



**ALAM MARITIM RESOURCES BERHAD**

(Registration No. 200501018734 (700849-K))

**PROMISING**

*Horizon*



20  
ANNUAL REPORT **21-22**

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#### Cover Rationale



#### PROMISING HORIZON

The upstream sector of the oil and gas services industry endured an extremely challenging period. However, the onset of the unprecedented COVID-19 virus pandemic derailed not just the upswing in industry momentum, but also global economic growth and activity.

The Alam Maritim Resources Berhad (“AMRB”) and its subsidiaries (collectively referred to as “the Group”), led by a reconstituted Board and supported by a highly dedicated and experienced management team, the Group deftly negotiated the most difficult period in its corporate history and emerged with its growth potential intact.

Having successfully ploughed through the wake of the unprecedented downturn, the Group is now more robust than ever to reap the benefits of a recovery of the industry.

As we continue to operate in the dynamic oil and gas industry, five basic Corporate Philosophy (iCARE) hold critical to the way we operate:

- INTEGRITY
- COMPLIANCE TO REQUIREMENTS
- ACCOUNTABILITY
- RIGHT RESULTS
- ENGAGEMENT



# 04

S e c t i o n

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# 17

T H  
A N N U A L  
G E N E R A L  
M E E T I N G

### VENUE

Broadcast Venue,  
Multipurpose Hall,  
No. 38C, Level 1,  
Jalan Radin Anum,  
Bandar Baru Sri Petaling,  
57000 Kuala Lumpur.  
(Fully Virtual Meeting)

### DATE

Wednesday,  
14 December 2022

### TIME

10.00 a.m.



This annual report  
is available on the web at  
[www.alam-maritim.com.my](http://www.alam-maritim.com.my) or  
[http://www.alam-maritim.com.  
my/AMRB2022/](http://www.alam-maritim.com.my/AMRB2022/)

or you can scan here to download



01  
Section

INVESTOR

INFORMATION



428.593

1,538.78

-58.

0.01

-0.00

37,492.43

+4.58

201.55

19,56.90

1,097.95

+9.42

0.00

26,717.43

7,534.44

12,512.54

28,875.56

26,465.54

28,161.92

26,465.54

198.45



## 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



## SHARE VALUES

### TRUST

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

### 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.

### TENACITY

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

### TRANSPARENCY

Clear, open and frank in all undertakings.

# CORPORATE PHILOSOPHY



**i**

## 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 practice 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.

**C**

## COMPLIANCE TO REQUIREMENTS



**I perform and deliver the required results with discipline**

Compliance to Requirements is to execute one's job performance and to deliver results at the required level of competence as per set rules, regulations and standards. It is to not just deliver excellence, but to abide by standard operating procedures and best practices to deliver a measure of confidence and assurance to all internal stakeholders and customers.

**A**

## ACCOUNTABILITY



**I take full responsibility of the results I produced**

To take full ownership of one's action and decisions as per one's role in the organisation. To not pass the buck, but to clearly accept responsibility where and when warranted. This includes work performance, instructions and information relayed to colleagues and stakeholders.

**R**

## RIGHT RESULTS



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

To work towards high competence, 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.

**E**

## ENGAGEMENT



**I engage all levels and be committed in what I do**

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.

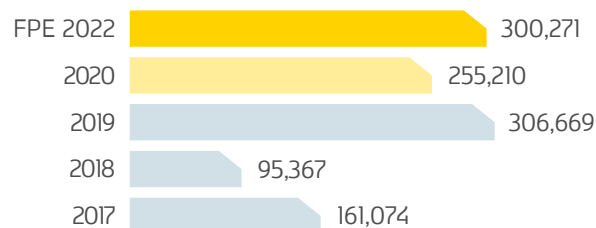
# 5-YEAR GROUP FINANCIAL HIGHLIGHT

## FINANCIAL RESULTS

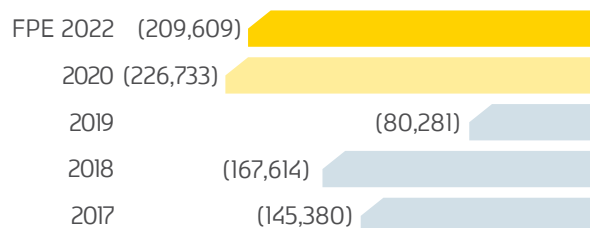
	FPE 2022 RM'000	2020 RM'000	2019 RM'000	2018 RM'000	2017 RM'000
Revenue (RM'000)	300,271	255,210	306,669	95,367	161,074
Loss after Tax (RM'000)	(209,609)	(226,733)	(80,281)	(167,614)	(145,380)
Net (Liabilities) / Assets (RM'000)	(72,791)	127,149	327,201	398,425	593,643
Basic Earning Per Share (RM)	(0.142)	(0.183)	(0.084)	(0.185)	(0.158)
Net Assets Per Share (RM)	(0.04)	0.17	0.82	0.43	0.64



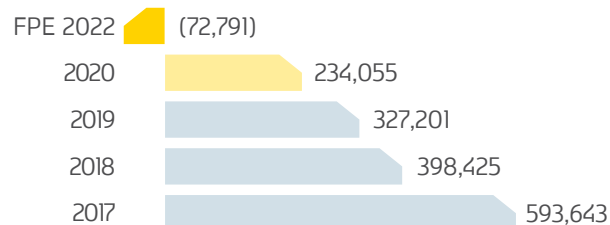
### Revenue (RM'000)



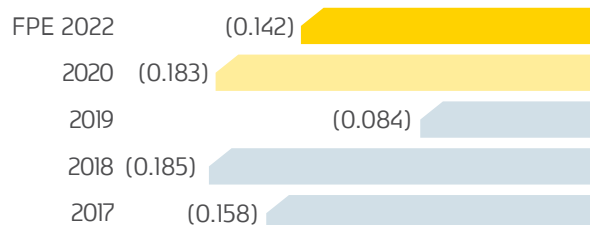
### Loss after Tax (RM'000)



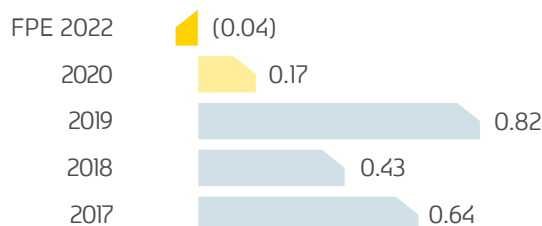
### Net (Liabilities) / Assets (RM'000)



### Basic Earning Per Share (RM)



### Net Assets Per Share (RM)





“

Our strong track record in Subsea and OIC puts us in a highly advantageous position moving forward given the high technical and proven track record requirements as barrier to entry for these segments.

”





02  
Section

**MANAGEMENT  
REPORTS**



# CHAIRMAN'S STATEMENT



REVENUE

**RM300.24**

Million

FINA NORHIZAH BINTI HAJI BAHARU ZAMAN  
Chairman

“

## DEAR SHAREHOLDERS

On behalf of the Board of Directors (“Board”) and the management team (“Management”) of Alam Maritim Resources Berhad (“AMRB”) and its subsidiaries (collectively referred to as “the Group”), I hereby present our Annual Report and audited financial performance for the financial period ended 30 June 2022 (“FPE2022”).

”



## CHAIRMAN'S STATEMENT

With the 4-year cyclical downturn in the oil and gas industry coming to an end in 2019, a significant recovery was then expected to be in sight for the industry. However, the inflicted adversities subsequently brought about by the COVID-19 pandemic on the global socioeconomic environment, Malaysia and the oil and gas sector worldwide saw this recovery momentum disrupted. Continued slowdown of industrial activities and output saw crude oil demand for refining and

### RETURNING VALUE TO SHAREHOLDERS

Along with the prolonged downturn since 2015 and further exacerbated by the inefficiencies as a result of the COVID-19 pandemic, this period of lack of tenders called, contracts awarded, delays in execution of projects, as well as the overhang in low charter rates throughout up to 2021, provided an extremely difficult environment for AMRB. AMRB also experienced delays in the vessels' drydocking



REGISTER  
INCOME

**RM363.64**  
Million



production of petrochemicals significantly drop. In Malaysia, these reduced activities were also impacted by the cautionary approach of oil and gas majors in the wake of the pandemic. The oil and gas industry's recovery continued to be impeded multiple times in FPE2022, by movement restrictions, the slow but steady vaccination rollouts across the globe.

When the Organisation of the Petroleum Exporting Countries ("OPEC") and OPEC+ enacted supply cuts and quota disciplines in the early months of 2021, the oil and gas industry saw a slow rebound of the oil price alongside the gradual resumption of economic activities going into 2022. This was shown in the first half of 2022 which saw oil prices reaching a strong price range of between USD78 per barrel to around USD123 per barrel. The continued unpredictable global oil price fluctuations in 2022, which have been mostly positive, managed to ease some of AMRB's oil and gas operational challenges by providing a generally healthy oil market landscape.

completion due to strict COVID-19 guidelines imposed by authorities. The COVID-19 pandemic also caused AMRB to incur additional costs i.e. quarantine for vessels and personnel in managing possible risk exposure to the pandemic, and providing a COVID-free green bubble environment at AMRB's office.

The Group recorded a revenue of RM277.89 million for FPE2022 (an eighteen-month period as the Group had changed its financial year end to 30th June as at 2022). However, amidst turbulence in FPE2022's operating environment, we still managed to steadily register income from our current order book of RM363.64 million.

## CHAIRMAN'S STATEMENT

Nevertheless, the critical need for the turnaround has been absolutely essential for the sustainability of our business. As part of our effort, the Group initiated a corporate debt restructuring exercise in 2021 with its acceptance into the Corporate Debt Restructuring Committee ("CDRC") on 21 May 2021. This was part of the Group's proactive effort to reposition itself, restructure the business and its finances under the new management leadership of Encik Shamsul bin Saad as Deputy Group Chief Executive Officer/ Executive Director. This exercise has also included a revamp of the leadership from the Chief Operating Officer to the Offshore Support Vessel ("OSV") Division and the Offshore Installation & Construction ("OIC") Division as well as all supporting services within the Group. Along with the ongoing corporate debt restructuring, this Management team is also currently revamping the business structure by reducing the fleet size to less than half for more streamlined and standardized OSV operations. The revamp includes a drive towards a more business-focused, efficient and strong merit-based organization culture. Towards this end, the management has carried out a staff rationalisation exercise based on needs, capabilities and infusion of new personnel at every level.

Our long-term fixed charter rates have mostly been renegotiated upward with better terms especially going into 2022. The Subsea segment is experiencing higher organic growth with the pent-up demand for more work that was postponed due to the pandemic. As for OIC, we are focused on fortifying operational and project management capabilities to undertake new jobs coming through. Our strong track record in Subsea and OIC puts us in a highly advantageous position moving forward given the high technical and proven track record requirements as barrier to entry for these segments.

Our efforts at positioning ourselves ahead of the industry have continued to remain successful with the integration of new proprietary technology into these segments. The successful implementation of the Zap-Lok™ technology in the recently completed Tembikai Non-Associated Gas ("TNAG") project, the country's pioneer Zap-Lok™ project, has proven to be the way forward for clients looking at reducing substantial costs and time in undertaking to pipelay project using this advanced underwater connection technology.

The unprecedented operating environment in FPE2022 had also required AMRB's Board and Management to proactively address the risks that may appear. Hence, all the above implementation of actions are the absolute necessities for the Group to move forward and be sustainable in the long run.

“

Our efforts at positioning ourselves ahead of the industry have continued to remain successful with the integration of new proprietary technology into these segments.

”





### STRONG HEALTH AND SAFETY AND CORPORATE GOVERNANCE

AMRB continues to distinguish itself among industry peers as a leader for Health, Safety, Security and Environmental (“HSSE”) performance in all of its projects. This has become more vital given the COVID-19 pandemic’s emergence since 2020, which continued into FPE2022. The Board and Management have therefore maintained strong oversight and prioritization of employees’ health and safety as a top material agenda for the Group.

We continue to observe and implement strict government-sanctioned Standard Operating Procedures (“SOPs”) and obligations across the Group to preserve the workplace’s health and safety status. These include frequent health inspections, periodic reminders on pandemic awareness, and discussions on COVID-19 statistics to better understand the status of the virus and how it may affect the Group and its people. We also strongly encouraged our employees and workers to receive their vaccinations in compliance with government directives. We monitor their vaccination statuses and vaccine digital certifications in an internal portal to ensure transparency.

Decades of operating excellence have also shown us that a strong, permeating organizational culture that extolls shared values goes a long way in powering the Group’s performance at all hierarchical levels. This is why we go above and beyond in upholding and propagating our iCARE corporate principles, which encapsulate our time-tested shared organizational values of excellence. These shared values cultivate a working culture that emphasizes Quality, Health, Safety, Security and the Environment (“QHSSE”) in work productivity and behaviour.

QHSSE is one of the key ways we effectively monitor and enhance productivity and overall Group performance, which is supplemented by implementing the Key Performance Index (“KPI”) and Balance Scorecards indicators. These performance indicators are fundamental in analyzing and tracking performance to informed strategic decisions. In this vein, we reached a total of 9,509 million man-hours without a Loss Time Incident (“LTI”) in FPE2022 with zero workplace fatalities. We also garnered several awards which were received by the crew for their outstanding vessel performance.

In cascading excellent organizational culture across AMRB, we also continued bolstering our corporate governance, primarily done through the application of our Anti-Bribery and Anti-Corruption (“ABAC”) policy as well as related governance policies that continue to protect the human rights of our employees. More details on QHSSE performance and corporate governance are found in this report’s ‘Sustainability Statement’ section.



MAN-HOURS  
WITHOUT A LTI

**9.509**  
Million



Decades of operating excellence have also shown us that a strong, permeating organizational culture that extolls shared values goes a long way in powering the Group’s performance at all hierarchical levels.



## CHAIRMAN'S STATEMENT



### WORLD OIL DEMAND FORECAST

**99.7**

Million barrels per day  
in 2022

### OUTLOOK AND PROSPECTS

Demand for oil and gas commodities are also expected to stabilize and strengthen through the rest of 2022 and heading into 2023, despite the unpredictable global events that have emerged, chiefly the ongoing Russia-Ukraine conflict as well as inflation in many countries. In fact, according to International Energy Agency (“IEA”)’s latest August 2022 oil market report, the rising oil use for power generation and gas-to-oil switching are boosting demand, raising the IEA’s estimates for 2022 global demand growth by 380,000 barrels per day, to 2.1 million barrels per day. World oil demand is now forecasted at 99.7 million and 101.8 million barrels per day in 2023.

This resounding positivity on oil prices surpassing pre-pandemic levels is welcomed, barring unforeseen circumstances. We also predict a similar positive outlook for the Malaysian oil and gas sector, where more upstream activities will ramp up going forward to meet rising demands. In fact, the PETRONAS Activity Outlook 2022-2024 forecasts a steady outlook for major oil and gas activities and opportunities.

Following these positive macro-outlooks, we believe our OSV segment will pick up and cause higher vessel utilization and an increase in our charter earnings in spite of the reduction our fleet size in 2022. We anticipate with the completion of our corporate and business restructuring exercise by mid-2023, the balance sheet of AMRB will be healthy with a strong fundamental structure moving forward. Post restructuring, we will be planning a fleet renewal exercise.

However, given AMRB’s value proposition as an integrated service provider, our focus is not solely on OSV business but to continue expanding and fortifying our OIC and Subsea segments to bolster business sustainability and growth prospect.

As the Subsea and OIC tenders have higher barrier of entry because of niche and quality expertise warranted in the industry, our continued business resilience allows us to better take advantage of related uptrends compared to our competitors. We firmly believe that major growth will come from this OIC sector, contributing to a revenue boost for the coming years. The growth in these segments will also be incentivized through an aggressive capture of innovation opportunities on multiple angles so that our operations remain relevant going forward. The drive to capture technology opportunities will also see us formulating strategic partnerships.

Given our corporate debt restructuring exercise, we remain determined to unlock better cash flow by bolstering our balance sheets. We hope to continue pursuing an asset-light status for the Group through viable joint ventures (“JVs”) to lessen capital expenditure (“CAPEX”) and liabilities. This will attract prospective investors and financiers to AMRB being a healthy financial entity. AMRB will also continue driving a holistic strategy toward business longevity by pursuing sustainability aspirations via Environmental, Social and Governance (“ESG”) material matters in its value chain.



## CHAIRMAN'S STATEMENT

“

AMRB remains confident of the financial year ended 2023 and its many prospects as we continue building upon our solid business foundation and stakeholder's support to create more value for all involved.

”



### A NOTE OF APPRECIATION

On behalf of the Board, I would like to convey my utmost appreciation to our directors for remaining steadfast and astute in leadership and decision-making abilities to navigate AMRB through the tumultuous landscape of FPE2022.

I wish to also reiterate the Board's heartfelt gratitude to Encik Shaharuddin bin Warno @ Rahmad, who has stepped down on 2 February 2021. The founder and a key figure of the Group since 1994, Encik Shaharuddin was fundamental to AMRB's growth and progress, especially in elevating AMRB to presently becoming the industry leader in the domestic upstream oil and gas. His leadership and guiding hand will be greatly missed, and we continue to pray for his health and bid him well in all his future endeavours.

I would also like to convey my deepest thanks and gratitude to Dato' Haji Ab Wahab who stepped down on 31 May 2022. The diligence and contribution Dato Wahab poured into AMRB's continued stability and fortitude in the industry has been invaluable to everyone at the Group. I wish Dato Wahab all the best in his future.

The Board and AMRB's management also warmly welcomed Executive Director Encik Shamsul Saad, appointed on 2 March 2021. Encik Shamsul was appointed Deputy Chief Executive Officer and is a member of the Board and a BRMC member. He brought with

him, his wealth of industry knowledge and experience and his leadership prowess, which will elevate further the quality standard of the Board.

I also wish to express my sincerest thanks to Management for consistently and diligently striving to achieve AMRB's operational and business aspirations in spite of the challenges further wrought by the pandemic and other external matters beyond the Group's control. Their persistent hard work, industriousness and fortitude paved the Group's path through its many operating challenges throughout the years. The Board and I would also like to thank our loyal shareholders, customers, business partners and all relevant stakeholders who continue to remain an invaluable facet of AMRB's journey. AMRB remains confident of the financial year ended 2023 and its many prospects as we continue building upon our solid business foundation and stakeholder's support to create more value for all involved.

**FINA NORHIZAH BINTI HAJI BAHARU  
ZAMAN**  
CHAIRMAN

# MANAGEMENT DISCUSSION & ANALYSIS

**DATUK AZMI AHMAD**

Group Managing Director / Group Chief Executive Director

“The Group strives to consistently maintain its competitive positioning when tendering for contracts by leveraging our exemplary HSSE track record and reliable operational capacity.”



## MANAGEMENT DISCUSSION & ANALYSIS

### BACKGROUND

Alam Maritim Resources Berhad (“AMRB”) is a first-tier service provider to the oil and gas industry. The Group commenced its business in 1998 when Alam Maritim (M) Sdn Bhd, a wholly-owned subsidiary of AMRB, began its operations which consist of supplying third-party Offshore Support Vessels (“OSVs”) either on the contract or callout basis (spot charter) to meet the needs and requirements of oil and gas players in Malaysia and around the Asian region.

Since then, AMRB has integrated its OSV business proposition with OIC and Subsea IRM (“Subsea”) operations to provide synergistic oil and gas solutions and capture a wide range of market opportunities in the industry.

The OIC and Subsea segments involve upstream-focused design and construction activities that constitute a wide range of maritime infrastructure. These activities include, but are not limited to, 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 (“ROVs”). This also includes the provision of various diving services, ROVs, saturation diving systems and other related systems.

Essentially, AMRB delivers a diversified and holistic value proposition that is unique, attractive and useful to oil and gas majors, beyond just relying on pure-play OSV contracts. This drives AMRB’s symbiotic business capabilities to pursue larger, more integrated tenders with higher revenues and earning margins.

The Group strives to consistently maintain its competitive positioning when tendering for contracts by leveraging our exemplary HSSE track record and reliable operational capacity.

### OVERVIEW

AMRB was treading the positive path to recovery during pre-pandemic years, even posting its first growth revenue in 4 years of RM306.67 million (221.57% higher year-on-year) in FY2019, while steadily building up our order book to RM727.22 million as of FY2019. The onset of the COVID-19 pandemic in FY2020 and its continued persistent in FPE2022 derailed our steady recovery



trajectory, however, as global economic growth and the upwards momentum in the oil and gas sector were upended. A worldwide black swan event, the pandemic’s wide-ranging detrimental effects have caused prolonged global economic contractions and down cycles not seen since the 2008-2009 global subprime crisis.

The oil and gas sector, where demand and supply dynamics are very much influenced by the level of global economic activities, was one of the worst-performing commodities with upstream activities particularly disrupted. In 2021, however, oil prices did begin to pick up again, reaching upwards of USD80 per barrel in October and November 2021.



**OIL PRICES IN  
OCTOBER &  
NOVEMBER 2021**

**USD80**  
per barrel

## MANAGEMENT DISCUSSION & ANALYSIS

“

All in all, the Group intends to remain resilient through its robust business model that sustained our fundamentally diverse and advantageous role as an integrated service provider in the oil and gas sector going forward.

”

Malaysia's oil and gas export demand continued to be negatively impacted by the ongoing trade conflicts between OPEC members and world leaders, as well as US-China trade deadlocks. PETRONAS and other oil and gas majors also continued to tread cautiously on exploration and production (“E&P”) activities, which included strategic delays of projects and other contractual decisions well into late 2021 which significantly affected upstream players.

COVID-19's presence exacerbated the depressed market as it made logistical operations more difficult for us. We thus experienced several delays in executing our projects, as well as incurred extra costs for us in regards to mitigating quarantine factors, bearing with the scarce availability of certain services, materials and products, prolonging the time taken to execute operations and remaining on standby for possible viral exposure caused by possible COVID-19 cases.

