning the amount.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF **ALAM MARITIM RESOURCES BERHAD**

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Basis for Disclaimer of Opinion (Cont'd)

3. Current period's account balance (Cont'd)

    (iv) As disclosed in Note 22 to the financial statements, included in other income for the financial year ended 30 June 2024 is an amount of RM2,195,440 being other income recognised arising from the Group's exercise on reconciling major balances in the financial position of the Group in which the appropriateness, nature and validity cannot be reliably determined.

    (v) The truth and fairness of accumulated losses balance as at 30 June 2024 of the Group and the Company amounted to RM468,998,368 and RM492,170,067 respectively.

    Accordingly, we have not been able to obtain sufficient and appropriate audit evidence concerning these balances. Therefore, we could not determine the effect of adjustment, if any, on the financial statements of the Group as at 30 June 2024 or on its financial performance for the year then ended.

    Any adjustments or additional disclosures that may be necessary in respect of the above matters, including any related tax impact, may have a consequential significant impact on the financial position of the Group and of the Company as at 30 June 2024 and the financial results and cash flows of the Group and of the Company for the financial year then ended.

4. Limitation of scope on the audit of Subsidiaries, Associates Entities and Jointly Controlled Entities

    The list of subsidiaries, associates and joint ventures and of which we have not acted as auditors is disclosed in Notes 5, 6 and 7 to the financial statements respectively.

    The associates and joint ventures had been consolidated and equity accounted for in the Group's financial statement. We were unable to carry out our audit procedures per ISA 600, *Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors).* Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, and to issue an auditors' report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALAM MARITIM RESOURCES BERHAD

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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia ("Act"), we report that in our opinion:

(a) the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

(b) the accounting and other records for the matter as described in the *Basis for Disclaimer of Opinion* section have not been properly kept by the Company in accordance with the provision of the Act.

(c) we have not obtained all the information and explanations that we required.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Lou Hoe Yin
03120/04/2026 J
Chartered Accountant

Kuala Lumpur

29 October 2024

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