### MANAGEMENT STRUCTURAL REFORMATION

With the prolonged upstream downturn since 2015 and the hit of the COVID-19 pandemic between 2020-2021, the industry as a whole has been severely devastated. AMRB has not been spared; in fact, the OSV segment, being its largest core business, was the most affected by low demand and therefore lower charter rates and utilization. This combination of factors has put our finances and even operations in the most challenging of positions.

To ensure the sustainability of the business, drastic action had to be made both at the corporate finance level and with our business structure's fundamentals. However, despite tumultuous operating conditions, AMRB is in a unique position for transformation as it is not a pure-play OSV provider but integrated solution specialists in the high barrier of entry segments of Subsea and OIC. In this respect critical management decisions were made:

1. Financial and corporate restructuring via CDRC to reduce its debt burden to manageable levels and provide for healthy cashflow and balance sheet post-restructuring.
2. A structural revamp of the two (2) operational segments that needed to be more resilient to downturns in challenging times, namely, the OSV and the OIC segments.
3. A massive fleet reduction for OSV from the then 40 units to a planned 16-vessel fleet that will be more standardized to ensure a higher level of operability and maintenance quality assurance.
4. The 16-vessel fleet will be fully consolidated and acquired by AMRB.
5. Stronger business-focused operations and a higher quality of fleet management and crewing workforce for high-caliber OSV asset integrity and operations.
6. Much stronger project management and technical execution team to helm and operate the OIC division to provide for the step-growth possible from the lack of competition that AMRB faces in this segment.
7. An overall rationalization of total workforce

All in all, the Group intends to remain resilient through its robust business model that sustained our fundamentally diverse and advantageous role as an integrated service provider in the oil and gas sector going forward, which will allow us to not only differentiate but to pull away from pure-play OSV circles or hook-up and commissioning players.

## MANAGEMENT DISCUSSION & ANALYSIS

### KEY BUSINESS INDICATORS

#### Key Business Indicators

INDICATORS	FPE2022	FY2020	FY2019
Vessel utilisation rates	61%	33%	40%
Order book (RM '000)	363.64	150.63	727.22
Number of employees	154	184	163
Man-hours without LTI	9,509,550 hours*	6,111,547	3,688,451

\*(From 14 May 2018 – 30 June 2022)

#### Group Financial Indicators

(RM '000)	FPE2022	FY2020	FY2019
Revenue	300,271	255,210	306,669
Operating loss	(188,401)	(207,270)	(64,908)
EBITDA	(43,109,812)	(44,971)	9,926
Finance costs	(7,558)	(5,909)	(5,238)
Net profit / (loss) after taxation	(209,609)	(226,732)	(80,280)
Shareholders' equity	(72,791)	127,149	331,304
Total assets	269,696	366,456	649,030
Total liabilities	342,487	239,307	321,669
Borrowings	108,736	109,146	122,874
Debt / equity	1.49	0.86	0.36
Earnings per share	(14.2)	(18.3)	(8.4)
Net asset per share	0.04	0.17	0.82
Market capitalisation as at financial year ended	61,273	123,199	52,815

**Note:**

FPE2022 consists of the period of 18 months from 1 January 2021 to 30 June 2022.

FY2020 consists of a period of 12 months from 1 January 2020 to 31 December 2020.

FY2019 consists of a period of 12 months from 1 January 2019 to 31 December 2019.

## MANAGEMENT DISCUSSION & ANALYSIS

### REVENUE

AMRB posted revenue of RM300.27 million in FPE2022, a 8.9% increase from FY2020's revenue of RM255.21 million. Revenue from the OSV segment was reduced by 5.3% to RM50.98 million in FPE2022. The OSV segment was severely hampered by the inability to consolidate the financials of the joint ventures which the restructuring exercise will address.

OIC and Subsea segments' revenues were at RM222.89 million (20.4% increase year-on-year) respectively which were primarily reinforced by ongoing and completed OIC and Subsea works.

Our revenue performance displays AMRB's capacity to continue securing and delivering results on its projects despite the pandemic-caused economic contractions and oil and gas industry downturns. This performance fortifies our place in OIC and Subsea business segments that will ensure stronger business sustainability and growth.

REVENUE	FPE2022 (RM MILLION)	FY2020 (RM MILLION)	VARIANCE (%)
OSV (including management fees)	81.93	69.92	17.2
OIC and Subsea	208.14	185.29	12.3
Rental of equipment / Ship catering / Other shipping related income	10.20	-	100
<b>TOTAL REVENUE</b>	<b>300.27</b>	<b>255.21</b>	<b>17.7</b>

### EARNINGS

AMRB posted Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA") of -RM43.11 million in FPE2022 (FY2020: RM22.25 million).

We recorded a loss before taxation of RM189.95 million in FPE2022, a 58.9% year-on-year variance (FY2020: RM119.57 million).

### CAPITAL STRUCTURE, ASSETS, LIABILITIES & RESOURCES

As we continue adopting an asset-light strategy, AMRB has carried out the disposal of numerous ageing vessels and surplus vessels that have little probability in securing or servicing contracts. Our assets continue to far outweigh liabilities. Thus, going forward, shareholders can remain assured of the Group's capability of discharging its liabilities when appropriate.

ASSETS	FPE2022 (RM '000)
Non-current	87.92
Current	181.77
<b>Total Assets</b>	<b>269.69</b>

LIABILITIES	FPE2022 (RM '000)
Non-current	4.33
Current	338.16
<b>Total Liabilities</b>	<b>342.49</b>



TOTAL REVENUE

**RM300.27**

Million FPE2022



TOTAL ASSETS

**RM269.69**

Million FPE2022



TOTAL LIABILITIES

**RM342.49**

Million FPE2022

## MANAGEMENT DISCUSSION & ANALYSIS

In FPE2022, to sustain efficient cost management, AMRB continued its debt and financial restructuring initiatives to eliminate any standing debt obligations, which also include vessel liabilities.

In May 2021, AMRB secured the required court orders to facilitate its restructuring plan via a scheme of arrangement with its creditors, granted pursuant to Section 366 of the Companies Act 2016. The Group appointed Sage 3 Capital Sdn Bhd as its financial advisor to assist in this proposed scheme of arrangement.

Later on 1 July 2021, the Group announced that the Corporate Debt Restructuring Committee (“CDRC”) has approved its application for assistance to mediate between the company and certain subsidiaries, joint-venture companies and associated companies.

In November 2021, the High Court of Malaya granted AMRB and its subsidiary Alam Maritim (M) Sdn Bhd (“AMSB”) a 3-month extension beginning from 21 November 2021 to call for a scheme of creditors meeting, and allowed our request to restrain all legal proceedings against AMSB. Encik Ahmad Ruhaizad bin Hashim was also approved as director of AMRB and AMSB, pursuant to these court’s decisions. In February 2022, a further 9-month extension beginning from 19 February 2022 was later granted on this matter.

These events are part of AMRB’s proactive efforts to turnaround its business and reposition ourselves to focus on where and how the Group’s restructured business should compete and win, ensuring underlying viability and the generation of sufficient EBITDA to meet its obligations. Moreover, CDRC recognizes that this is a priority sector for restructuring under CDRC’s mediation process, given this challenging period for the oil and gas industry.

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In regards to leveraging resources, we continue to explore various solutions for unlocking the value of its 35-acre industrial land parcel at Kuala Linggi, Alor Gajah, Melaka.

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	FPE2022	FY2020	FY2019
Gearing ratio	1.49	0.86	0.36

	FPE2022 (RM MILLION)	FY2020 (RM MILLION)	FY2019 (RM MILLION)
Short-term borrowings	108.57	108.81	47.57
Long-term borrowings	2.92	3.56	75.32
<b>Total borrowings</b>	<b>111.49</b>	<b>112.37</b>	<b>122.89</b>

In regards to leveraging resources, we continue to explore various solutions for unlocking the value of its 35-acre industrial land parcel at Kuala Linggi, Alor Gajah, Melaka. We are processing through sales offer, in addition to receiving new ones. Potential joint venture (“JV”) development projects on those lands also remain in the Group’s purview.

## MANAGEMENT DISCUSSION & ANALYSIS



### TOTAL CASH AND CASH EQUIVALENTS

**RM20.54**

Million FPE2022



We will remain observant of more suitable best practices to be applied to AMRB's business processes to improve our overall sustainability and efficiency.



### CASH & CASH EQUIVALENTS & BANK BALANCES

In FPE2022, AMRB's total cash and cash equivalents came in at RM24.71 million (FY2020: RM25.41 million). Our cash flow was buoyed by our current order book as well as ongoing and completed OIC and Subsea projects amidst the unstable operating environment.

The Group also continued its Board-approved share placement exercise, announcing on February 2021 that the proposed private placement exercise's (billed as Private Placement II) issue price per share is RM0.0771. In March 2021, we submitted an application to Bursa Malaysia Securities Berhad to seek its approval for an extension of time for AMRB to implement and complete its Private Placement II, which was approved that same month.

In September 2021, the Group announced that the Board resolved to fix the issue price for the Private Placement II at RM0.0476 issue price per share. The Private Placement II was completed on 5 October 2021. This placement exercise was done in partnership with UOB Kay Hian. In April 2022, AMRB announced its corporate proposal of the final conversion of Warrants A 2019 / 2022 to ordinary shares, with the issue price per share at RM0.12.

We will persist with suitable fundraising exercises to meet working capital requirements. The average collection time frame for receivables was 9 days in FPE2022 (FY2020: 63 days). We always maintained ongoing dialogues with shipyards and vendors to secure better credit terms, further enhancing our cash flow.

### GROUP COSTS & EXPENDITURE

Total FPE2022 Group operating costs amounted to RM318.13 million (FY2020: RM273.23 million). Direct costs continued to be sustained by OIC and Subsea business segments and their ongoing contracts. To mitigate costings, AMRB maintained key departmental restructuring initiatives. Non-urgent, variable costs were understandably deferred.

Leveraging trends of past financial years, we retained best practices such as preserving minimum required crew numbers on laid-up vessels as well as maintaining minimum maintenance work on idle vessels. We also kept these vessels' satellite communication equipment deactivated and have sought to reduce the number of vessels in our fleet. We carried out impairment on the value of our assets making sure it was realistic in comparison to the practical value in the market.

Cost reductions during the year under review also included usual protocols such as standardizing equipment used across vessels, conducting maintenance in a strategic manner to optimize resources as well as undertaking collective purchasing of spare parts and inventory to benefit from bulk discounts where possible.

These initiatives allowed us to consolidate routines, integrate diverse functionalities and foster synergistic productivity across our business segments to better streamline our operations. We will remain observant of more suitable best practices to be applied to AMRB's business processes to improve our overall sustainability and efficiency.

Payroll costs for our 154-strong workforce were also affected in FPE2022, with these costs seeing lessening due to the ongoing temporary salary rationalization measures in mitigating the COVID-19 pandemic's negative economic impact and oil and gas downturn, which also negatively impacted the sustainability of AMRB.



## MANAGEMENT DISCUSSION & ANALYSIS

### BUSINESS TRENDS & HIGHLIGHTS

#### OSV

The Group's OSV segment continued to contribute to AMRB sustaining substantial impacts on its operating cost and margin, primarily caused by vessel impairments and delayed turnaround times. Record-high COVID-19 infection cases and subsequent movement restrictions also sprouted hampering mobility and contributing to logistic complexities which disrupted docking and vessel maintenance.

We mitigated these impacts by diversifying our docking facilities in Peninsular and East Malaysia, as well as overseas, to increase vessel preparation rates when completing contracts. These actions helped lessen congestion.

Any occasional dock unavailability for owned vessels augured the need of external replacement vessels to be contracted, incurring more costs too. As with 2020, 2021 required us to source replacement vessels to undertake contracts on multiple occasions. This strategy also presented its own set of challenges, as the government-sanctioned Movement Control Order ("MCO") prevented our JV vessels from being docked due to stringent customs and travelling restrictions. Management has already decided to reduce AMRB's fleet from 40 to 16 vessels. The reduced vessel fleet size helps us to optimize our OSV operations in relation to the type of vessels we operate to focus on AHTS and supply vessels.

As at todate, 9 numbers of vessels have now been disposed getting close to the target of optimizing our fleet operation costs. In terms of contract developments, AMRB has secured extensions of the Integrated Logistics Control Tower ("ILCT") contract from PETRONAS at higher charter rates on average. Vessels not on long-term charter are marketed and secured work primarily from the spot market at better charter rates than the previous 3 to 5 years.

The supply side has seen an increase in demand due to higher activities and lower availability of domestically operating vessels.



#### VESSEL FLEET SIZE

# 16

Vessels



# “

The supply side has seen an increase in demand due to higher activities and lower availability of domestically operating vessels.

# ”

## MANAGEMENT DISCUSSION & ANALYSIS



The successful implementation of Zap-Lok™ during TNAG project has encouraged other oil and gas players to look into this cost-reduction alternative to fast-track projects.



### OIC & SUBSEA

AMRB's OIC and Subsea business segment continue to be invaluable in bolstering our synergistic approach to integrated oil and gas services. Furthermore, the performance of our OIC and Subsea segments remains the key reasons we have persevered in the current reporting year. Since we are not a pure-play OSV company, we can leverage the positive business profitability from diverse segments to help buffer the downturn of other segment(s).

Our OIC segment did not perform to its laid-out expectations in 2021 as there was a lack of available OIC projects in the market, and many other OIC projects continued to be put on hold due to the pandemic and the ensuing oil crisis. In the face of these circumstances, many companies in our local industry have either faced financial failures and/or sought to reduce their OIC capacity. Larger international OIC operators have moved to more lucrative regions with much bigger contracts such as the Middle East. This has resulted in less OIC-prevalent competitors in the market.

Previously, positive revenue from the OIC segment was primarily contributed by the completion of the 2020 Vestigo-awarded contract where we provided engineering, procurement, construction, installation and pre-commissioning services for the Tembikai Non-Associated Gas' ("TNAG") Pipeline System worth USD59 million, or RM242.49 million. This project was completed in June 2020 and was the first ever pipeline contract to utilise the state-of-the-art Zap-Lok™ Technology in South East Asia.

Zap-Lok™ has since given alternative solutions for PAC in looking at pipeline construction, whether it is regarding a new construction or replacement works. The successful implementation of Zap-Lok™ during TNAG project has encouraged other oil and gas players to look into this cost-reduction alternative to fast-track projects. PETRONAS has also approved the Zap-Lok™ system as an acceptable alternative method for pipe-laying works when it comes to tenders for Pan Malaysia T&I contracts in 2021.

However, AMRB still secured an OIC-related project when the Group was recently awarded the provision of transportation, installation and pre-commissioning of flexible risers and other appurtenances for the Cendor Pipeline Project for Petrofac Malaysia in 2022. The contract was completed in July 2022.

This contract was secured in tandem with other smaller pipe-laying jobs that AMRB focused on in the OIC segment throughout the financial year. Therefore, while many companies have fallen by the wayside in terms of OIC prospects, AMRB still maintained business viability to now remain as one of the strongest OIC players in the market.

Regarding our Subsea segment, we continued to work on ongoing projects previously secured. This included the provision of Subsea services for PM3-CAA from Repsol which has a duration of 5 years, as well as 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, new contracts for the Subsea segment have been continuously streaming in throughout 2021, and we continue to see an uptick in projects due to pent-up demand on maintenance projects.



**TNAG PIPELINE  
SYSTEM WORTH**

**RM242.49**  
Million

## MANAGEMENT DISCUSSION & ANALYSIS

### SUSTAINABILITY THROUGH iCARE PHILOSOPHY INTEGRATION

Sustainability remains at the forefront of AMRB's mind, with the Management over the past years being determined to aggressively facilitate the integration of AMRB's internal cultural transformation beyond just work processes. We understand that pushing ourselves to the next level and setting higher standards of excellence is needed to consistently revitalize and reinforce our performances across the Group. This augurs a tightening of productivity and discarding of wastage to enhance efficiency levels in our projects in terms of time, budget and safety.

AMRB remains fully aware of the pandemic's continued resonance and historic difficulties, which is why we are more determined than ever to further forge shared excellence in performance, customer-centric responsibility as well as Environmental, Social and Governance ("ESG") integrity across our Group through our employees, work ethics and corporate initiatives to fortify shared values in our work culture derived from our iCARE philosophy.

Our Shared Values philosophy and iCARE work culture were established for the purpose of cultivating personal accountability, teamwork, collaboration, discipline and integrity among staff on their performance. It also applies to dealing with customers and clients, where we endeavour to embrace customer centricity, which is the focus of our iCARE work culture. On the other hand, Shared Values help us foster effective teamwork and collaboration. Impossible odds can always be surmounted through collaborative strength and encouragement from each other.

AMRB realizes it needs to internalize its surrounding environment and the workforce operating in this environment to better formulate meaningful transformation and understanding on which overall direction it needs to pursue as an organization. By internalizing a sense of excellent work delivery via self-motivation, an efficient workflow can be created that ultimately cascades benefit across the company, other employees and its stakeholders. Therefore, knowing what direction to tread is the vital first step for everyone at AMRB to take to move forward as one entity.

Past years' efforts in instilling these Group values have been instrumental in promoting a persistent outlook of positivity, commitment, diligence and performance equality among staff, Management and everyone in AMRB's value chain in 2021, more so given the pandemic's negative influence on almost all facets of businesses and livelihoods. It is heartwarming to witness the proactive cultural transformation we embarked on years ago has been a solid, guiding pillar for everyone at AMRB to lean on. Our employees have truly embodied the iCARE work culture and Shared Values philosophy in successfully planning and executing Group projects throughout AMRB's various business segments.

This is also reflected in everyone's desire to enhance positive industry reputation towards the Group's performance amidst the pandemic's disruptions. We have risen above unprecedented conflict and confusion to shape a sturdier and more cohesive organization than we could have ever imagined. Although we are aware of areas we can improve upon to accelerate our transformation process towards operational excellence, we remain judiciously level-headed in firstly prioritizing the facilitation of a conducive ecosystem that is obstacle-light to induce high performance. This ensures that AMRB will remain flexible and resilient in navigating these volatile headwinds and other trials in the future. More information on our sustainability and our organisational values are in the 'Sustainability Statement' section of this report on page 52.

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Our employees have truly embodied the iCARE work culture and Shared Values philosophy in successfully planning and executing Group projects throughout AMRB's various business segments.

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## MANAGEMENT DISCUSSION & ANALYSIS



Given our strong adherence to excellent HSSE, we continued to be encouraged of successfully improve trends across key HSSE indicators in FPE2022.



### HSSE EXCELLENCE

AMRB's exemplary HSSE performance record continues to be a crucial factor in project execution excellence and delivery as it remains determined and focused to achieve accuracy of cost and duration estimates in both initial, intermediate and final delivery, as well as execution efficiency and professionalism when it comes to project implementation and execution. Therefore, for AMRB, excellent HSSE performance across the board is always an influential contributor of successful projects, if not the most influential.

In recent times, the COVID-19 pandemic's presence saw our HSSE strategy adopting measures towards mitigating the virus' impact on the Group. Among the many measures taken to reduce or prevent COVID-19 infections at Alam Maritim's environment include:

- Frequent briefings to new and existing staff on 'new normal' SOPs of office spaces.
- Displaying COVID-19 awareness reminders and posters at various locations in the office.
- Conducting random checks on COVID-19 SOP compliance i.e. ensuring MySejahtera check-ins.
- Including COVID-19 inspection criteria in our mandatory Workplace Inspection checklist.
- Regularly update employees on COVID-19 statistics via email, as well as share COVID-19-related news alerts when necessary.
- Updating and discussing COVID-19 statistics during management meetings.

We also encouraged all employees to get their COVID-19 vaccinations, and then require them to later update their vaccination status in an internal portal for us to monitor. Management also keeps a copy of employees' digital vaccination certificates as an internal record for reference and supervision.

Given our strong adherence to excellent HSSE, we continued to be encouraged of successfully improve trends across key HSSE indicators in FPE2022. We achieve 9,509,550 million man-hours without a Loss Time Incident ("LTI"), while recording notable improvements in indicators such as recordable injury frequency and severity cases like TRFC, medical treatment ("MTC") and first aid ("FAC") cases, restricted work case ("RWC"), spillage, near misses as well as property damages – all of which remain strong markers of the continuous enhancement AMRB has done for overall HSSE. As with previous years, the Group recorded zero fatalities. Our HSSE excellence is due to the collaborative efforts of everyone at AMRB when it comes to driving compliance at levels, portraying a strong action-based safety culture.

All our employees and management personnel across business segments and operational hierarchies significantly contributed to AMRB's first-rate HSSE record. This is reflected in our inclusive 2021 Culture Survey which involved all staff in the company's organization. We obtained key insights from the collected survey results which further fortified HSSE awareness and enrichment in our staff's mindset and behaviour. We are confident that these results signal a generative HSSE culture becoming rooted in AMRB. Our most recent HSSE Culture Survey clearly shows the Group's ingrained commitment in progressive HSSE maturity, developing from the level of Calculative towards the level of Generative HSSE culture. Details on our HSSE performance are in our report's 'Sustainability Statement' section on page 78.

The primary challenge to tackle in the future would be maintaining and building upon this positive momentum. A safer workplace allows an entire organization to better produce excellent performances while garnering unanimous support and appreciation from our clients. This gifts us the critical competitive edge of our tenders across the industry.



MAN-HOURS  
WITHOUT A LTI

**9.509**

Million

## MANAGEMENT DISCUSSION & ANALYSIS

### ANTICIPATED OR KNOWN RISKS

The Group's key business segments: OSV, OIC and Subsea works are generally dependent on the level of activity of oil and gas majors, in particular PETRONAS. The level of E&P activities by oil and gas majors hinges on the present and expected stability of future prices of crude oil and gas.

In Malaysia, the demand for upstream works is mainly determined by PETRONAS who holds the exclusive rights of minerals exploitation in Malaysia under the Petroleum Development Act 1974 ("PDA"). In essence, the risk of AMRB as an oil & gas service provider to achieving its corporate objectives is very much tied to PETRONAS exploration and production plans and activities in Malaysia.

However, beyond these general risks, the Group has clearly identified its operational and financial risks and maintains a risk register, especially given the pandemic's presence which has shifted the organization's mindset into pursuing feasible operations in a post-pandemic landscape. Our commitment towards managing risks is centered on the following dimensions:

- Asset Reliability: Maximizing operational readiness to ensure timely delivery of assets to clients and to maintain desired uptime performance.
- Optimizing human capability and performance towards managing operational costs, schedule and delivery of the Group's OSVs, OIC and Subsea projects.
- Ensuring robust controls and governance over internal systems and procedures to ensure adherence to clients' requirements.
- Realizing overall Group profitability and business sustainability by driving business segment diversification given the present challenging external environment.
- Allocating sufficient funding to support projects financially to ensure smooth execution of project implementation. Thus, Group financial standing is an essential award criterion in securing projects, apart from being technically acceptable.

AMRB has identified Assets Utilization, Assets Readiness and Capital Constraints as the Group's principal risks, which if unmitigated, can potentially impact operational resilience and overall growth and sustainability in the long term.

Based on the aforementioned risks, effective mitigation action plans have been formulated and implemented. Such plans are rigorously deliberated by the Group Risk Management Working Committee ("GRMWC") which reports to the Board Risk Management Committee ("BRMC") on a quarterly basis. Throughout FPE2022, the following key risk mitigation actions were implemented:

- Capital Debt Restructuring ("CDRC") to manage long-term payables with lenders.
- Board approval on the change of accounting and procurement system from SAP system to SUN system. Was completed in March 2021.
- Manpower rightsizing.
- Maintaining good supplier relationships to facilitate better credit terms.
- Initiated cost optimization efforts and expedited billing and recovery from clients.
- Sale of laid-up vessels.
- Undertook vessel repair during dry docking.
- Implemented integrated procurement functions to improve lead time.
- Continued to aggressively initiate business development activities.

In mitigating our reliance on the OSV segment as the main revenue contributor, the Group continues to expand its Subsea and OIC segments. With the restructuring of our debt, we will significantly reduce our financial risks and provide healthy balance sheets moving forward.

Further details of our risk mitigation and internal controls are given at length within the Statement of Risk Management and Internal Control section of this annual report on pages 110 to 114.

## MANAGEMENT DISCUSSION & ANALYSIS

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In terms of the overall outlook for the oil and gas sector, the IMF's projection on fuel price increases supports global market watchers' early positive sentiments on a strong oil price rebound.

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### OUTLOOK AND PROSPECTS

In particular, the crude oil price's prospects in FPE2022 will significantly depend on a myriad of positive and negative international factors and market forces, from the reduction of movement restrictions and strong vaccination rollouts to the continual geopolitical conflict in Eastern Europe. Regarding the latter point, as of April 2022, the International Monetary Fund ("IMF") predicts that global growth is projected to be slow but positive at a 3.6% growth in 2022 and 2023. This projection comes as economic damage from the ongoing Russia-Ukraine conflict in Eastern Europe will significantly contribute to a slowdown in global growth in 2022 as well as add to inflation. Fuel and food prices continue to rise, with vulnerable low-income populations being hit the hardest.

In terms of the overall outlook for the oil and gas sector, the IMF's projection on fuel price increases supports global market watchers' early positive sentiments on a strong oil price rebound. For instance, Goldman Sachs and their USD85 per barrel oil price prediction made at the end of 2021 has been exceeded, with prices for Brent crude oil price achieving an average of USD99.96 per barrel for 2022 according to the average of forecasts supplied by 13 major banks. These prices are projected to stand at USD106.08 and USD103.08 per barrel for the second and third quarters of 2022, respectively.

OPEC also supports the notion that the strong oil price rise in 2022 is primarily attributed to the escalating geopolitical conflict in Eastern Europe and concerns this might result in large oil supply shortages. OPEC+, which consists of OPEC and other producers including Russia, are planning to increase its June 2022 production target by around 432,000 barrels per day to gradually make up for the record output cuts done during the height of the COVID-19 pandemic.

In the long term, the International Energy Agency predicts that global oil demand will reach 99.4 million barrels per day in 2022, an increase by 1.9 million barrels per day from 2021.

Certain global deterrents may undermine these positive oil prospects, such as the recent rising COVID-19 cases in China, which may negatively affect global oil growth should the situation worsen. However, intense vaccine and booster shot rollouts already carried out is projected to be a major deterrent in the pandemic's unpredictable effects. Another global downturn that may negatively affect the oil market is the continuing global supply chain issues that is still seeing a slow recovery growth, with supply chains set to face a multitude of challenges in the next few decades.

### MALAYSIAN ECONOMIC OUTLOOK

Domestically, Malaysia's economic outlook remains positive for 2022, which mirrors the aforementioned international GDP growth predictions. Malaysia is predicted to garner a GDP growth of 5.5% to 6.5% in 2022, according to the Minister of Finance Malaysia. This GDP forecast is buoyed by Malaysia's largest budget allocation ever of RM332.1 billion budget for 2022. The Malaysian government also foresees revenue expanding 5.9% to RM234 billion.

The Malaysian government relies heavily on the oil and gas sector specifically the upstream segment for its finances. Oil and gas contribution to the Malaysian GDP stands at a whopping 20% and its multiplier impact spills over to other sectors of GDP. We believe moving forward it will be imperative for PETRONAS to ensure a more consistent and sustainable policy for the sector to flourish such that the Malaysian economy is stable and growing.

## MANAGEMENT DISCUSSION & ANALYSIS

### AMRB'S BUSINESS SEGMENT PROSPECTS

In the face of these projected upswings in the operating environment, AMRB will continue leveraging its business model of synergistic solutions to better optimize and bolster the strengths and capabilities of its various business segments. This would be done in tandem with the pursuit of an asset-light strategy, as AMRB will also continue transforming its business by disposing of ageing and surplus vessels that have little prospect in securing or servicing contracts.

The disposal of vessels plays into a larger goal of optimizing vessel fleet utilization which we have already embarked upon in FPE2022. However, in the next few years, we hope to continue with the second phase of this internal vessel restructure by really honing the type of vessels we want to utilize going forward.

In the OIC segment, AMRB is looking to potentially increase pipeline replacement works and decommissioning activities. Furthermore, we will definitely seek to retain the minimal amount of OIC personnel and expertise in order to effectively participate in bidding exercises to secure OIC projects. These measures would hopefully further solidify the Group's broader intention to continue OIC as one of its core businesses alongside OSV.

AMRB's synergistic pivot also looks to massively take advantage of projected FPE2022 industry trends and developments. This is reflected in the PETRONAS Activity Outlook 2022-2024 ("PAO"), which shows that offshore fabrication prospects have a steady medium-term outlook (post-2024) for fabrication of fixed structures (especially Lightweight) and subsea facilities as PETRONAS continues monetizing its oil and gas resources to generate cashflow while meeting the demands of customers.

Additionally, a more modest outlook is still expected for heavier structures as cost competitiveness will drive development projects to opt for Wellhead Platform ("WHP") tie-ins to existing nearby facilities. This modest outlook also extends to floaters, as technology innovation presents favorable options for the monetization of remote fields.

Subsea facilities are also seeing positive prospects, with the PAO auguring that demand for Subsea Umbilical, Riser and Flowline ("SURF") in 2023 could rise further as more deepwater projects are maturing, as Malaysia's deepwater projects are also having long-term arrangements for SURF as one of the options to support the project requirement.

Offshore installation services are one of the Group's strong business propositions, with the steady medium-term outlook of pipelay barges expected due to more development projects opting for tie-ins to existing WHP or processing facilities. This outlook benefits our Zap-Lok™ technology utilization, giving us a significant advantage when it comes to efficient and economical pipeline installations.

AMRB is always looking to foster potential business partnerships and strategic alliances to enhance our ability to win even more contracts while also improving our capabilities of successfully delivering on our contractual commitments. We remain determined to make aggressive bids for new contracts to continue raising our order book value.

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AMRB is always looking to foster potential business partnerships and strategic alliances to enhance our ability to win even more contracts while also improving our capabilities of successfully delivering on our contractual commitments.

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## MANAGEMENT DISCUSSION & ANALYSIS

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We hope that by 2022, we can achieve a positive turnaround in financial performance in all business segments.

”

### STRATEGIC POSITIONING

Our restructuring plan will continue to look into reshaping of our portfolio mix. This entails a portfolio pivot, focusing on those with faster returns and less volatility, as well as sharing of risk, profit and liabilities and being an asset-light organization. Therefore, our choice of potential partners to work and collaborate with and/or do the joint undertaking of projects, including their capability to provide us with digital and technology insights, will require adequate evaluation. This means that we need to pursue more meaningful collaborations with external parties. We should be working with partners who are able to solve common business challenges and improve performance and efficiency using jointly-developed solutions while sharing risks and costs.

Currently, our restructuring plan includes assessing and recommending which part of the business should be maintained, grown, divested, enact interventions where required and also drive the transition moving forward while remaining cognizant of the necessary strategic trade-off between long-term sustainability and accelerating high-value returns to the Group. While this is ambitious in nature, it has to be done in tandem with some measure of financial prudence to ensure our future sustainability is achieved pragmatically. We hope that by 2022, we can achieve a positive turnaround in financial performance in all business segments.

To support these initiatives and accelerate their execution, we are also currently undertaking the retooling of our human resources capability pool in order to better harness our internal strength, capabilities, resources and brand name that we already have. We need to ensure our workforce is well-positioned to continue delivering on our strategies and commitments with pace and focused execution. This requires a reassessment and enhancement of our talent strategies as well as a redefinition of our workforce ecosystem. We need to future-proof our leaders as well as our talents.

We also need to accelerate organizational agility in shifting the work culture and mindset. At the core of these initiatives is our desire to build trusting teams that are committed towards focused execution across the Group to progress it further. This is critical if we intend to deliver on our strategies and commitments, grounded upon principles of merit and performance in all our endeavours, to earn the respect and trust of our clients. Underpinning these and numerous other critical deliverables within each business division and operating units would be the strict observance of QHSSE, asset integrity and continuous operations and uninterrupted service.

In the pursuit of these strategic objectives, we ultimately seek the support of all our stakeholders such as our customers, clients, creditors, subcontractors and more to continue supporting us as we emerge from strategic restructuring, collaborations and diversification into a more vibrant oil and gas market with much stronger management and operational position. The robust fundamental infrastructure of our business model remains strong, and will continue to serve as the framework for AMRB's future growth.

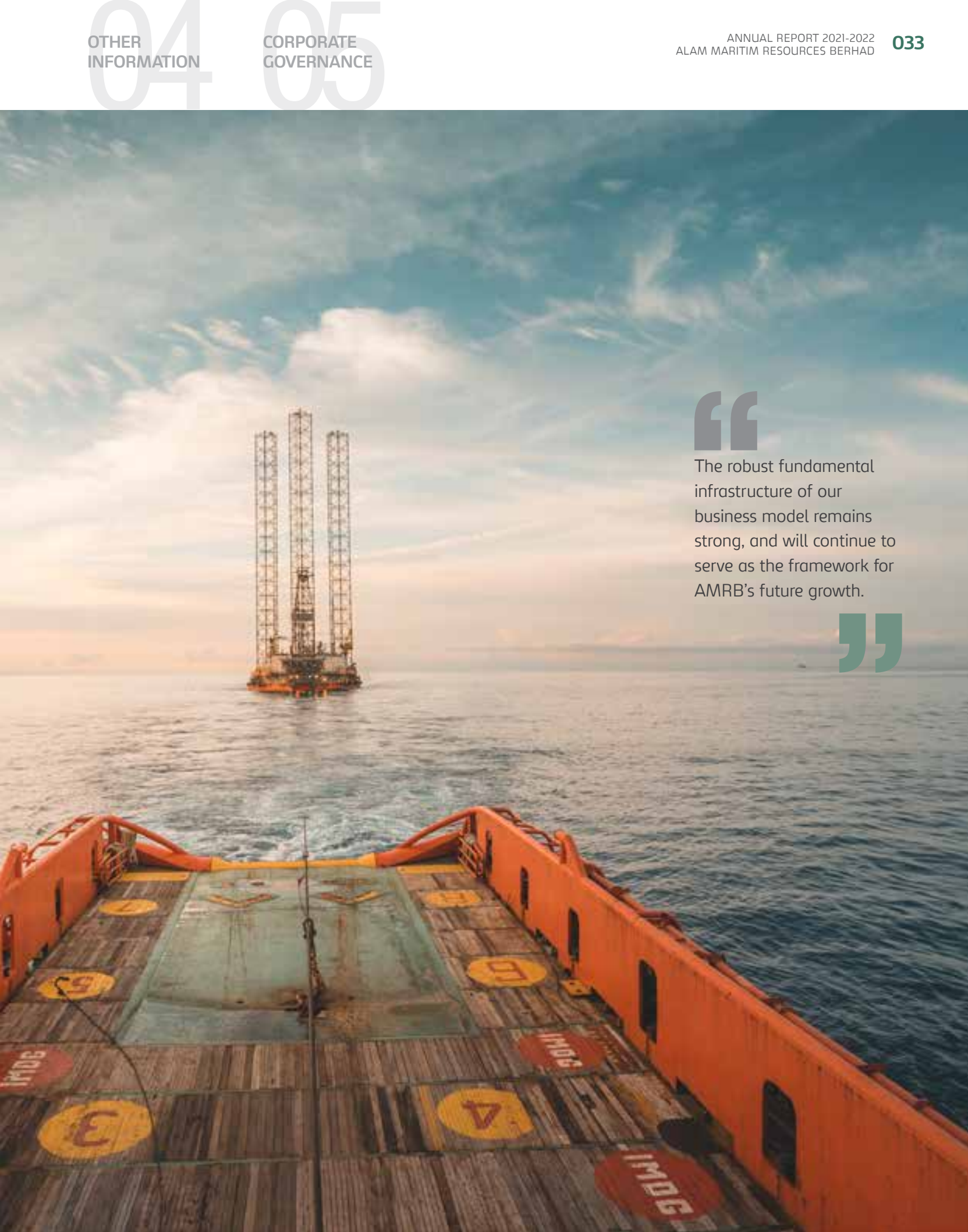
### DIVIDEND

The Group's ability to pay dividends is subject to its profit performance for the financial year as well as the need to preserve capital to fund business development and to ensure its financial and operational sustainability in the long term. Management has not declared any dividend for FPE2022. Management will consider the possibility of a dividend payout to shareholders premised upon AMRB return to profitability in the near term.

### DATUK AZMI AHMAD

Group Managing Director / Group Chief Executive Director





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The robust fundamental infrastructure of our business model remains strong, and will continue to serve as the framework for AMRB’s future growth.

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03  
Section

# CORPORATE PROFILE





# 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

### Shamsul Bin Saad

Deputy Chief Executive Director/  
Non-Independent Executive Director  
(Appointed w.e.f 2 March 2021)

### Ahmad Hassanudin bin Ahmad Kamaluddin

Non-Independent Executive Director

### Dato' Haji Ab Wahab bin Haji Ibrahim

Independent Non-Executive Director  
(Resigned w.e.f 31 May 2022)

### Ahmad Ruhaizad bin Hashim

Independent Non-Executive Director

### Shaharuddin bin Warno @ Rahmad

Group Chief Operating Officer/  
Non-Independent Executive Director  
(Resigned w.e.f 5 February 2021)

## BOARD AUDIT COMMITTEE

### Dato' Haji Ab Wahab bin Haji Ibrahim

(Chairman)  
(Resigned w.e.f 31 May 2022)

### Fina Norhizah binti Haji Baharu Zaman

### Ahmad Ruhaizad bin Hashim

Independent Non-Executive Director

## BOARD RISK MANAGEMENT COMMITTEE

### Ahmad Ruhaizad bin Hashim

(Chairman)

### Fina Norhizah binti Haji Baharu Zaman

### Dato' Haji Ab Wahab bin Haji Ibrahim

(Resigned w.e.f 31 May 2022)

### Datuk Azmi bin Ahmad

### Ahmad Hassanudin bin Ahmad

Kamaluddin

## BOARD NOMINATION & REMUNERATION COMMITTEE

### Fina Norhizah binti Haji Baharu Zaman

(Chairman)

### Dato' Haji Ab Wahab bin Haji Ibrahim

(Resigned w.e.f 31 May 2022)

### Ahmad Ruhaizad bin Hashim

Independent Non-Executive Director

## COMPANY SECRETARIES

### Nur Aznita binti Taip, ACIS

(MAICSA 7067607)  
(SSM PC No. 202008003466)

### Siti Nurdiana Binti Md Sah

(LS 0009636)  
(SSM PC No. 202008000748)

## REGISTERED OFFICE AND CORRESPONDENCE ADDRESS

### Alam Maritim Resources Berhad

(Head Office)  
No. 38F, Level 3  
Jalan Radin Anum  
Bandar Baru Sri Petaling  
57000 Kuala Lumpur  
MALAYSIA  
Tel : +603-9058 2244  
Fax : +603-9059 6845  
Email : info@alam-maritim.com.my

## SHARE REGISTRAR

### Tricor Investor & Issuing House

Services Sdn Bhd (11324-H)  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
MALAYSIA  
Tel : + 603-2783 9299  
Fax : + 603-2783 9222

## AUDITORS

### Messrs Baker Tilly Monteiro Heng PLT

Baker Tilly Tower,  
Level 10, Tower 1, Avenue 5, Bangsar  
South City  
59200 Kuala Lumpur  
MALAYSIA  
Tel : +603-2297 1000

## LEGAL ADVISOR

### Zul Rafique & Partners

D3-3-8 Solaris Dutamas  
No. 1 Jalan Dutamas 1  
50480 Kuala Lumpur  
MALAYSIA  
Tel : +603-6209 8228

## PRINCIPAL BANKERS

- Malayan Banking Berhad
- Maybank International (L) Ltd

## STOCK EXCHANGE LISTING

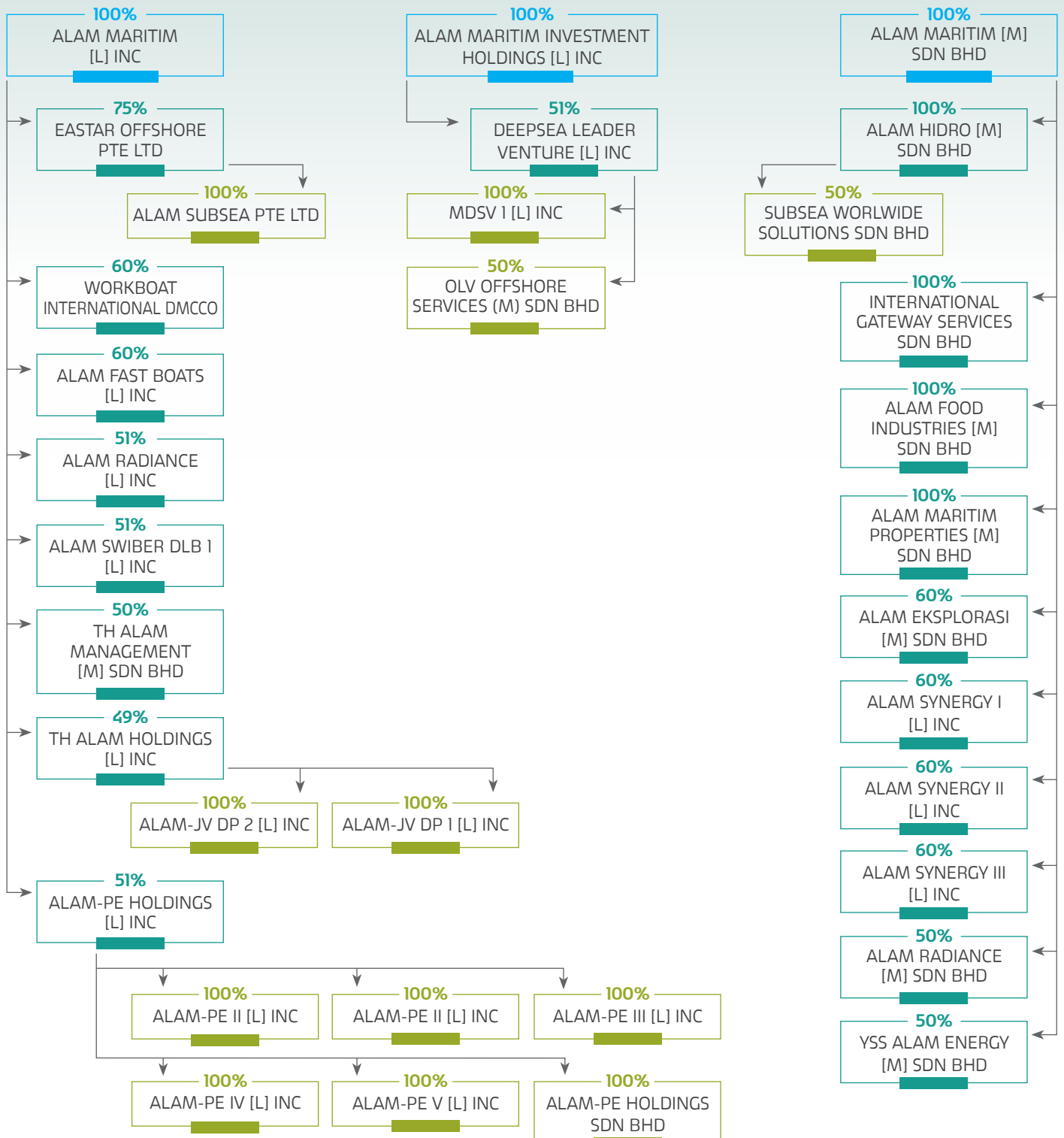
Listed on Main Market of Bursa  
Malaysia Securities Berhad (635998-W)  
Sector : Trading/Services  
Stock Name : ALAM  
Stock Code : 5115

## WEBSITE

www.alam-maritim.com.my

# CORPORATE STRUCTURE As at 31 March 2022

## ALAM MARITIM RESOURCES BERHAD



# CORPORATE 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, Security & Environment Management Systems ("QHSSEMS") 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 QHSSEMS 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, Security 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.

## 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, Security 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 organizations with whom it comes in contact, to act with honesty and no intent to commit bribery and corruption against it.


# PROFILE OF DIRECTORS

## FINA NORHIZAH BINTI HAJI BAHARU ZAMAN

CHAIRMAN AND INDEPENDENT NON-EXECUTIVE DIRECTOR

 Nationality  
Malaysian

 Gender  
Female

 Age  
64

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 13 board meetings held in the FPE2022.

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 Master in Law (specializing 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 offense within the past five (5) years.



### Board Committees Membership(s)

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee (Chairman)



## PROFILE OF DIRECTORS

### DATUK AZMI BIN AHMAD

GROUP MANAGING DIRECTOR/ GROUP CHIEF EXECUTIVE OFFICER,  
NON-INDEPENDENT EXECUTIVE DIRECTOR

 Nationality  
Malaysian

 Gender  
Male

 Age  
63

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 13 board meetings held in FPE2022.

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 offense within the past five (5) years.



#### Board Committees Membership(s)

- Risk Management Committee
- Employees' Share Option Scheme (ESOS) (Chairman)


## PROFILE OF DIRECTORS

### AHMAD HASSANUDIN BIN AHMAD KAMALUDDIN

GROUP RISK & QHSSE DIRECTOR  
NON-INDEPENDENT EXECUTIVE DIRECTOR

 Nationality  
Malaysian

 Gender  
Male

 Age  
76



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 13 board meetings held in FPE2022.

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 renowned 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 offense within the past five (5) years.

#### Board Committees Membership(s)

- Risk Management Committee
- Employees' Share Option Scheme (ESOS)

## PROFILE OF DIRECTORS

### SHAMSUL BIN SAAD

DEPUTY CHIEF EXECUTIVE OFFICER, EXECUTIVE DIRECTOR

 Nationality  
Malaysian

 Gender  
Male

 Age  
58

Shamsul Bin Saad was appointed to the Board of Alam Maritim Resources Berhad as Deputy Chief Executive Officer and Executive Director on 2 March 2021. He has attended 10 board meetings held in FPE2022.

Shamsul holds a Bachelor of Science in Chemical Engineering from the University of Florida, the United States of America in 1986.

He started his career as a Chemical Field and Sales Engineer before joining Sarawak Shell Berhad in 1988. At Sarawak Shell Berhad, he held various positions within procurement, logistics and project engineering departments. He was also part of the select executive team tasked to re-engineer the SHELL group in Malaysia. His last position was Head of Procurement, Steel Products. In 1995 he was General Manager for Techno Indah Sdn Bhd, a Kuok/Perlis Plantation Group joint venture with then Malaysia Shipyard and Engineering Bhd ("MSE"). In 1996, Shamsul was Managing Director of Oakwell Industries Sdn Bhd, a Singapore branch of oil and gas supply and services company based in Kuala Lumpur.

He joined the PPB Group (then known as Petra Perdana Bhd, currently known as Perdana Petroleum Bhd) in 2001 in expanding the PPB Group's core business beyond its trading and maintenance services operations, into offshore engineering services, hook-up and construction business. This expansion of core business took the group from the Second Board of the Stock Exchange to the Main Board in 2003. Shamsul also drove PPB's expansion into the offshore marine sector in 2004 originally as an extension of its hook-up and commissioning scope and then as a separate core business of the PPB Group, pioneering PPB to be the only Malaysian owner-operator in the middle to deeper water operations in South East Asia at that time, thus providing it a significant regional market, especially in Vietnam, Thailand and Indonesia. This led to the doubling of the PPB Group's revenue and the eventual chain-listing on Bursa Malaysia of the earlier operations as Petra Energy Bhd. Resigned as its Managing Director with the turnaround of the company after managing it through the financial crisis and 2009 oil & gas depression cycle. He later retired as PPB's Executive Director in August 2015 with the disposal of the company.

Aside from Alam Maritim, he is currently also a Non-Independent Non-Executive Director of Propel Global Berhad. He was formerly the Group Managing Director from April 2019.

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.



#### Board Committees Membership(s)

- Risk Management Committee

## PROFILE OF DIRECTORS

### AHMAD RUHAIZAD BIN HASHIM

INDEPENDENT NON-EXECUTIVE DIRECTOR

 Nationality  
Malaysian

 Gender  
Male

 Age  
54



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 a member of the Board Audit Committee and Board Nomination and Remuneration Committee of the Company. He has attended 13 board meetings held in FPE2022.

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 of 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 offense within the past five (5) years.

#### Board Committees Membership(s)

- Audit Committee
- Risk Management Committee (Chairman)
- Nomination and Remuneration Committee

# SENIOR MANAGEMENT TEAM PROFILE



**AHMAD FAIRUZ BIN AZMI**  
GROUP CHIEF OPERATING OFFICER



Nationality  
Malaysian



Gender  
Male



Age  
39

Ahmad Fairuz Bin Azmi has been appointed as the Group Chief Operating Officer of AMRB on 1 April 2021.

Ahmad Fairuz started his career as an Electric and Electronics Engineer with Easter Offshore Pte Ltd (Singapore) and rose up to Business Development Manager cum Subsea Engineer in Alam Subsea Pte Ltd (Singapore). Then, he joined Alam Hidro (M) Sdn Bhd as Manager of ROV Services. Prior joining to Alam Maritim, he served as an Executive Director of ROV Resources (M) Sdn Bhd before resigning on 26 March 2021. He manages all the operations, which include overall planning, developing and implementing plans for effective project execution, operational and technical matters. Hands-on in a lot of offshore projects in the early days and involves in most of the operation matters during his management.

He holds a Master of Business Administration from Universiti Teknologi MARA graduated in 2013 and a Bachelor of Engineering (Hons) in Electronic from Staffordshire University, the United Kingdom in 2007. He also holds Higher National Diploma in Telecommunication Engineering from British Malaysia Institute, UniKL Malaysia in 2006.

He has no directorships in other public companies and listed issuers. He does have a family relationship with a 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 offense within the past five (5) years.



**MD NASIR BIN NOH**  
GROUP CHIEF FINANCIAL OFFICER



Nationality  
Malaysian



Gender  
Male



Age  
55

Md Nasir Bin Noh has been appointed as Chief Financial Officer on 2 January 2015. He is responsible for Group Finance functions, and he brought with him over 20 years of experience in the areas of auditing, financial accounting and management and corporate finance.

Prior to joining the Group, Md Nasir served in different financial-related positions within the banking, telecommunications, automotive, property and construction, aviation and maritime industries. He holds a professional accounting qualification from the Association of Chartered Certified Accountants, United Kingdom. He is a chartered accountant registered with the Malaysian Institute of Accountants.

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.

## SENIOR MANAGEMENT TEAM PROFILE



### NUR AZNITA BINTI TAIP

GENERAL MANAGER, GROUP CORPORATE SERVICES & COMPANY SECRETARY

 Nationality  
Malaysian

 Gender  
Female

 Age  
49

Nur Aznita Binti Taip has been appointed as General Manager of Group Corporate Services in January 2017 and Joint Group 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, insurance, licensing and corporate affairs 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.



### SITI NURDIANA BINTI MD SAH

SENIOR MANAGER, GROUP CORPORATE SERVICES & COMPANY SECRETARY

 Nationality  
Malaysian

 Gender  
Female

 Age  
39

Siti Nurdiana Binti Md Sah has been appointed as Senior Manager and Joint Group Company Secretary on 2 November 2021.

She graduated with a Bachelor of Corporate Administration majoring in Company Secretary from Universiti Teknologi MARA and received her Licensed Secretary with the Suruhanjaya Syarikat Malaysia (LS 0009636) in 2011. Her initial career was as a Corporate Secretarial Assistant and Executive Secretarial at various secretarial firms and joined AMRB in 2009. Prior rejoined AMRB in 2017, she served as a Joint Company Secretary for Boustead Holdings Berhad's subsidiaries and as Assistant Manager at Lembaga Tabung Haji.

She contributes her 16 years of experience in corporate services and secretarial matters for the Group. Siti Nurdiana is also qualified to act as a secretary under section 241 of the Companies Act 2016 (SSM PC No: 202008000748)

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 PROFILE



**ALVIN CH'NG YI MING**  
HEAD, GLOBAL SUBSEA BUSINESS

 Nationality  
Malaysian

 Gender  
Male

 Age  
41

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 organization 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 HEAD, COMMERCIAL & CONTRACT  
OFFSHORE SUPPORT VESSEL ("OSV") DIVISION

 Nationality  
Malaysian

 Gender  
Female

 Age  
60

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 PROFILE



### FARID IZWAL BIN NORZAIN

HEAD OF BUSINESS UNIT, OFFSHORE INSTALLATION AND CONSTRUCTION (“OIC”)

 Nationality  
Malaysian

 Gender  
Male

 Age  
43

Farid Izwal Bin Norzain was appointed as Head of the Business Unit, OIC on 25 May 2022.

Successfully stepped-up 19 years of experience in Project Management, Coordination of Engineering, Interface Management, Construction Management, Oil and Gas EPCIC, EPCI, EPCC, Fabrication of Jacket and Topside, Structure Transportation & Installation, Onshore and Offshore Pipeline Installation, Hook up and Commissioning including Onshore Petroleum Refinery and LNG Regasification Terminal.

He worked previously with prominent local and international companies such as Petronas, Technip, Ranhill Worley Parson and several other leading Oil and Gas companies. His involvement in local and overseas markets is significant in shaping the Offshore Installation & Construction business.

Farid Izwal is a degree holder in Bachelor of Mechanical Engineering (Hons) from Universiti Tenaga Nasional (UNITEN).

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.



### SITI HAJAR BINTI ABDUL RANI

GROUP HEAD, HEALTH, SECURITY, SAFETY AND ENVIRONMENT

 Nationality  
Malaysian

 Gender  
Female

 Age  
39

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 OSHA 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.



## SENIOR MANAGEMENT TEAM PROFILE



### MUHAMMAD ZAWIR BIN SJAFII

GENERAL MANAGER, INTERNATIONAL GATEWAY SERVICES SDN. BHD.



Nationality  
Malaysian



Gender  
Male



Age  
36

Muhammad Zawir Sjfii 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 Universiti Teknologi MARA (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.

A hand is shown holding a glowing blue digital interface. The interface displays the text '04 Section OTHER INFORMATION'. The background is dark with blue light effects.

04  
Section  
OTHER

**INFORMATION**



# SUSTAINABILITY STATEMENT



The Group has remained composed and resilient throughout the FPE2022 and faced obstacles presented by the challenging operating environment with confidence relying on the knowledge, experience and courage that exist within the Group and leaning on the built-in and collaborative support system we have put in place. Luckily for us, we have tools we need to face these challenges head-on. Despite Malaysia transitioning towards the 'endemic' phase of dealing with COVID-19, there are still consequences of the pandemic that heavily impact the global economy and the overall oil and gas industry as a whole. Furthermore, the events that are ongoing between Russia and Ukraine have also had implications on the industry as there have been sanctions placed on Russian oil by European nations. The Group has had to deal with these unforeseen circumstances to the best of our ability during FPE2022 and overcome the situation.

COVID-19 had a major impact on the demand for oil as travel restrictions and work-from-home solutions were introduced which significantly impacted the trajectory and forecast for oil demand for the foreseeable future. This drop in demand had also led to upstream investments and expansion plans being called back and, some even put on hold, with future investments only expected to rise slightly for the industry. In addition, the goal to reach net-zero emissions has become an objective for many nations in recent times and there have been government policies supporting this movement.

Despite these events and the uncertainty regarding the operating environment, AMRB remains up for the challenge due to our ability to cope with changing circumstances. Our adaptive business model as an integrated business provider has displayed AMRB's ability to identify major issues that affect the Group and create specific plans whilst taking appropriate actions according to the situation presented.

This is evident through our ability to meet our contractual obligations in spite of the difficult operating environment. This is because we have built a strong foundation through the establishment of our Sustainability Agenda. This is based on the principles of Shared Values which shaped our character through cohesiveness, loyalty, integrity and professionalism, and iCARE Cultural Beliefs which guide how we work. It helps us materialize our strategies which are driven by our Corporate Vision which represents the aspirations and goals of our organization. Having a shared purpose within the Group provides a strong sense of direction whilst displaying our aspirations for the future.

“

Our adaptive business model as an integrated business provider has displayed AMRB's ability to identify major issues that affect the Group and create specific plans whilst taking appropriate actions according to the situation presented.

”

## SUSTAINABILITY STATEMENT

Our Corporate Agenda is built on our Corporate Vision along with our Mission Statement, business strategic direction and cultural values. The agenda governs our collective thoughts, actions and behaviours and provides fundamental guidance to our business conduct which aids in the delivery and sustainability of our commitments.

AMRB will continue to remain undeterred from the challenging circumstances presented to us and remain focused on objectives such as improving cash flow optimization, increasing both work and cost efficiency through Group-wide integrated processes and developing further safety precautions within our projects. These objectives remain pivotal to the Group, hence requiring aspects like optimization of resource acquisition and management along with fully functional support to take place for long-term business objectives to be achieved.

Our Vision and Mission are closely connected to our Shared Values and iCARE Cultural Beliefs in terms of carrying out our contractual obligations. The approach AMRB has adopted, effectively deals with any concerns or risks the Group may have in the short to medium term whilst also keeping in mind the future as strategies towards long-term value creation are always being considered.

### SUSTAINABILITY AGENDA AND MATERIAL MATTERS

AMRB understands the importance in addressing our identified key material matters and will continue to do so in collaboration with our stakeholders. Trying to identify policies that can help improve our overall sustainability whilst at the same time adhering to international and domestic standards in terms of our value and supply chain operation that could be responsive to ensure agility in these wildly evolving times will greatly benefit the Group in the long term and is what we will strive to achieve.

Our sustainability goals and practices will be consistently reported so that all stakeholders and business segments involved will understand what we are trying to achieve in terms of sustainability and be aware if any significant changes are made involving sustainability or material matters for the Group.

A vital matter that displays our materiality matters progress is our ability to address Quality and 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 manage material matters effectively and efficiently to navigate us through this challenging period. Necessarily, to pursue business sustainability, we need to continue to be guided by asset and cost optimization, project execution excellence, financial prudence, operational strategy, and cash

and debt management policies and practices. These measures are considered necessary and need to be taken as they reflect the present market realities.

AMRB has also remained focused on integrating sustainable practices into aspects that deal with the environment, our broader economy and social issues throughout FPE2022. Through this integration, AMRB has experienced significant benefits that involve our ability to:

- Enhance our Risk Management Framework and its implementations
- Promoting innovation and technology with strategic alliances.
- Attract new and potential customers to increase order book value.
- Maintain our license to operate with clients through our strong track records and capabilities
- Respond to responsible investment and better capital security
- Improve our products and optimize our operational costs.
- Improve brand value and reputation with customers and authorities

The AMRB Corporate Sustainability Statement (“the Statement”) for FPE2022 was prepared by the Senior Management Team of the Group. The Statement was reported to the Board Risk Management Committee (“BRMC”) and Board of Directors (“the Board”) for consideration and approval. Feedback and inquiries relating to this report, including any unethical and unlawful behaviours 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](mailto: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



Our FPE2022 reporting scope consists of onshore and offshore projects, initiatives, activities, information and changes by AMRB under its materiality matters whilst also expanding upon sustainability targets.



### REPORTING SCOPE AND BOUNDARY

The contents of our Sustainability Statement 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. Alam Hidro (M) Sdn Bhd
4. International Gateway Services Sdn Bhd
5. Alam Food Industries (M) Sdn Bhd
6. Alam Maritim Properties (M) Sdn Bhd

Our FPE2022 reporting scope consists of onshore and offshore projects, initiatives, activities, information and changes by AMRB under its materiality matters whilst also expanding upon sustainability targets. Information, activities and performance data outside the reporting scope are not disclosed in this Statement.

AMRB's sustainability reporting boundaries are governed by the prioritization 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.

#### Reporting Period:

1 January 2021 to 30 June 2022

#### Reporting Cycle

Annual

#### Reporting Frameworks Referenced

The Sustainability Statement 2022 ("SS2022") was prepared according to the following frameworks

- Bursa Securities' Main Market Listing Requirement Practice
- Bursa Malaysia Corporate Governance Guide (3rd Edition)
- Bursa Malaysia Sustainability Reporting Guide (2nd Edition)

### 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 SS2022 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, with actual results possibly differing.


# SUSTAINABILITY STATEMENT


## FPE2022 HIGHLIGHTS AND ACHIEVEMENTS


### 12 UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS ADOPTED



### ENVIRONMENTAL

  
**Employs low-sulphur** Marine Gas Oil (“MGO”) containing 0.1% or less sulphur content.

  
**10%** decrease in overall CO<sub>2</sub> emissions

  
**20%** decrease in electricity consumption

### SOCIAL

  
**Zero fatalities**

  
**Zero incidents of corruption**

  
**154** total employees

  
**RM99,331** spent on employee training

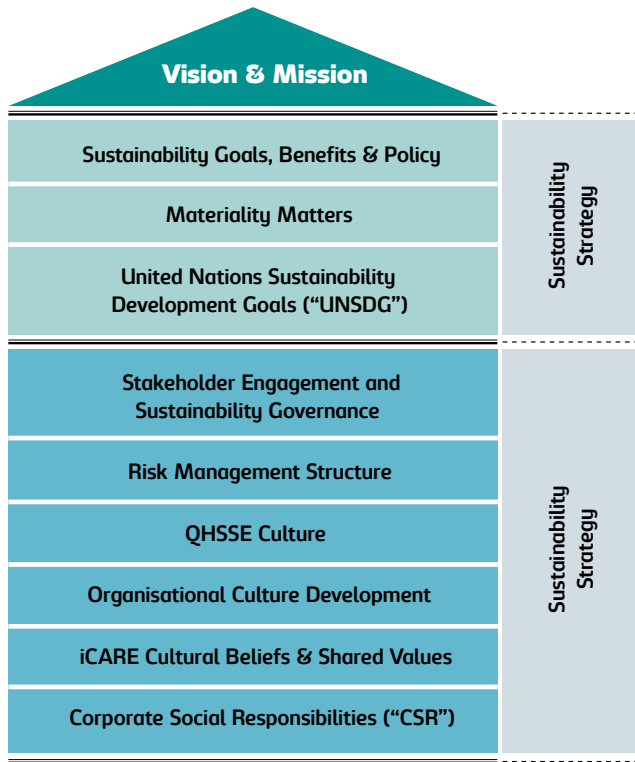
  
**RM15,018,420.97** spent on employee salaries and benefits

  
**40** total new hires

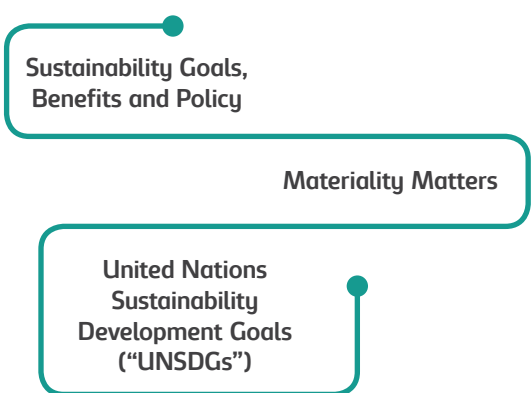
# SUSTAINABILITY STATEMENT

## SUSTAINABILITY STRATEGY, FRAMEWORK & MATERIALITY MATTERS

AMRB recognizes the roles Economic, Environmental and Social (“EES”) factors play in achieving sustainability and the Group will continue to focus on these factors whilst comprehensively assessing the risks involved with implementation. AMRB’s Vision and Mission can be seen below:



Supported by the Group’s Vision and Mission, our sustainability strategy involves three major elements:



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

For AMRB, establishing clear and distinct targets is crucial when trying to improve overall sustainability. Not only does it provide clear objectives for the Group but 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 maximizing returns and upholding stakeholders’ interests
  2. Achieve the best performance in QHSSE as part of the organization’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 organization through Corporate Social Responsibility (“CSR”) activities
  5. Enhance corporate governance via maintaining a 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



## SUSTAINABILITY STATEMENT

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

### Sustainability Benefits

1. Corporate Governance
  - a) Enhancing Risk Management
  - b) Maintaining HSSE License to Operate
  - c) Promoting Good Corporate Governance & Integrity
  - d) Enhancing Innovation for Business Continuity
  - e) Securing Capital
  - f) Enhancing Customer Relationship Management
2. Organization 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

Based on employees and stakeholders feedbacks, AMRB has identified the following material matters that have the potential to significantly impact AMRB's ability to remain sustainable. Prioritizing these matters with a strategic mindset and understanding that these matters carry significant importance to the Group remains an important aspect.

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.

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 continues to commit to its adopted United Nations Sustainable Development Goals to contribute towards the global betterment of the economy, environment and society. We continue to focus on our contributions and achievements when it comes to these goals since they deal with topics such as poverty, inequality and environmental degradation.

The Group will continuously integrate key adopted UNSDGs into our materiality matters which includes our HSSE framework and CSR activities, as well as among our stakeholders, supply chain and the wider community.

Moving forward, the Group hopes to disclose our progress in terms of UNSDG adoption when relevant data becomes available but at the same time highlight how the adoption of UNSDG goals benefits our value creation and business model. This will clearly display AMRB's strategy and progress towards achieving sustainability to relevant stakeholders.



## SUSTAINABILITY STATEMENT

### STAKEHOLDER ENGAGEMENT

Here at AMRB, we believe that having a strong, meaningful and consistent relationship with our stakeholders is imperative for the success of our business. Understanding our stakeholders evolving needs and expectations is crucial when it comes to sustainability development. Our key stakeholders have been identified based on their ability to impact AMRB's business activities as well as their interests in our organization.

Establishing a strong communication channel through various platforms is vital for the Group as it allows for better collaboration with our stakeholders as well as aligning our targets and vision. The Group usually engages with stakeholders through mediums such as meetings, media publications, social events and the publication of reports.

However, due to COVID-19, the use of online platforms has become more common in recent times and AMRB has invested resources to improve our ability to rely on online platforms as an effective mode of communication. This is largely reflected in AMRB's updated website design and interface for improved accessibility for stakeholders and shareholders.

AMRB's identified key stakeholders include our clients, employees, shareholders, investors, the Government and regulatory bodies, the community, partners and suppliers. We have continued to adhere to the established list of identified principal stakeholders of AMRB and engagement strategy to ensure consistency and streamlining of our stakeholder engagement efforts. Our stakeholder engagement table remains unchanged since 2020.

Stakeholder Group	Engagement Approach	Frequency	Outcomes and Values
<b>CUSTOMERS</b>	Tender/ Bidding Briefings	As and When	<ol style="list-style-type: none"> <li>1. Project Requirements</li> <li>2. Compliance</li> <li>3. Service Delivery</li> <li>4. Solutions Consultation and Support</li> </ol>
	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	
<b>EMPLOYEES</b>	Managing Director (MD) engagement sessions via internet / newsletters	Monthly	<ol style="list-style-type: none"> <li>1. Health, Safety, Security, and Environment</li> <li>2. Operational Performance Update and Reviews</li> <li>3. Sustainability Updates and Reviews</li> <li>4. Business Direction and Initiatives</li> <li>5. Human Resource Affairs and Personal Development</li> </ol>
	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	
<b>SHAREHOLDERS, INVESTORS AND ANALYSTS</b>	Annual Report	Annually	<ol style="list-style-type: none"> <li>1. Wealth and Value creation</li> <li>2. Financial Performance and Growth</li> <li>3. Future prospects</li> <li>4. Good Corporate Governance</li> <li>5. Sustainability of Operations</li> </ol>
	Annual General Meeting	Annually	
	Financial reports and investor briefings	Quarterly	
	Investor roadshows and events	Periodic	
	Media releases	Periodic	
	Shareholder updates and Bursa announcements	Periodic	
	AMRB website updates	As and When	

## SUSTAINABILITY STATEMENT

Stakeholder Group	Engagement Approach	Frequency	Outcomes and Values
<b>GOVERNMENT AND REGULATORS</b>	Meetings and visits	Periodic	<ol style="list-style-type: none"> <li>1. Regulatory Approvals and Legal Compliance</li> <li>2. Good Governance and Responsible Corporate Management</li> <li>3. Taxes and Levies</li> <li>4. Solutions Consultation and Support</li> </ol>
	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	
<b>COMMUNITY, MEDIA AND GENERAL PUBLIC</b>	Corporate social responsibility activities	Periodic	<ol style="list-style-type: none"> <li>1. Corporate Social Responsibility</li> <li>2. Good Governance and Responsible Corporate Management</li> <li>3. Environmentally Responsible</li> </ol>
	Social media	Daily	
	Meeting with the press	As and When	
<b>CONTRACTORS AND SUPPLIERS</b>	Partnership Agreement	As and When	<ol style="list-style-type: none"> <li>1. Policy, Requirement &amp; Compliance Updates and Review</li> <li>2. Evaluation Assessment issues</li> <li>3. Sustainability issues</li> <li>4. Operational Progress</li> <li>5. New Business Opportunities</li> <li>6. Supply and Pricing</li> </ol>
	Engagement and Meetings	Periodic	
	Site Visits	Periodic	
	Tender / Bidding Briefings	As and When	
	Procurement, Policy and Regulations Updates	As and When	
	Contractor / Supplier Evaluation Assessment	Annually	

### SUSTAINABILITY GOVERNANCE

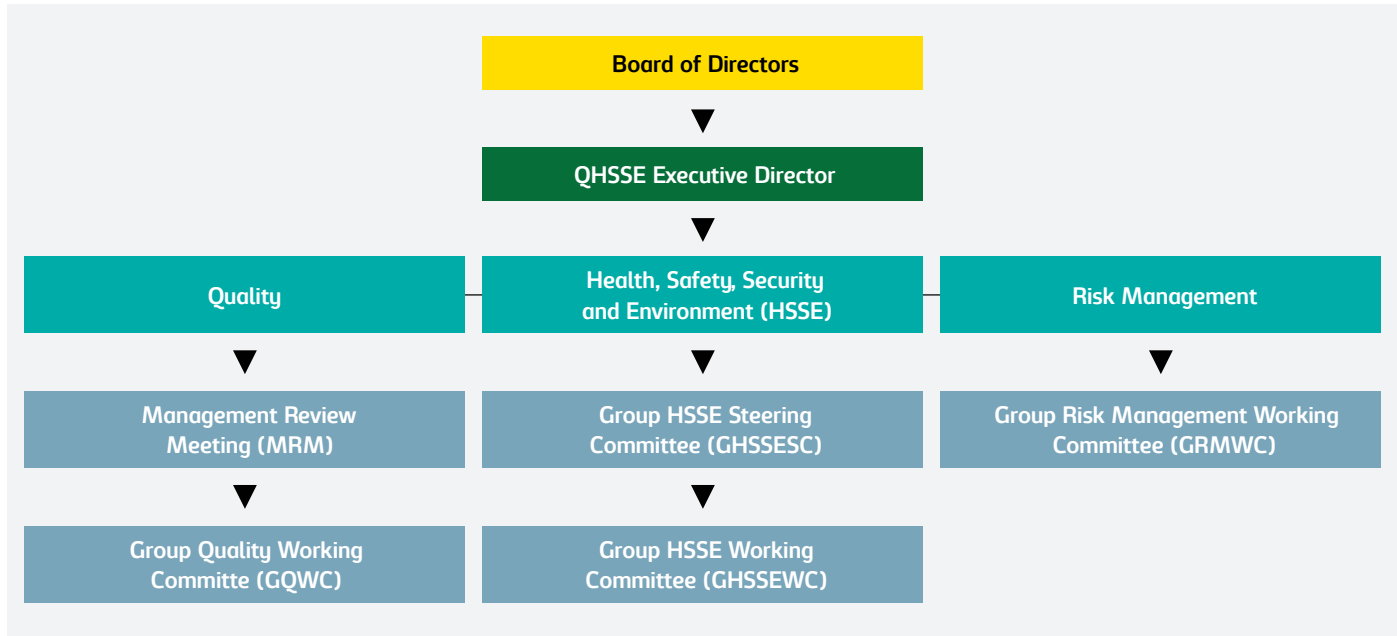
AMRB's sustainability governance structure plays a crucial role in ensuring the whole organization can be managed and directed toward becoming an EES-driven company. It is important to highlight that our governance structure is heavily influenced by AMRB'S QHSSE structure.

Our structure will involve Risk Management as part of its supporting function with activities that include corporate and financial affairs, human resources and other key and relevant functional work processes. The improved focus has also been placed for stakeholders' benefit through our governance structure since maintaining a strong relationship with stakeholders remains a top priority for the Group.

The Group's 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 agenda along with our iCARE cultural beliefs. Other targets that we aim to achieve within our structure involve gender diversity where we 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 are in place.

## SUSTAINABILITY STATEMENT



Sustainability at AMRB is governed by our QHSSE Executive Director who directs the Group’s overall Sustainability Strategy and is responsible for EES related risks, opportunities, goals and measures.

The Group’s Board is responsible for having oversight in matters pertaining to business and risk strategy, organizational structure, financial viability along with regulatory compliance across the value chain and EES implementation. By doing so, sustainable practices are monitored and being implemented and integrated into our practices more efficiently with our stakeholders’ wishes also being addressed.

Supporting a cross-functional approach, our structure encompasses the Group Risk Management Working Committee (“GRMWC”), the Executive Committee (“EXCO”) and Steering Committee with Management Review Meetings (“MRM”).

Our Sustainability Governance is part of the larger Corporate Governance and Risk Management Framework (“CGRMF”) that was approved by the Board. The CGRMF defines the Group’s roles, responsibilities, overall 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.

In April 2021, AMRB’s Board made the executive decision to create the Executive Committee (“EXCO”) in order to replace the previous Alam Management Committee (“AMC”). The EXCO is chaired by the Group MD/CEO, with the Deputy CEO as the alternate Chairman.

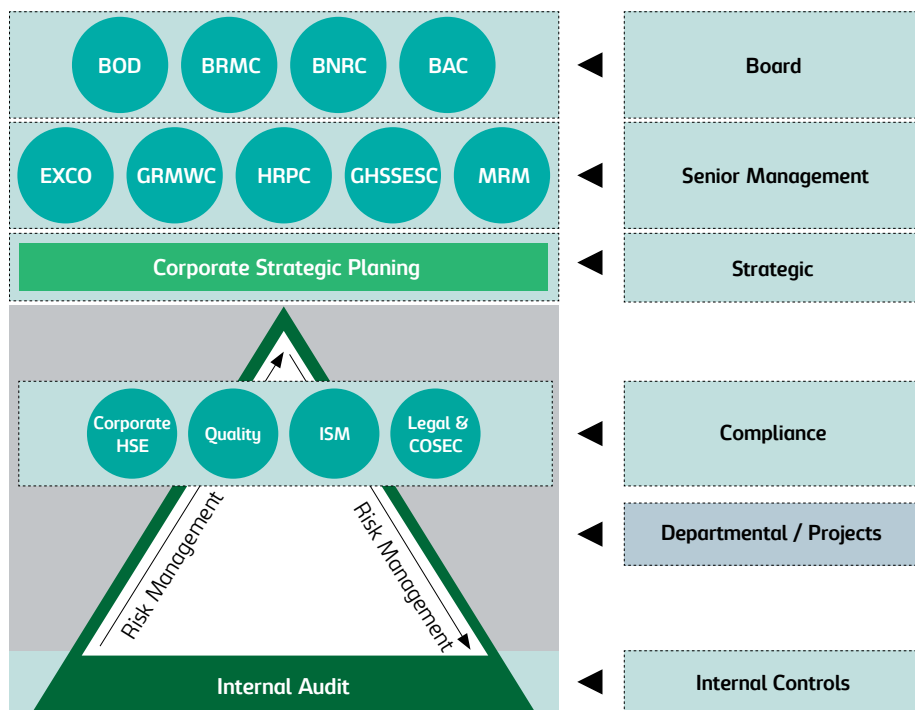
The decision to establish EXCO was made with the intention of achieving faster decision-making within AMRB by continuously looking at different value creation methods and aspects the Group can improve on in general. It reflects our performance-driven culture and customer-focused mindset which is an accurate representation of the environment at AMRB.

Our approach aims to empower our leaders as we give them an increased sense of responsibility and accountability which encourages them to improve their ability to take leadership and improve their decisionmaking ability. It promotes further growth for people who have leadership roles in AMRB whilst facilitating a team-driven approach amongst our employees. We are entrusting our leaders to guide the Group moving forward and believe they will ensure the successful delivery of strategies and realization of the Group’s Vision and Mission.

Managing the overall corporate structure can indeed present certain challenges when it comes to sustainability development and material matters for AMRB. The governance structure we have established is set up in a way to deal with any difficulties faced in an efficient and timely manner which is why we remain confident moving forward as an organisation.

# SUSTAINABILITY STATEMENT

## AMRB's Corporate Governance & Risk Management Framework



“The governance structure we have established is set up in a way to deal with any difficulties faced in an efficient and timely manner which is why we remain confident moving forward as an organisation.”

Committee level	Main Responsibilities
1. BOARD OF DIRECTORS	<ul style="list-style-type: none"> <li>Chaired by the Chairman of the Board.</li> <li>Provide oversight responsibilities to the sustainability agendas and strategies.</li> <li>Reviews information provided by the QHSSE Director for evaluation of strategies and initiatives.</li> <li>Approves policy changes, reviews the Board Charter.</li> <li>Approves Unaudited Quarterly Financial Results and Annual Audited Financial Statements.</li> </ul>
2. BRMC	<ul style="list-style-type: none"> <li>Chaired by an Independent / Non-Executive Director.</li> <li>Approves the Annual Group Risks Profile and Risk Management of the Group.</li> <li>Approves the quarterly status updates of key risks and mitigation actions as recommended by the GRMWC.</li> </ul>
3. BOARD AUDIT Committee (“BAC”)	<ul style="list-style-type: none"> <li>Chaired by BAC Chairman (Independent / Non-Executive Director).</li> <li>Approves the appointment and resignation of external Auditors.</li> <li>Approves Annual Audit Plan, budget and resources of the Internal Audit Department.</li> <li>Reviews the Audit progress and follow up of all internal controls matters.</li> </ul>
4. BOARD NOMINATION AND REMUNERATION COMMITTEE (“BNRC”)	<ul style="list-style-type: none"> <li>Chaired by an Independent Non-Executive Director.</li> <li>Review manpower planning, remuneration and related policy matters.</li> </ul>
5. EXECUTIVE COMMITTEE (“EXCO”)	<ul style="list-style-type: none"> <li>Chaired by GMD/CEO/Deputy CEO (Alternate).</li> <li>Review Annual Budget, budget performance and financial matters.</li> <li>Review Monthly Performance Status, Issues &amp; Proposed Solutions,</li> <li>Review Project Cost &amp; Status, Issues and Proposed Solutions.</li> </ul>

## SUSTAINABILITY STATEMENT

Committee level	Main Responsibilities
<b>6. GROUP RISK MANAGEMENT WORKING COMMITTEE (“GRMWC”)</b>	<ul style="list-style-type: none"> <li>• Chaired by QHSSE Director.</li> <li>• Attended by CEO, COO and Heads of Department/Divisions and Business Units before quarterly BRMC meetings.</li> <li>• Recommends Annual Group Risks Profile of AMRB Group of Companies for BRMC approval.</li> <li>• Deliberate quarterly status updates of key risks and mitigations by respective Heads of Department (process owners).</li> <li>• Supports to define and establish the Sustainability Policy, goals and expectations.</li> <li>• Supports to review and conduct the Sustainability Policy, goals and strategies.</li> <li>• Addresses the economic, environmental and social (EES) risks, creates risk profile and provides mitigation recommendations for business and operational activities regarding sustainability.</li> <li>• Escalates critical concerns to QHSSE Director, as Chairman of Sustainability Governance.</li> <li>• Provides the latest Sustainability data, actions and campaigns for the Management Committee to review performance.</li> </ul>
<b>7. MANAGEMENT REVIEW MEETING (“MRM”)</b>	<ul style="list-style-type: none"> <li>• Chaired by QHSSE Director and meets once a year as part of ISO requirements.</li> <li>• Comprises top Management, Heads of Departments and Division.</li> <li>• Opportunities for improvement measured through internal/external audit findings.</li> <li>• Continuous improvement on the IMS system and other compliance.</li> </ul>
<b>8. GROUP QUALITY WORKING COMMITTEE (“GQWC”)</b>	<ul style="list-style-type: none"> <li>• Chaired by QHSSE Director and meets every quarter.</li> <li>• Comprises top Management, Heads of Departments and Divisions.</li> <li>• Reviews and monitors IMS implementation throughout the Group.</li> <li>• Supports to review and conduct the Sustainability Policy, goals and strategies.</li> <li>• Produce the annual Corporate Sustainability Statement for review and endorsement.</li> <li>• Implement and act as “Change Agents” to deliver and communicate on Sustainability Policy, goals and strategies.</li> <li>• Escalates critical concerns to QHSSE Director, as Chairman of Sustainability Governance.</li> </ul>
<b>9. GROUP HSSE STEERING COMMITTEE (“GHSSESC”)</b>	<ul style="list-style-type: none"> <li>• Chaired by the Managing Director/CEO.</li> <li>• Comprises of Management, Heads of Department/Division and Business Units.</li> <li>• Defines and establishes the Sustainability Policy, goals and expectations.</li> <li>• Escalates critical concern to QHSSE Director, as Chairman of Sustainability Governance.</li> <li>• Ensures HSSE procedures, projects, plans as well as work safety systems are correctly and efficiently implemented.</li> </ul>
<b>10. GROUP HSSE WORKING COMMITTEE (“GHSSEWC”)</b>	<ul style="list-style-type: none"> <li>• Chaired by a QHSSE Director.</li> <li>• Initiates and participates in HSSE development, training and/or continuous improvement programmes.</li> <li>• Conducts management site visits and HSSE talks.</li> <li>• Monitors the implementation and reviews of the performance of HSSE plans.</li> <li>• Meets every month.</li> <li>• Support to review and conduct the Sustainability Policy, goals and strategies.</li> <li>• Implement and act as “Change Agents” to deliver and communicate the Sustainability Policy, goals and strategies.</li> <li>• Provides the latest Sustainability data, actions and campaigns for the Management Committee to review performance.</li> </ul>
<b>11. HUMAN RESOURCE PLANNING COMMITTEE</b>	<ul style="list-style-type: none"> <li>• Chaired by a QHSSE Director.</li> <li>• Review manpower planning to recommend to EXCO.</li> <li>• Review employee appraisals to recommend to EXCO.</li> </ul>

## SUSTAINABILITY STATEMENT

Committee level	Main Responsibilities
<b>12. DEBTORS AGEING SUB COMMITTEE &amp; CREDIT REVIEW SUB WORKING COMMITTEE</b>	<ul style="list-style-type: none"> <li>• Chaired by GMD/CEO.</li> <li>• Review repayment ageing of debtors.</li> <li>• Assess the credit risk of new trade debtors.</li> </ul>

### Board Independence and Skills

AMRB distinctly separates the positions of the Chairman and the CEO, which promotes accountability and facilitates the coherent division of responsibilities. The full details of our Directors and their positions, qualification, skills, experience and other relevant information can be found in the directors' profile on page 40 to 44 of the Annual Report.

The Board practices a well-established and transparent process that handles the appointment and dismissal of members. Decisions made will be tabled at our Annual General Meetings ("AGM") or our Extraordinary General Meetings ("EGM") for information. In order to ensure our Board consists of members who possess the necessary skills required of their position, an annual assessment of their effectiveness and performance also takes place.

Additionally, our remuneration packages are also transparently disclosed through our audited accounts and CG statements which include long-term incentives, taking into consideration the Environment, Social and Governance (ESG) linked remuneration performance indicators. It is also important to note that shareholders have the right to vote on proposed remuneration and are allowed to vote and confirm future remuneration to ensure it is in line with general practices.

### Risk Management Assessment

AMRB has in place a Risk Management Department that oversees Enterprise-Wide Risk ("EWR") operational management to strengthen business resilience with better risk visibility and foresight and made them as the core functions of the GRMWC. The Group recognizes the GRMWC as an influential decision maker, under the guidance of the Board Risk Management Committee, and entrusts them going forward when it comes to the general direction and operations of the Group. The GRMWC tries its best to align policies based on Group strategies and uses risk management as a means to achieve this.

There are a number of functions that the GRMWC performs that aid AMRB in our risk management processes. The Committee helps develop and improve risk management policies within the Group by closely aligning these policies with AMRB'S group-wide strategy and our ability to take on risks to take full advantage of our integrated operation and synergy

and foster trust and collaboration among the operating units. We are aware that it is important for management teams to be knowledgeable on the Group's risk profile and are fully engaged in risk management within their day-to-day running of the organization. Establishing an environment where risk management is seamlessly integrated within the Group is an essential part of the strategic culture and business operations here at AMRB.

Furthermore, the GRMWC is also crucial when it comes to identifying internal (e.g. operations and staffing) and external (e.g. legal, compliance, governance and etc.) factors that govern which strategy or area AMRB should establish and need to focus on.

By having the GRMWC in place, it allows for thorough risk assessment and identification of risk management gaps to take place and this is especially important when it comes to matters relating to EES. In risks relating to EES, the framework we use to adopt and uphold risk management standards is ISO 31000 which incld EES risks within its framework. Our Board is also involved by overseeing not only risk management in general but do focus on risks relating to EES. Additionally, the risk and operational risk management as detailed out by ISO3100 will assist the Board greatly as it will allow for improvement in risk visibility through efficient reporting, increase in risk and control framework related to operational efficiency and decrease in the time to create and review a business impact analysis.

### Preserving Our License to Operate (leveraging on QHSSE)

Maintaining a strong QHSSE culture that is centred around aspects and principles of ownership, accountability, mindfulness and courage to intervene, encourages the correct attitude toward employee contribution to achieve an objective. Our ability to operate is reliant on the license that we have obtained which is why preserving our license along the premise of ensuring adherence towards good work environment regulations and practices are upheld by our staff and contractors as they remain crucial for business operations.

## SUSTAINABILITY STATEMENT

For AMRB to be in the position we are in today, it requires a high level of commitment towards the execution and implementation of HSSE best practices which can be effectively achieved by avoiding negligence and complacency and undertaking proper and effective intervention when needed. This can be a significant factor that can differentiate us from the rest and to be the best in class in order to compete within a highly competitive industry. The Group strongly adheres to regulatory standards and certifications in order to ensure a clean and reputable HSSE track record that has no issues and defects, supported by timely service delivery, optimum resource management as well as zero operational errors.

Towards achieving Quality work performance, the Group follows the following standards that it has successfully attained over the years:

Certification & Standards	Awarded To	Validity
<b>IMS STANDARDS OF ISO 9001:2015 (QUALITY MANAGEMENT)</b>	ALAM MARITIM GROUP:- i) Alam Maritim Resources Berhad ii) Alam Maritim (M) Sdn Bhd iii) Alam Hidro (M) Sdn Bhd	1 March 2024
<b>ISO 14001:2015 (ENVIRONMENTAL MANAGEMENT)</b>	ALAM MARITIM GROUP:- i) Alam Maritim Resources Berhad ii) Alam Maritim (M) Sdn Bhd iii) International Gateway Services Sdn Bhd iv) Alam Hidro (M) Sdn Bhd	1 March 2024
<b>ISO 45001:2018 (OCCUPATIONAL HEALTH AND SAFETY)</b>	ALAM MARITIM GROUP:- i) Alam Maritim Resources Berhad ii) Alam Maritim (M) Sdn Bhd iii) Alam Hidro (M) Sdn Bhd	1 March 2024

In addition, AMRB adheres to certain standards that can improve future quality compliance and accreditation to international standards.

The below standards are also enforced by the QHSSE Department across all subsidiaries alongside 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

Our Corporate Security Policy which focuses on universal Group security procedures is also enforced within AMRB as an attempt to improve long-term business sustainability. After the COVID-19 outbreak, a heavier emphasis has been placed on Risk Management and QHSSE areas to sustain the Group's safety and health record.

AMRB'S focus on quality control, regulatory compliance and HSSE management has earned the Group much-deserved respect and acknowledgment within the industry. In FPE2022, we have achieved the following awards.





## SUSTAINABILITY STATEMENT

NO	DATE	DETAILS OF ACHIEVEMENT / CONTRIBUTION	CLIENT
1.	Jan 2021	Catch of the Month (COTM) 2021 January Winner : 3rd Engineer Ahmad Jihbazd – MV Setia Rentas	Repsol
2.	Feb 2021	Catch of the Month (COTM) 2021 February Winner : AB Mohd Nazrul – MV Setia Rentas	Repsol
3.	Mar 2021	Catch of the Month (COTM) 2021 March Winner : OS Mohd Amri Hadi – MV Setia Gigih	Repsol
4.	Mar 2021	Catch of the Month (COTM) 2021 March Winner : AB Mohd Rizal Md Noor – MV Setia Rentas	Repsol
5.	Jun 2021	Zero Incident Award awarded to MV Setia Gigih for the achievements of no incident recorded during 2020/2021 Monsoon Safety Campaign	Repsol
6.	Jun 2021	Zero Incident Award awarded to MV Setia Rentas for the achievements of no incident recorded during 2020/2021 Monsoon Safety Campaign	Repsol
7.	Nov 2021	HSSE Recognition Award awarded to Alam Maritim (M) Sdn Bhd for outstanding performance and exceptional commitment in upholding Health, Safety, Security and Environment (HSSE) standards in conjunction with MMS Virtual Contractor HSSE Engagement 2021	MISC Maritime Services Sdn Bhd
8.	Jun 2022	2021/22 Monsoon Safety Campaign – Zero Incident Award awarded to MV Setia Rentas Hibiscus	Hibiscus Petroleum
9.	Jun 2022	2021/22 Monsoon Safety Campaign – Zero Incident Award awarded to MV Setia Gigih Hibiscus	Hibiscus Petroleum



## SUSTAINABILITY STATEMENT

### Upholding Anti-Bribery and Anti-Corruption Standards

AMRB takes the issue of corruption extremely serious considering its negative impact on sustainability development, society's wellbeing and inevitably, economic growth. Therefore, one of the primary components and pillars of Ethical, Environmental, Social and Governance ("EESG") is to eliminate corruption by implementing good practices and governance mechanisms and put in place policies to build a healthy, sustainable and transparent business, community and society ecosystem.

In the previous year, AMRB introduced the Anti-Bribery and Anti-Corruption ("ABAC") policy in accordance of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act").

Our MACC Act ensures that commercial companies are held accountable if discovered to be involved in bribery and other corrupt activities and practices within and outside the organization. Liability can extend to the Chief Executive Officer, any member of the Board, Management or employee as well as relevant stakeholders related to the Group's management and operations.

The ABAC policy consists of procedures, compliance factors, monitoring protocols and reporting frameworks for the Group regarding anti-corruption measures, The policy can aid in improving organizational transparency which is in line with building a sustainable foundation for economic growth to be achieved. The ABAC Policy has been applied at various organizational levels of the Group in relation to both internal and external stakeholders.

AMRB's Board has oversight when it comes to anti-corruption policies along with their development and implementation. This is done through established Group committees and departments such as the BAC, GRMWC, BRMC, Human Resources & Administration Department ("HRAD") as well as Internal Audit & Risk Management ("IARM"). Our anti-corruption disclosures are verified through internal audits apart from encouraging substantiated whistle-blowing mode.

At AMRB, we strive to spread anti-corruption practices among all levels within the Group in order to create an environment that is strictly against any form of corruption. The first batch of anti-corruption training in 2020 saw 110 participants attending.

In FPE2022, 30% of Board members and Senior Management members have undergone anti-corruption trainings and briefings. 70% of staff that were below senior management have been briefed on the ABAC policy and AMRB provides briefings to newly hired staff on our ABAC policy. The Group also has an Employee Handbook ("Handbook") which details

our ABAC policy particulars and other ethical conduct protocol including Codes of Conduct & Discipline. AMRB reported zero incidents of corruption in FPE2022.

Below we can see the breakdown of our training:

ABAC Policy Training Breakdown by Job Category	No. of Training Participants
Board of Directors	4
Senior Management	3
Middle Management	7
Executive	8
Non-Executive	0

The full and approved ABAC policy framework can be viewed at AMRB's Investor Relations webpage at <http://ir.alam-maritim.com.my/v1/>

### Whistleblowing Mechanism

AMRB has established a whistleblowing mechanism in order to provide an appropriate platform for our employees and other stakeholders of the Group to report any potential or suspected incidents 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.

Reports made will go to the HR and Administration Department and be fairly investigated by our Board, HOD and EXCO members.

For matters relating to financial reporting, unethical or illegal conduct, one can report directly to the following designated person:

Zero whistleblowing reports were received in FPE2022.

### Code of Conduct and Business Ethics

AMRB'S Code of Conduct serves as a method to establish ethical and professional conduct throughout the Group and set certain standards for all employees to adhere to. Our employees are expected to behave in an appropriate manner when dealing with other employees, clients and vendors and display high sense and level of integrity.

## SUSTAINABILITY STATEMENT

The Code's guiding principles are:

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

### Maintaining Positive Corporate Governance

Maintaining the high standard AMRB has set when it comes to corporate governance and best practices will continue to be a key objective for the Group in hopes that sustainability will be holistically integrated into our business. This will improve transparency with our stakeholders and will allow us to better safeguard their interests. The Board and Senior Management therefore adhere to the Malaysian Code on Corporate Governance 2021 ("MCCG 2021").

The Group is also a proud constituent of the FTSE Bursa Malaysia EMAS Index ("FBEMAS") and a Shariah-Compliant organization, as well as complies with various Malaysian laws and regulations in the sectors of Energy and Infrastructure, Equipment & Services and the (upstream) Oil and Gas Equipment and Services Industry, Marine as well as other related regulatory compliances.

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'

### Board Leadership Diversity

AMRB believes that investing in a diverse workforce is essential for our business as the different perspectives and ideas help enrich our organization and better-informed decision-making process. Factors such as age, gender, race, religion, sexual orientation, social class, disability and nationality have no impact on the prospects of employment, promotion, training opportunities, salary, remuneration, reward and benefits at AMRB.

Despite being in an industry that is predominantly occupied by men due to the intense physical labor and hazards involved, AMRB has sought out gender diversity throughout the organization from members of the Board to management and even the general workforce. Our non-discriminatory and all-inclusive talent management approach can be seen through our Board and Top Management where we have maintained a 30% female inclusion within these positions. Furthermore, since 2010, AMRB's Chairperson of the Board has been a woman, making the Group among the selected few, public listed companies in Malaysia that have a woman Chairperson to helm the Board.

Besides gender diversification, the Group has focused on diversifying the Board and other leadership positions within the organization. By doing so, it allows for unique opinions and ideas to be brought forward in the decision-making process. The composition of AMRB's directors consists of personnel with vast experience in the industry whilst also having younger members who have a better understanding of new technology and emerging trends within the industry. Board Diversity will continue to remain an integral part of AMRB strategy moving forward and we hope to cascade these beliefs throughout the organization.

### Ethical and Professional Conduct

AMRB has adopted a prudent approach when it comes to upholding ethical and professional integrity amongst all our staff in matters relating to business and operations. To ensure this, the Group has established strict ethical conduct guidelines, procedures and best practices pertaining to professional conduct, code of ethics, work ethics, anti-corruption, anti-bribery, fair competition, gift giving and acceptance, business amenities and affiliations with government personnel, distribution and usage of proprietary and confidential information, conflicts of interest as well as copyright infringements within or outside the Group parameters.

Any acts of commercial bribery, kickbacks as well as any other unsanctioned or clandestine payments, gifts, transfers and dealings will not be tolerated and will undergo the necessary disciplinary actions including verbal warnings, supervisory inquiries, employment dismissal or even legal proceedings. Internal and external stakeholders are strongly encouraged to report any incidents of ethical breach as well as any other criminal and corrupt practices to the established grievance and whistle-blowing mechanisms the Group has put in place in order to combat these breaches.

## SUSTAINABILITY STATEMENT

### Capital Acquisition and Restructuring

In order to remain sustainable, capital acquisition is a vital initiative that AMRB has to focus on in order to remain at operational especially considering the difficulties faced by the industry during the COVID-19 pandemic.

At AMRB, a majority of our CAPEX and OPEX are dedicated towards the operation and maintenance of our fleet, in addition to other vessel related investments like putting in, as examples, additional features to enhance safety manoeuvring and handling including security system of the vessels and monitoring of fuel consumption mechanism by the Group. Looking at the demand cycle for vessel services, the market can be quite unpredictable at times and this may lead to volatile cost risks through the consistently expensive expenditure involved in vessel repairs, maintenance and specialised crews. However, for the foreseeable future, the Group sees a continued trend for an increased demand for larger vessels with bigger cargo load capacities, despite market volatility.

### Securing Capital for Project Execution



The Group remains proactive in its efforts to reposition the organization and restructure its business portfolios including workplace, work culture and manpower rationalization as well as its financial arrangement to focus on where and how the Group's business should be competitive and viable, as well as ensuring that sufficient EBITDA is generated to meet its obligations. In this vein, the Group appointed Sage 3 Capital Sdn Bhd as its financial advisor to assist in a proposed scheme of arrangement with its creditors. More information on these restructuring initiatives and developments can be read in the Management Discussion and Analysis section of the Annual Report.

### Customer Relationship and Satisfaction

There are a variety of methods that AMRB uses to facilitate customer engagement which include customer/client feedback, customer/client inspection and site visits, both scheduled and unscheduled, project contractor management meetings as well as audits and assurances regulatory or compliance-based evaluation and assessment exercises and responses to enquiry correspondences.

We hope to further improve our ability to provide satisfactory engagement and responses to our customers and we aim to expand upon our ability to handle large amounts of feedback from both clients and customers within a reasonable timeframe. AMRB also looks to further improve the client and feedback mechanisms we have in place to allow for efficient communication to take place between both parties and place the Group in a better position to deal with any concerns that may be brought up. It is all about building trust and confidence.

Additionally, there is need to update and further advice our clients and customers on any relevant information they would like to know of within the organization, AMRB releases information such as key updates regarding the progress of certain projects, repairs and maintenance records, corrective measures initiated and QHSSE performance on operational activities and project requirements.

Moving forward, AMRB intent to drive and expand upon all forms of clients/customer engagement platforms to adequately meet the changing needs and demands they may have from time to time.

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

### Supply Chain and Procurement Governance

AMRB's supply chain is made up of our contractors and suppliers and we strive to achieve good governance and business practices throughout all levels of our supply chain and remove any form of disruptive elements. The contractors and suppliers we have chosen to work with have displayed to us a certain level of integrity and reliability that is agreeable with AMRB's standards.

To further reinforce our stance when it comes to anti-corruption within the supply chain, AMRB has established its ABAC Policy and Acknowledgement Pledge which is required to be signed off by all suppliers and contractors. Through this, it ensures that suppliers and contractors are aware of the policies that AMRB abides to whilst also displaying our zero-tolerance approach when it comes to corruption.

AMRB does also look into procurement practices and has a Procurement Policy established. This Policy outlines a centralised procurement system that manages and consolidates all procurement transactions and evaluation assessments in a single system. An example of this can be seen in AMRB's favourability towards local suppliers over foreign ones in order to support the Malaysian economy and spread our sustainability governance and business practices towards these contractors and suppliers.

## SUSTAINABILITY STATEMENT

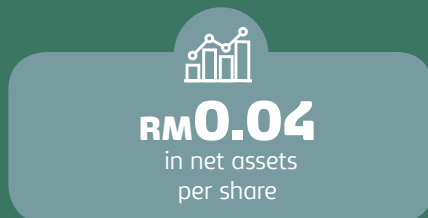
### Number of Suppliers

Year	Local	Foreigner	Total
FY2019	268	62	330
FY2020	302	63	100
FPE2021	368	100	468

### Direct Economic Value Created

The economy is going through a recovery phase with economic growth still reeling from the negative impact brought by the COVID-19 pandemic. The weakening oil prices and ongoing international conflicts have made it difficult for economic activities to recover, especially within a short time period when the economic environment is still fluid and unstable. Despite all this, AMRB has shown great resilience and determination to progress during this period and has continued to persevere.

Please find key information on FPE2022 financial performance in the tables below. Details of financial results are stated in this Annual Report.



### Indirect Economic Value Created

As with previous years, AMRB's consistently generates value for its stakeholders which comprised of financial and non-financial values, such as salaries and emoluments for employees, taxes to the government, dividends to shareholders and creating employment opportunities and spill over economic effect.

### ORGANIZATIONAL CULTURE DEVELOPMENT

#### Cultural Beliefs & Shared Values of iCARE

Despite the recurrence of the pandemic as a result of the rapid spread of COVID-19 variants, the Group remained vigilant in its efforts to adapt and reinforce its work culture in the face of a macroenvironment forces fraught with obstacles.

During the year under review, AMRB continued to foster a maturing professional workplace culture with further emphasis on business excellence and productivity. This included the cultivation of success-inducing values, mindsets, and behaviours in the workplace while strengthening a cohesive organizational work culture. In this vein, the Group has extended its efforts to instil these work values in order to establish an effective work culture based on its interconnected iCare Cultural Beliefs and Shared Values.

Our iCARE Cultural Beliefs highlight our capability to deliver quality results through discipline, work ethic, and accountability. Consequently, whilst the Shared Values govern the qualities and desired characteristics we need to instil for efficient teamwork and synergy, the iCARE Cultural Beliefs system promotes our essence as a high-performing enterprise. Both of these values and beliefs underpin our Vision and Mission Statement, which outline our path toward building a high-performance, sustainable work culture.

The Group embraces and implements these guiding principles and ideals to promote employee ownership, success sharing, and a sense of belonging. In turn, this establishes a sustained value-added path toward a high-performing work culture that fosters trust, unity, diligence, accountability, compliance, and productive collaboration among employees.

Every AMRB employee is instrumental in championing the desired transformation and long-term sustainability that we, as an organization, seek to drive and achieve in order to enable our organization to thrive in the face of adversity. For this reason, AMRB remains committed to ensuring that strong leadership and guidance facilitate a more streamlined and expedited incorporation of these beliefs and values throughout the organization.

## SUSTAINABILITY STATEMENT



AMRB believes that nurturing strong diversity and inclusion principles is essential to fostering a more representative operating environment for our organization.



### Employee Diversity and Inclusivity

To develop a culture of shared business excellence, commitment, transparency, and value creation across the whole organization, it is vital for the Group that its workforce comprises a diverse and inclusive group of individuals. In accordance with our overarching corporate objective and iCARE's Cultural Beliefs and Shared Values, the Group believes that nurturing strong diversity and inclusion principles is essential to fostering a more representative operating environment for our organization. This enables our organization to benefit from a variety of perspectives, talents, skills and experiences that are invaluable for establishing a culture of high performance.

By establishing an environment of equal opportunity and mutual respect, we hope to attract and retain top talent from all walks of life. The Group strictly adheres to a non-discriminatory hiring policy, guaranteeing that all applicants, regardless of race, gender, religion, age, or disability, have equal employment opportunities. All of our employees are recruited solely on the basis of their qualifications and willingness to uphold the Group's iCARE Cultural Beliefs and Shared Values.

As of 30 June 2022, AMRB's business operations comprise of 406 employees with 252 Seafarers from around the world. Our workforce comprises permanent and contracts employees, as well as key executives and non-executives. We support local talents at operating locations, with 100% of our staff being Malaysians.

Below is a breakdown of the workforce by various demographics of shore personnel in Malaysia. There are a total of 154 shore employees.

### Holistic Productivity Improvement

AMRB's Productivity Improvement initiative is managed holistically, with emphasis on enhancing human capital development on individuals personal skills, knowledge and competencies of the workforce as well as the Group's work culture, systems, processes, procedures, and organizational structure.

Consequently, the use of these six (6) enablers, which are based on industry best practices, would raise productivity while also promoting greater cost efficiency. The gains of these enablers will accrue to all stakeholders, resulting in contributions to AMRB's long-term business viability and operational efficiency as a high-performance and productive organization.

(6 enablers towards Securing Capital Management)

### Human Capital Management

AMRB's workforce is the organization's lifeblood. Therefore, the Group always pays great attention to its human capital management to ensure that all workers are aware of the rights and benefits to which they are entitled during their employment with the Group through the onboarding process.

Additionally, Group inductions and orientation programmes, training, our Handbook, and organized seminars by the Human Resources department are held in both Bahasa Malaysia and English for better understanding and dissemination of the relevant policies, protocols, and guidelines.

## SUSTAINABILITY STATEMENT

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

<p><b>Compensation and Benefits</b></p>	<ul style="list-style-type: none"> <li>• The Group is committed to paying all employees the statutory monthly minimum wage and overtime compensation in accordance with the current national labour regulations.</li> <li>• We provide fair treatment and equal opportunity to wages and salary.</li> <li>• We provide group insurance and an Employees' Share Option Scheme ("ESOS") to those who are eligible.</li> </ul>
<p><b>Foreign Employment Arrangement</b></p>	<ul style="list-style-type: none"> <li>• The Group has in place comprehensive processes and procedures when hiring foreign employees which will protect their rights of employment.</li> </ul>
<p><b>Communications with Senior Management</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
<p><b>Policy of Notice Period for Significant Changes in Operation</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Termination procedures are as per the contractual offer letter of employment unless it differs where then procedures will follow the Employment Act 1955.</li> </ul>
<p><b>Non-Discriminatory Policy</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• We respect the rights of employees to practice their religion during their working hours,</li> <li>• We allow employees to have the right to join any organization as well as freedom of association with any organization as per applicable laws.</li> <li>• We practice no child and young person labour, and no forced labour in any kind of work.</li> </ul>
<p><b>Anti-Bribery and Anti-Corruption ("ABAC") and Harassment</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• We have set up a proper channel for whistleblowing and grievance mechanisms for an employee to report on any incident.</li> <li>• Policy on Anti-Bribery and Anti-Corruption ("ABAC") was approved and effective in June 2020.</li> </ul>
<p><b>Talent Management and Development</b></p>	<ul style="list-style-type: none"> <li>• The Group is committed to a healthy, high-performance organization where we place a high priority on knowledge and skills development.</li> <li>• We are committed to value our employees' achievements through yearly performance management reviews and career succession planning.</li> <li>• Further emphasis will be highlighted in the "Talent Management and Development" of this Annual Report.</li> </ul>

In addition to supporting the rights to mandated benefits and welfare, human working conditions, and the expression of grievances, AMRB employees have the right to freedom of association and collective bargaining.

The Group continues to monitor any revisions to global or domestic human rights policies and labour legislation so that our policies remain current and consistent with regulations. We also strive to monitor our employees' grasp of these policies so that they remain aware of their rights and, if warranted, exercise them when necessary. This will contribute to a more harmonious workplace environment within the Group.

## SUSTAINABILITY STATEMENT

Through our whistleblower channel and grievance mechanisms, we are committed to addressing any alleged cases of bullying, harassment, corruption, human rights breaches, labour law infringement, and other workplace indecencies. In FPE2022, there were zero cases of grievances reported.

### Employee Remuneration and Benefits

AMRB considers remuneration as an essential component of its workforce. All professionals employed directly by AMRB get competitive compensation packages that are proportionate to their professional qualifications, experience, and seniority, as well as their job performance. This is vital as compensation must be competitive in the marketplace in order to attract and retain talent across the Group.

The Group's employee benefits are available to all AMRB workers, whether onshore and offshore. This includes the various types of leave established by the Employment Act, such as annual leave, medical leave, maternity and paternity leave, and more.

	FY2019	FY2020	FPE2022
Employees Entitled for Paternal Leave	5	4	12
Employees Who Took Paternity Leave	2	4	5
Employees Who Took Maternity Leave	3	0	7

	FY2019		FY2020		FPE2022	
	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%

Moreover, contributions to the Employees Provident Fund ("EPF") are determined according to the Employees Provident Fund Act of 1951. AMRB contributes to the EPF based on the employee's working level.

The SOCSO Insurance Scheme covers eligible employees as defined by the Employees Social Security Act 1969 (Act 4). All contributions are paid on a monthly basis, in addition to the employee's compensation.

Onshore and offshore employee benefits (RM)	FY2020	FPE2022
Total payments made to employees in terms of salaries, bonuses and benefits	16,261,852	20,075,835.02
Total statutory payments made for employees' retirement benefits (EPF)	1,489,059.00	1,812,085.00
Total payments in medical insurance (SOCSO for employees)	95,257.20	130,500.95

### Employee Appreciation and Long Service Award

Every 10 years, AMRB celebrates and honours dedicated and loyal employees for their commitment and contributions with the Long Service Award ceremony. It is also a celebration of our employees' long-term tenure with the Group and an acknowledgment of their efforts through impactful discussions and input that resulted in policy improvements and greater business sustainability for the Group as a whole.

### Social Compliance

The Group adheres strictly to the Malaysian Employment Act of 1955 and the Minimum Wages Order of 2016.

In FPE2022, there was a compound received from the Ministry of Health issued to one of AMRB's subsidiaries in regards to COVID-19 non-compliance. This fine has been paid and cleared. The Group received no other censures and fines during the reporting period.



## SUSTAINABILITY STATEMENT

### TALENT MANAGEMENT AND DEVELOPMENT

#### Employee Training and Development

The foundations of AMRB's talent management strategy are to assist employees in recognizing their strengths, developing their professional growth, and reaching their full potential. This, in turn, results in a culture of high performance at work, driven by our experienced and skilled employees.

In FPE2022, a total of RM99,331 was invested in employee training and development, with 10 public trainings and 42 major in-house programmes conducted. Technical training and upskilling, soft skills training, coaching and leadership development are all covered in both types of training.

Despite the pandemic's persisting effects and challenges, online platforms such as video calls, virtual meeting spaces, and online training courses were predominantly used to connect and train in order to avoid physical and face-to-face communication in compliance with the social distancing advice by the Government.

Listed below are the employee training and development initiatives held in FPE2022:

Training/Course Attended	Type Of Training	Organizer	Date	No Of Participants
General Ledger	In House Training	Optima	5/1/2021	20
ISO 45001 Requirement Training	In-House Training (Virtual)	BSI Service Malaysia Sdn Bhd	6/1/2021	12
Financial Admin (IT) System	In House Training	Optima	6/1/2021	3
Account Payable (AP)	In House Training	Optima	7/1/2021	7
Account Receivable (AR)	In House Training	Optima	11/1/2021	4
Query And Analysis	In House Training	Optima	19/1/2021	17
Iso 45001 Requirement Training	In House Training (Virtual)	Bsi Services Malaysia Sdn Bhd	25/1/2021	16
Iso 45001 Internal Auditing	In House Training (Virtual)	Bsi Services Malaysia Sdn Bhd	17- 18/02/2021	22
Mandatory Accreditation Program	Virtual	Asia School Of Business Asb	24- 26/02/2021	1
Lock Out Tag Out (Loto) Training	In House Training (Virtual) Kemaman Office	Perintosh Sdn Bhd	8 - 9/03/2021	6
Spoken & Written Business English	In House Training (Zoom Cloud Meeting)	Versatile Learning Sdn Bhd	16 -17/03/2021	2
Tbosiet With Ebs And Tsbb [Code : 5906] + Ca-Ebs Dry Training [Code : 5902] Tbosiet	Online Training & Practical	Ranaco Marine Sdn Bhd	22 - 23/3/2021 (Online) 25/3/2021 (Practical)	1
Occupational First Aid Certification With Aed & Cpr Skill Training	In House Training	Eversafe Universal Sdn Bhd	29 - 30/03/2021	16
Fire Prevention, Fire Safety,Rescue Training For Ert	In House Training (MPH, AMSB HQ)	Eversafe Universal Sdn Bhd	31/3/2021	16
Pengoperasian Perkastaman Kemaman Supply Base (Ksb) Refresment Course Siri 1 & 2	In House Training	Persatuan Kastam Cawangan Terengganu	4/4/2021	5

## SUSTAINABILITY STATEMENT

Training/Course Attended	Type Of Training	Organizer	Date	No Of Participants
Nava Procurement Training	Level 4 (Training Room) In House Training	Sun System	28/4/2021	7
Management Accounts Monthly Closing	Level 4 (Training Room) In House Training	Sun System	4/5/2021	20
Nava Training With Vs	Zoom Meeting	Sun System	19/5/2021	2
Nava Training	Zoom Meeting	Sun System	20/5/2021	1
Assistant Medical Review Office (Amro) Course & Certification	Public Training	Academy Of Occupational And Environmental Medicine Malaysia	19-20/06/2021	1
Journal Authorisation Process In Sun System	Level 4 (Training Room) In House Training	Sun System	23/6/2021	20
Development An Effective Safety & Health Committee	Online Training	Emrest (M) Sdn Bhd Training And Consultancy	8/9/2021	25
Jsa (Job Safety Analysis Assesment)	Online Training	Emrest (M) Sdn Bhd Training And Consultancy	15/9/2021	19
Nava Tender & Po Award Training	Online Training	Sun System	14/9/2021	9
Payment (Ap)	Online Training	Sun System	20/9/2021	12
Payment (Ap)	Online Training	Sun System	21/9/2021	12
Reporting	Online Training	Sun System	22/9/2021	12
Hearing Conversation	Online Training	Emrest (M) Sdn Bhd Training And Consultancy	28/9/2021	19
Bank Recon Training	Online Training	Sun System	23/9/2021	11
Ar/Ap Master Data	Online Training	Sun System	23/9/2021	3
Profile Matrix Training	Online Training	Sun System	24/9/2021	4
Nava Sales Training	Online Training	Sun System	27/9/2021	15
Material Master Data Training	Online Training	Sun System	28/9/2021	4
Nava Procurement Training	Online Training	Sun System	25/12/2021	6
Environmental Legal Register	Online Training	Emrest (M) Sdn Bhd Training And Consultancy	9/11/2021	25
Technical Report Preparation Workshop For Cepsbam	Remote Online Training (Public)	Airwastewater Management Sdn Bhd	19/11/2021	1
Payroll, Income Tax, Epf, Socso & Mtd/Pcb	Remote Online Training (Public)	Malaysian Integrity Academy (Mia)	18-19/11/2021	2
Train The Trainer	Public Training	Niosh	13-17/12/2021	1
Corporate Governance Case Studies	Online Training	Maicsa	14/12/2021	2
Features Machine	AMSB HQ	Fujifilm	4/1/2022	18
Ikmal Presidential Lecture 2020 (Reschedule)	Intercontinental Hotel, Kuala Lumpur	Iktis Kelautan Malaysia	14/1/2022	2
Anti Bribery & Anti Corruption Solution	E-Learning Board Room Level 3 & Mph Hall	Ls Human Capital Sdn Bhd	27/01/2022	20

## SUSTAINABILITY STATEMENT

Training/Course Attended	Type Of Training	Organizer	Date	No Of Participants
Nava Procurement	Sun Sysyem (Internal)	Internal /Puan Siti Zubaidah	14/2/2022	2
Microsoft Excel - Foundation	Online Training (Virtual)	New Horizons Peoplelogy Skill Sdn Bhd	24/03/2022	20
Effective Implementation Of Documented Information Systems	Online Training (Virtual)	Bsi Training Academy	31/03/2022	20
Microsoft Excel - Intermediate	Online Training (Virtual)	New Horizons Peoplelogy Skill Sdn Bhd	01/04/2022	20
Integrated Management Systems (Ims): Internal Auditor Training Course (Iso 9001:2015,Iso 14001:2015 & Iso 45001:2018)	Online Training (Virtual)	Bsi Training Academy	07-08/04/2022	20
Sms Refresher & Pms Submission Report Training	Training Room Level 4	Ism Department-Pic	11/5/2022	23
Time Management & Work Effectively	Online Training	Triple A Training	13-14/06/2022	25
Audit Report Writing Skills for Internal Auditor	Online Training	Malaysian Institute of Accountants (Mia)	23-24/06/2022	1
Fire Prevention, Preparedness & Response Training For Emergency Response Team	Face To Face In House-Ksb Hall	Eversafe Universal Sdn Bhd	27/6/2022	10
Environmental Aspect Impact Training	Face To Face In House - MPH, AMSB HQ	Eversafe Universal Sdn Bhd	29/06/2022	25

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

Candidates selected for the in-house programmes are placed in a 3- to 5-year structured development programme that involves on-the-job training specific to their position. Once every six months, the Human Resource Planning Committee ("HRPC") will evaluate candidates and report the results to the Board for further consideration and approval. This will form preliminary guidelines and the basis of the succession planning programme.

A total of 15 new candidates were selected and have successfully completed the programme in FPE2022. With their newly acquired knowledge and skills, employees who successfully complete the programme are deemed ready to advance to the next stage of their professions.

This new employee development strategy is currently in its early stages of planning and implementation, and the Group will periodically update employees and stakeholders on its development. As indicated in the previous year, AMRB continues to investigate unique approaches to human capital training and development.

## SUSTAINABILITY STATEMENT

### Hiring and Attrition Trends

In FPE2022, the Group employed 40 new hires, while 41 employees underwent attrition in the same year. This was primarily attributable to AMRB's restructuring process whereby employees sought more stability in career opportunities elsewhere, as well as due to the consequences of the COVID-19 pandemic which made operational sustainability increasingly difficult as the lives of our employees became increasingly affected by economic, health, and safety risks and implications.

Citizenship	No. of New Hires	% of New Hires
Malaysian	40	100%
Non-Malaysian	-	-

### Manpower and Attrition

Despite frequent lockdowns and the COVID-19 pandemic's devastating impact on the economic landscape and job market in FPE2022, the Group was able to retain 79% of professionals in management and higher roles, as demonstrated in the table below, allowing the organization to preserve its total pool of top leadership talent.

Job Category (as of December 2021)	Resigned	Active	Attrition Rate (%)
Managerial and above	4	17	19%
Executive and below	37	137	21%

### Employee Spiritual Growth and Development

Continuing the tradition of past years, the Group maintains its daily Halaqah Al-Husna, a brief talk on the Islamic faith offered to our Muslim employees to aid in their spiritual growth. Monthly Halaqah Perdana forums are also organized on specialized topics, with respected speakers, scholars, and subject matter experts invited to share their personal insights and lessons with our workforce.

### HEALTH, SAFETY, SECURITY, AND ENVIRONMENT ("HSSE")

HSSE is highly regarded at AMRB, as we strive to uphold the highest standard of HSSE by preserving our operations' and branches' exceptional health and safety standards. Our commitment to HSSE excellence enables us to operate in this highly competitive industry.

The Group remains vigilant in eliminating, mitigating, and managing every risk and hazard identified in every element of our activities and processes to cultivate a safe work environment and protect the health and safety of our employees. Employees are obliged to undertake specialized job-specific training and briefings in order to increase their awareness and compliance with risk aversion protocol and safety measures. These training and briefings, in conjunction with already-established HSSE programmes, instill in them essential work tenets with detailed directives and precautions.

### HSSE Policies and Standards

We rigorously adhere to the HSSE Plan, Policy, and Standards, as well as the International Safety Management ("ISM") Code, MARPOL, and the Laws and Regulations for Good Governance. In addition, our HSSE standards and policies are regularly cascaded down to our employees through:

- ARMB's internal portal
- Safety alerts
- Safety bulletin
- Briefings during induction sessions
- Safety advisory
- Lesson learned sharing

# SUSTAINABILITY STATEMENT

Employees are guided by standard operating procedures, work standards, and safety manuals to guarantee that safety practices, communication, and behaviour are thoroughly ingrained in our corporate culture, across all on- and off-shore operating units and subsidiaries.

The Health, Safety, Security and Environment Management System (“HSEMS”) policy, shown below, is one of the most important tools the Group utilizes to internally drive our high standard of HSE at AMRB. The document defines the HSE Management Systems principles, the Drug and Alcohol Policy, the ISM Code, and the Stop Work Policy - all of which complement the Group’s comprehensive health and safety management framework and standards:



These elements are fundamental to the HSE management in our organization, as they relate to performance, sustaining work efficiency, effectiveness, productivity, quality, profitability, and development in a safe manner. In this regard, the Group continues to advocate for its HSEMS policy in order to offer a safe working environment for our employees and prevent property and environmental harm.

## COVID-19 Prevention

With the COVID-19 pandemic remaining prominent in FPE2022, AMRB continued to take various measures to ensure worker safety, including strengthening safety and health SOPs were necessary in compliance with industry and government requirements.

At our workplaces, strict SOPs that went above and beyond the Ministry of Health’s recommendations were consistently implemented. Physical distancing, mask-wearing, temperature screening, self-isolation, workplace access, and cleaning were all incorporated to regular operational process guidelines to include pandemic-related SOPs. Additionally, rotational work-from-home (“WFH”) was scheduled and implemented by all employees in the office.

The Group’s strict adherence to SOPs has enabled all of our operations to achieve maximum levels of productivity. With this and the resumption of business activities in FPE2022, AMRB was able to maintain progress on its onshore and offshore operations and activities.

## HSSE Performance

Despite the resurgence of the COVID-19 pandemic in FPE2022, AMRB maintained its outstanding track record in HSSE performance. This was accomplished through the collective efforts of all levels in ensuring compliance and exemplifying a culture of safety. AMRB strives to continue championing the effective implementation of HSSE best practices in our operations in order to continue fostering a safe and healthy work environment for our employees and to improve our performance output.

Total Cases		
Job Category (as of FPE2022)	FY2020	FPE2022
Unsafe Acts/Conditions	Nil	Nil
Near Miss	Nil	2
Environmental Spillage / Fire / Explosion	Nil	1
Property / Equipment Damage	Nil	1
First Aid	Nil	Nil
Medical Treatment	Nil	Nil
Restricted Work	Nil	Nil
Fatality	Nil	Nil



**Lost Time Injury (“LTI”) Free  
Manhours (From 14 May 2018 – 30  
June 2022)**

**9,509,550**

hours



**DAYS FREE FROM LTI INCIDENT  
(from 14 May 2018 – 30 June 2022)**

**1,509**

days



**Group Manhours Worked (from 1  
January 2021 – 30 June 2022)**

**1,142,377.5**

hours

## Emergencies and Accidents Management

AMRB is continuously seeking and implementing more stringent measures to prevent workplace and marine emergencies and accidents as much as possible to safeguard its employees' safety. On-shore employees are supervised by the HSSE department, whilst vessel crew members are managed in accordance with the ISM code's Designated Person Ashore (“DPA”).

The DPA plays a crucial role in the successful implementation of a Safety Management System and is accountable for the verification and monitoring of all safety and pollution control operations.

Assessments on high HSSE risk locations in potential and existing operations are also conducted during risk register reviews headed by the QHSSE Director, and are updated every quarter. In addition, health and safety discussions are carried out by offshore and onshore during their respective monthly and quarterly safety meetings on the prevention of accidents and emergencies in the workplace and off-shore operations.

## Vessel Visitation and Crew Engagement

AMRB is committed to fostering trust and open communication with its fleet crew through a variety of employee engagement sessions and programmes involving both onshore and offshore staff, including periodic vessel inspections and staff engagement sessions on board vessels/at sites. This facilitates the synchronization and alignment of our crew with the Group's Vision, Mission, and business goals and produces a unified and committed workforce working towards the same goals.

To ensure that Management and employees understand each other's requirements and expectations, numerous on-site visits and virtual engagement sessions through online platforms were done in a secure and efficient manner, as pandemic restrictions relaxed.

Every year, AMRB also conducts engagement sessions with our Marine Crews to update our HSSE policies and refresh the crews on risk management and assessment, incident lessons learned, and any HSSE policy changes. These visits and engagements are summarised below:

# SUSTAINABILITY STATEMENT

Description	
<b>LEADERSHIP VISIBILITY AND COMMITMENT -Management HSSE Visit Conducted Onboard</b>	<ol style="list-style-type: none"> <li>Physical management visit conducted onboard MV Setia Hijrah, Taha Assafa and Setia Jihad at Labuan anchorage by Senior Manager HSSE.</li> <li>Virtual management engagement session conducted with MV Setia Qaseh crews attended by Haji Wan Shazali, AGM Marine Assurance, Technical Superintendent, Operation Manager, Crewing Manager and Head of Commercial Contract</li> <li>Virtual management engagement session conducted with Taha Assafa crews attended by Haji Wan Shazali, Technical Superintendent, Operation Manager, HSSE Senior Manager, Crewing Manager and Head of Commercial Contract</li> <li>Virtual management engagement session conducted with Taha Assalam crews attended by Haji Wan Shazali, Technical Superintendent, Operation Manager, Crewing Manager and GM, Project</li> <li>Physical visit conducted by Senior Manager, HSSE onboard MV Setia Rentas at Tok Bali Supply Base (TBSB)</li> </ol> <p>YTD : 8 Management HSSE Visits (3 physical, 5 virtual)</p>
<b>EMERGENCY EVACUATION DRILL</b>	<ol style="list-style-type: none"> <li>Conducted at IGS Operation office –satisfactory respond from the participants</li> </ol> <p>YTD : 1 emergency evacuation drill conducted</p>
<b>WEEKLY HSSE AWARENESS TALK Session 2022</b>	<p>Sharing session on HSSE related information (policies, UAUC, Alam 24/7 Rules, Emergency Preparedness, Alert) attended by various department every week on rotation basis.</p> <ol style="list-style-type: none"> <li>Session attended by Finance and ISM Department</li> <li>Session attended by Corporate Secretarial, Directors, Crewing and Purchasing</li> <li>Session attended by HRA, ICT and Internal Audit</li> </ol>
<b>HEALTH SCREENING PROGRAMME (BMI check, blood pressure and glucose check)</b>	<ol style="list-style-type: none"> <li>Test conducted to HQ shore personnel –Finance &amp; ISM Department</li> <li>Test conducted to HQ shore personnel –Corporate Secretarial, Directors, Crewing, Purchasing</li> <li>Test conducted to HQ shore personnel –HRA, ICT, Internal Audit</li> </ol>

On top of these sessions, the Group had also completed monthly / quarterly / annual accommodation checks and marine crew training initiatives in accordance with ISM, including drills, safety meetings, TBM and shipboard training.



Setia Qaseh



Taha Assafa



Taha Assalam

## SUSTAINABILITY STATEMENT

### HSSE Training Highlights

The HSSE Department provides regular HSSE training to onshore and offshore employees. This annual training plan provides a proactive approach to continuously engage and provide new awareness and new knowledge as well as a refresher on HSSE matters to relevant employees, in order to ensure that the proper controls and measures are in place to ensure employees' safety while being productive.

There were three (3) HSSE training and programmes held in FPE2022 as shown here:

HSSE Training Programmes	No. of Attendees
Physical Environmental Impact Assessment Training at Multipurpose Hall, HQ	19 participants
Physical Fire Fighting Training at KSB	9 participants (FSM & AFSM)
Virtual training conducted for MV Setia Luhur crew on the Permit to Work implementation onboard	6 participants (Master, Chief Officer, 2nd Officer, 2nd Engineer, 3rd Engineer & Oiler)



### Health and Safety Campaign

As the nation and the world acclimate to the new normal brought on by the COVID-19 pandemic, it is even more crucial that we take further precautions to protect our health and safety. Each year, multiple Health and Safety campaigns are conducted to educate staff on HSSE best practices.

As the pandemic's effects extend into 2023, the Group continues to ensure that it remains safe, healthy, and operationally viable, with more pertinent Health and Safety campaigns for employees and Management.

### Drug & Alcohol Testing Inspections

As part of its compliance with the Drug and Alcohol Policy, the HSSE Department conducts unscheduled drug tests on both offshore and onshore personnel. There was a total of 22 unannounced drug tests done in FPE2022, all with negative results.

### Offshore:

Date	Location	No. of crew screened
7 April 2022	MV Setia Jihad	9
7 April 2022	MV Setia Hijrah	8
7 April 2022	Taha Assafa	8
14 April 2022	MV Setia Rentas	14
27 April 2022	MV Setia Zaman	7
9 May 2022	Taha Assalam	7
15 May 2022	MV Setia Wira	5
17 May 2022	MV Setia Erat	5
17 May 2022	MV Setia Luhur	6
25 May 2022	MV Setia Ulung	6
23 June 2022	MV Setia Wangsa	10

### Onshore:

Date	Location	No. of crew screened
14 June 2022	HQ shore personnel (Finance)	6
22 June 2022	HQ shore personnel (Crewing, Purchasing, Quality, Technical)	8
28 June 2022	Shore personnel (IGS)	4

As introduced in the previous year, AMRB maintained unannounced KSB Base onboard inspections appointed by KSB Base representatives to ensure a hazard-free workspace that is environmentally-friendly, healthy and safe for employees. In the year under review, a total of 20 inspections were held at the following locations:

1. MV Setia Rentas
2. MV Setia Zaman
3. Taha Assalam
4. MV Setia Erat
5. MV Setia Luhur
6. MV Setia Erat
7. MV Setia Iman
8. MV Setia Wangsa
9. MV Setia Rentas

\*Inspection conducted at IGS Operation office –Bukit Kuang

\*Inspection conducted at IGS Hostel



### Mentor-Mentee Programme

In FPE2022, AMRB continued its yearly Mentor-Mentee programme, which involves the active exchange of ideas, experience, knowledge and insight between shore officials and vessel crew members. The programme is administered by the HSE Department as it pertains to staff welfare.

The majority of non-technical office personnel are assigned the role of Mentor, while vessel crew members play the role of mentees, enabling the development of a good rapport and strengthened working connections between office employees and vessel crew members.

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

- Motivate employees to achieve improved performance levels;
- Instil a sense of commitment, awareness, cooperation and responsibility for the Group; and
- Foster close working relationships and goodwill between employees and Management to enhance business coherence.

There were no onboard Mentor-Mentee visits during the year under review due to the travel restriction by authorities.

### Career Advancement & Succession Planning

In order to promote succession planning, the Group has established its Self-Development Pipeline (“SDP”) plan, which serves as the basis for our highly effective career advancement and self-development framework.

We are able to develop high-quality employees for succession planning and then elevate them to top or senior-level leadership by focusing on identifying and developing key competencies of attitude, skill, and knowledge in possible candidates within the Group. Furthermore, our succession planning proactively serves to make succession-ready leaders available to support seamless leadership transitions with no major operational disruption. The programme is actively monitored by the Board. Selected candidates will partake in an extensive 6-D transition programme designed to develop their leadership and decision-making abilities in collaboration with the Malaysian Maritime Academy (“MMA”).

### VESSEL FUEL AND ENERGY MANAGEMENT

Vessel fuel management continues to play an important role in driving the Group’s and its subsidiaries’ commitment to ESG, as fuel is an essential resource in AMRB’s operations. The Group closely monitors its fuel consumption to ensure optimal utilization of our vessels’ high-standard workability while minimizing any detrimental effects on the environment.

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; and
- Fuel is monitored in each machine and vessel.

### Clean Fuel and Emissions Management

To reduce our environmental footprint and air pollution, the Group strategically takes proactive steps to regulate fuel consumption and reduce greenhouse gases such as sulphur. In compliance with the International Maritime Organization (“IMO”), AMRB employs low-sulphur Marine Gas Oil (“MGO”) containing 0.1% or less sulphur content, instead of utilizing inexpensive Marine Gas Oil (“MGO”) with a high sulphur concentration.

With low-sulphur MGO being one of the cleanest fuel sources in the industry, it mitigates any harmful effects that ordinary fuel consumption may have on our air quality. Furthermore, the Group also uses biodegradable oil whenever possible.

### Energy Efficiency

To facilitate energy efficiency management, all vessels have a Ship Energy Efficiency Management Plan (“SEEMP”) that has been reviewed and validated by the Malaysian Marine Department and is regularly inspected by AMRB’s ISM Department.

AMRB continues to be cognisant of its energy consumption, particularly as it pertains to our onshore business’ electricity consumption. Our office and related personnel are encouraged to practice energy-saving initiatives on a personal level or as a collective force by engaging in meaningful behaviors such as carpooling, turning off lights when not in use, printing documents only when necessary, unplugging machines after use, and shutting down computers at the end of the workday, among others.

## SUSTAINABILITY STATEMENT

As the Group continues its WFH policy in FPE2022, AMRB's electricity consumption saw a 20% decrease from the previous year, with employees coming into the office on a rotational basis. The decline can also be attributed to our established energy-saving procedures, which have helped us effectively manage our electricity use in the past, and which we expect to continue this downward trend in the future.

Similarly, the Group's water consumption was reduced in FPE2022. While the WFH policy contributed to the reduction in water use by limiting the use of office utilities, it can also be ascribed to our ongoing policy to reduce unnecessary resource utilization in order to protect the environment. AMRB remains committed to adhering this approach of reduced resource consumption going forward, and are actively finding ways to innovate solutions to this in a feasible manner for our Group and its operations.

### CLIMATE CHANGE

Climate change is undoubtedly the most significant environmental challenge the world faces today. There is a growing awareness or awakening around the world that climate change has major effects on weather patterns and the physical environment, which in turn affects entire economic sectors, business activity, our flora and fauna, and ultimately our quality of life.

As a responsible corporate citizen, AMRB is aware that the oil and gas industry utilises substantial quantities of resources, resulting in a variety of environmental and social repercussions. Hence, the Group is committed to identifying and assessing the environmental impacts associated with our business activities and implementing control measures to minimize the potential and actual impacts of climate change. We are determined to continue stringently controlling our environmental footprint, particularly through vessel fuel and energy management, waste management, and pollution control.

### WASTE MANAGEMENT AND POLLUTION PREVENTION

#### Waste Management Plan

The Marine Pollution ("MARPOL") 73/78 and Safety of Life at Sea ("SOLAS") govern waste management planning and consist of six (6) annexes with defined pollutant categories, each with definitive pollution controls and laws for decreasing sea and ocean pollution, including rubbish disposal, oil, and air pollution.

AMRB is a signatory to Annex VI, whereby all vessels have to abide by the implementation of air pollution control measures enforced through the Ship Energy Efficiency Management Plan ("SEEMP") and our Fleet Management. The ISM Department continues to enhance its Annex VI framework strategy and application for better execution, with these measures already put in place conforming to our Health, Safety, Security and Environment Management System ("HSEMS") policy.

AMRB's ongoing efforts have assured that all vessels meet SEEMP criteria, which include simple instructions and lifestyle adjustments including:

- 1 **Reduce, Reuse, Recycle relevant materials**
- 2 **Separate 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**

Scheduled (hazardous) waste such as used oil and lubricant oil are managed and collected by an appointed third party for responsible disposal and treatment. The disposal of ARMB's waste and effluents is managed in accordance with the Environmental Quality (Schedules Wastes) Regulations 2014.

In FPE2022, there was one (1) environmental spill that happened that was associated with AMRB, which AMRB quickly responded to and mitigated in a safe and effective manner.

# SUSTAINABILITY STATEMENT

## Garbage Management Plan

Every vessel we operate has a robust waste management plan in place where on-board waste separation is carried out, with recyclables including plastic, paper, and glass being recycled onshore. Other waste products are treated, recovered, or disposed of on land, with some permitted wastes being incinerated on board. Only unpackaged food waste is permitted to be disposed of at sea using MARPOL-approved protocols.

## Waste Recycling

In its recycling efforts, AMRB is committed to waste separation. The Group contributes to the greater recycling movement within the industry and the country as a whole by diligently separating recyclable waste from non-recyclable waste.

Not only does proper disposal and segregation of waste preserve our environment’s cleanliness, it also results in the Group realizing cost savings as we reduce the utilisation of final disposal sites.

## Biodiversity

The conservation of marine life and the environment continues to be a top priority for the Group, as we are committed to reducing the discharge of toxic effluents into the marine environment. As part of the ISO 14001 targets for our vessels, the use of environmentally-friendly laundry detergent is one of the ecological practices in place at ARMB. The criteria for environmentally friendly detergent are as follows:

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

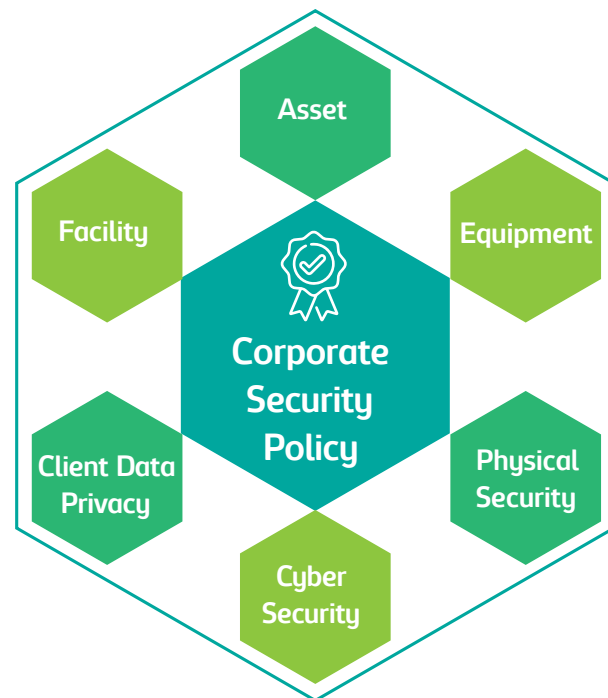
The Group will persist with monitoring its working environment and business operations to ensure that biodiversity and ecology are not harmfully affected, particularly in terms of preventing the broader potential impacts of fuel usage.

## Environmental Non-Compliance

Through its sustainability initiatives addressing its materiality issues, the Group rigorously complies with environmental-related regulatory standards and practices, and as a result, we have not been penalized or censured by the authorities in FPE2022.

## SECURITY

Security is regarded as one of the Group’s main concerns, as securing our workplace, operations and data not only protects the welfare of our employees but also ensures the long-term sustainability of our business. Enacted in 2019, our Corporate Security Policy (“CSP”) is a comprehensive and holistic security management framework that integrates various security factors as shown below:



AMRB’s CSP framework is founded on International Ship Security (“ISPS code”), Social Security under the Maritime Labour Convention 2006 (“MLC ‘06”), and Cyber Security, which includes social media control. Moreover, the Group is committed to enhancing the cohesion and efficacy of our security policy, thus we consistently seek feedback and suggestions from relevant stakeholders, partners, clients, regulatory organizations, and insurance companies.

Client, customer, and other third-party data are stored securely in the Group’s data repositories and infrastructure, which is guarded by multiple safeguards that are maintained and updated regularly.

In compliance with the Personal Data Protection Act (“PDPA”), the Group is happy to report that zero data breaches were reported in FPE2022.

## SUSTAINABILITY STATEMENT

### CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

CSR remains a crucial part in AMRB’s overall organization-wide commitment to positively impacting the larger community. This is more prevalent as the nation recovers from the effects of the COVID-19 pandemic, as CSR can play a key role in rejuvenating livelihoods, homes, families and communities to better adjust and thrive in a post-pandemic landscape.

In this vein, the Group strongly encourages volunteerism among employees to enhance their moral direction, community bonding and imbue in them the sense of contributing to the greater good of society – very much in lock-step with our iCARE values and Shared Values. Moreover, the Group also occasionally delves in community development initiatives that aid its own employees through unexpected major calamities, primarily via welfare assistance.

As the work-life balance is important to the Group for our employees, AMRB advocates for a balanced social life while contributing through donations and volunteer activities. The Kelab Sukan Rekreasi and Kebajikan AMRB (“KSRK”) drives this agenda, as it is a recreational sports club organized for employees to nurture a healthier and balanced lifestyle away from offices or other work environments. KSRK activities include aerobics, badminton, bowling football and hiking. In addition to the health and well-being benefits, the KSRK programme plays a secondary role in fostering indirect community networking and staff bonding. Here are AMRB’s organized FPE2022 CSR activities:



TOTAL SPENT ON  
CSR ACTIVITIES

**RM17,000**



TOTAL HOURS  
VOLUNTEERED

**540**  
hours



TOTAL CHARITIES  
SUPPORT

**4**



TOTAL  
VOLUNTEERS

**25**

### 1. #1AlamKitaKongsiRezeki Gerobok Campaign 4.0



TOTAL AMOUNT  
SPONSORED

**RM6,000**

Established in close cooperation between all employees of the Group, financial and non-financial assistance during this campaign was channelled towards the aid of the needy in order to portray a sense of togetherness among the community while fostering a culture of mutual care and cooperation among AMRB employees towards those in need. Employees were encouraged to donate items such as cooking oil, rice, flour, condensed milk and other groceries to be distributed to families in need within the Group. The campaign was funded by TH-Alam’s Group.

This campaign is a continuation of the success of AMRB’s Charity Box Project – 1Alam Kita Kongsi Rezeki (Gerobok Amal).

# SUSTAINABILITY STATEMENT

## 2. Israk Mikraj Appreciation Programme



**TOTAL AMOUNT SPONSORED**

**RM1,200**

This programme was designed to encourage the Group’s Muslim employees to undergo a session of deep appreciation for nature and other aspects of the Muslim religion. This also included imbuing a sense of gratitude for the greatness and majesty of the Bulan Rejab.

## 3. ‘Gratis’ Gratitude Programme

**TOTAL AMOUNT SPONSORED**

**RM2,400**

AMRB provided free food to all employees of the Group in order to help reduce the burden of the needy of some as well as promote a sense of bonding and friendship among the employees. The programme helps reduce the burden and worries of AMRB’s employees when a significant portion of their daily expenses relate to food. This was especially important, given the restricted movements of all Group employees following the COVID-19 outbreak that still persisted during the first half of FPE2022 which hurt employees’ wallets and made them undergo a harder time in retaining their level of sustenance.

## 4. Zohor Lecture



**TOTAL AMOUNT SPONSORED**

**RM1,500**

AMRB invited all of its employees to expand their knowledge of the religious concept of the hereafter in religious lecture sessions, in addition to being spiritually rewarded for diligently carrying out routine work responsibilities. It was a fruitful session that rejuvenated the participants’ sense of duty, motivation and resolves when it came to their work and state of mental health.

## 5. Prayer Reading Session

AMRB organized a prayer reading session to bestow blessings of safety and health over the Group’s crews and all employees from any epidemic or disaster. The holy verses of the Quran were read among the employees of AMRB. This prayer reading session is an important facet of the Group’s larger goal to build a culture of praying and respecting the good and well-being of employees as well as the larger society.

## 6. Flood Relief Donations

**TOTAL AMOUNT SPONSORED**

**RM2,000**



The Group facilitated a flood relief donation campaign to ease the burden of flood victims to purchase equipment and home furnishing destroyed by the natural disaster that occurred last year. The volunteerism shown by our employees towards one of their own in their time of need and distress has been a shining beacon of AMRB’s strong sense of togetherness, brotherhood, and generosity shared among the employees.

## SUSTAINABILITY STATEMENT

### 7. Al-Quran Monthly Readings by the Tadarus Ramadhan Group



**TOTAL AMOUNT SPONSORED**

**RM400**

Monthly readings of the Quran were organised by AMRB in partnership with the Tadarus Ramadhan Group in order to cultivate the habit of reading the Quran and deepen the understanding on the meaning and significance of the contents of the Quran with the employees participating in these reading sessions.

### 8. Celebration of Ramadan



**TOTAL AMOUNT SPONSORED**

**RM2,000**



The Group celebrated Ramadan in a significant way for its employees. It gifted tokens of goodwill in the form of dates and religious books to all its Muslim employees. This gesture is meant to strengthen the bond between all AMRB employees, Muslims as well as non-Muslims and between employees and the Group's management, by giving and receiving gifts in conjunction with celebrating the holy month of Ramadan.

### 9. Improvement Works on the Surau Al-Husna

### 9. Improvement Works on the Surau Al-Husna



**TOTAL AMOUNT SPONSORED**

**RM600**

The Group sponsored the installation of new carpets at the Surau Al-Husna due to the change of the Qibla so that the mosque has a more complete, errorless and improved infrastructure for its Muslim and Muslimat. By doing this, AMRB is also partly contributing to the larger process of correcting the old Qibla of the Surau Al-Husna with the correct Qibla which would make the congregation more confident to worship with the correct Qibla.



# FINANCIAL CALENDAR

**28** MAY 2021

Notice of Sixteenth Annual General Meeting

**31** MAY 2021

Annual Report 2020

**31** MAY 2021

Annual Audited Account for year ended 31 December 2020



**25** AUGUST 2021

Change Financial Year Ended 31 December to 30 June

**28** AUGUST 2021

Second Quarter Report on consolidated results for the financial period ended 30 June 2021

**30** NOVEMBER 2021

Third Quarter Report on consolidated results for the financial period ended 30 September 2021

**28** FEBRUARY 2022

Fourth Quarter Report on consolidated for the financial period ended 31 December 2021

**31** MAY 2022

Fifth Quarter Report on consolidated results for the financial period ended 30 March 2022



**31** AUGUST 2022

Sixth Quarter Report on consolidated for the financial period ended 30 June 2022

**31** OCTOBER 2022

Notice of Seventeenth Annual General Meeting

**31** OCTOBER 2022

Annual Report 2021/2022

**31** OCTOBER 2022

Audited Account for the financial period ended 30 June 2022

**14** DECEMBER 2022

Seventeenth Annual General Meeting

**29** JUNE 2021

Sixteenth Annual General Meeting

**30** JUNE 2021

First Quarter Report on consolidated results for the financial period ended 31 March 2021

05  
Section

**CORPORATE**

**GOVERNANCE**





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Statement of Corporate Governance Overview Statement (“Statement”) of Alam Maritim Resources Berhad (“AMRB”) and its subsidiaries (collectively referred to as “the Group”) aims to provide an insight into the Corporate Governance practices of the Group under the leadership of the Board of Directors (“the Board”).

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.

This Statement is augmented with a Corporate Governance Report, which provides detailed disclosures on the application of each Practice as codified with the latest Malaysian Code on Corporate Governance 2021 (“MCCG”) during the new FPE2022 under review. The Corporate Governance Report is available on the Company’s website as well as via the announcement made on the website of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The Board has been guided by the MCCG in its implementation of Corporate Governance practices while ensuring compliance with the Main Market Listing Requirements (“MMLR”) and the Companies Act 2016 in addition to monitoring developments in industry practice and other relevant regulations.

The Statement should also be read alongside other statements in this Annual Report (e.g. Statement on Risk Management and Internal Controls and Sustainability Statement) for a holistic understanding of the Group’s corporate governance framework and practices.

## 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.

There is clear separation of roles between 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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 Secretaries in discharging its duties and functions. The Company Secretaries act 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 Secretaries assist 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 Secretaries ensure 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

The Board adapted to the changing ways of operating in response to the COVID-19 pandemic. By deploying online video conferencing and some physical meetings, the Board and Board Committees have met at least once every quarter to deliberate on matters under their purview. Directors have devoted sufficient time to prepare, attend and actively participate during the Board and/or Board Committees meetings. The Board held thirteen (13) meetings and one (1) Annual General Meeting ("AGM") during FPE2022.

Members of the Management Team were invited, when appropriate to attend Board meetings. Management provides the Directors with complete, adequate and timely information prior to meetings and on an ongoing basis to enable them to make informed decisions.

External advisers may also be invited to attend Board and Board Committee meetings, as the case may be, to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda. The Board has the same right of access to all information within the Group and the duty to make further inquiries which they may require in discharging their duties including seeking independent professional advice, if necessary. During FPE2022, no external expert was separately sourced by the Board for advice.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 16th AGM, were as follows:-

Board of Directors	Designation	Board Meeting Attendance	16 <sup>th</sup> AGM Attendance	% of Attendance
Fina Norhizah binti Haji Baharu Zaman (Chairman)	Independent Non-Executive Director	13/13	1/1	100%
Datuk Azmi bin Ahmad	Non-Independent Executive Director	13/13	1/1	100%
Shamsul bin Saad (Appointed w.e.f 1 March 2021)	Non-Independent Executive Director	10/10	1/1	100%
Shaharuddin bin Warno @ Rahmad (Resigned w.e.f 5 February 2021)	Non-Independent Executive Director	1/1	-	100%
Ahmad Hassanudin bin Ahmad Kamaluddin	Non-Independent Executive Director	13/13	1/1	100%
Dato' Haji Ab Wahab bin Haji Ibrahim (Resigned w.e.f 31 May 2022)	Independent Non-Executive Director	13/13	1/1	100%
Ahmad Ruhaizad bin Hashim	Independent Non-Executive Director	13/13	1/1	100%

### Board Activities

Among the key activities of the Board during FPE2022 were as follows:

#### Strategy

- Reviewed, deliberated and approved the Group's three (3) Years Strategic and Business Plan.
- Reviewed, deliberated and approved the Group's 2022 Operational Budget.
- Reviewed, deliberated and approved the Group's Proposed Restructuring Scheme and other transactions relating to the Scheme.

#### Financial

- Reviewed, deliberated and approved the full-year results for FPE2022.
- Reviewed, deliberated and approved the Director's Report and Audited Accounts for FPE2022.
- 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.
- Reviewed, deliberated and approved the Group's Anti-Bribery & Anti-Corruption Policy.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Governance

- Approved 2020 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 2022, the Board consists of five (5) members comprising three (3) Non-Independent Executive Directors ("NIED") and two (2) Independent Non-Executive Directors ("INED"). At the date of this report, there are two (2) of the Board members are INEDs, complying with Paragraph 15.02 of the MMLR of Bursa Securities.

The two (2) INEDS of AMRB, namely Puan Fina Norhizah Binti Haji Baharu Zaman, and Encik Ahmad Ruhaizad bin Hashim are not former employees of the Group. Dato' Haji Ab Wahab bin Haji Ibrahim who has been with AMRB for more than 13 years, tendered his resignation with effect on 31 May 2022. He resigned from AMRB due to pursue other interests. AMRB is in the process of identifying a new director for replacement. 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 40 to 44 of this Annual Report.

### Succession Planning

The Board recognizes 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.

During FPE2022 under review, there were several new changes to the Board, duly recommended by BNRC and appointed by the Board. With the departure of Encik Shaharuddin bin Rahmad, Encik Shamsul bin Saad was appointed as Executive Director as well as Deputy Group Chief Officer with effect from 1 March 2022. Meanwhile, Encik Ahmad Ruhaizad bin Hashim, who is an Independent Director was appointed as Chairman Board Risk Management Committee. There were several movements in the Top Management also took place. Encik Ahmad Fairuz bin Azmi was appointed as Group Chief Operating Officer with effect from 1 April 2021. Their mix of skills, experience, expertise and qualifications are analyzed prior to their respective appointments.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### 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 FPE2022, 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 FPE2022 BEE indicate healthy Boardroom dynamics with good working relationships among the Board members. Based on the FPE2022 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.

### 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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 FPE2022, 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) years 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 17th 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

Under 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.

Under 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. One (1) of the Board members of AMRB was appointed during FPE2022.

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 17th AGM.

### 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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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. All NIEDs are paid directors' remuneration taking into account any additional responsibilities undertaken such as a director acting as Chairman of a Board Committee and membership of Board Committees. In addition, the meeting allowance is paid following the number of Board and Committee Meetings attended by each of them. The directors' fees are approved by the shareholders at the AGM in accordance with AMRB's Constitution.

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 FPE2022 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	169	-	-	19	188
Datuk Azmi bin Ahmad	-	1,192	-	274	1,466
Shamsul bin Saad (Appointed w.e.f 1 March 2021)	-	672	85	-	757
Shaharuddin bin Warno @ Rahmad (Resigned w.e.f 5 February 2021)	-	61	80	-	141
Ahmad Hassanudin bin Ahmad Kamaluddin	-	814	-	-	816
Dato' Haji Ab Wahab bin Haji Ibrahim (Resigned w.e.f 31 May 2022)	147	-	-	19	166
Ahmad Ruhaizad bin Hashim	146	-	-	19	165

\*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 Secretaries also receive regular updates on training programs from various organizations including the regulators. These updates are circulated to the Directors for their consideration. The Company Secretaries 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 OVERVIEW STATEMENT

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 FPE2022:-

Courses/Training	Attended by
Value Creative Struggles: An Innovative Take on Creating Impactful, Healthy Companies Awareness & Compliance Training on Malaysia's Anti-Corruption Law - Implementation	DAW
Mandatory Accreditation Program – Asia School of Business ASB Awareness & Compliance Training on Malaysia's Anti-Corruption Law Briefing & Training on the Company's Anti-Bribery Framework & Policies	ARH
Awareness & Compliance Training on Malaysia's Anti-Corruption Law - Implementation	DAA
Ikmal Presidential Lecture 2020 (Reschedule) - Iktisas Kelautan Malaysia Awareness & Compliance Training on Malaysia's Anti-Corruption Law Briefing & Training on the Company's Anti-Bribery Framework & Policies	SS
Ikmal Presidential Lecture 2020 (Reschedule) - Iktisas Kelautan Malaysia Awareness & Compliance Training on Malaysia's Anti-Corruption Law - Implementation	AHK

- FN - Puan Fina Norhizah binti Haji Baharu Zaman
- DAA - Datuk Azmi bin Ahmad
- SR - Encik Shaharuddin bin Warno @ Rahmad (resigned w.e.f. 5 February 2022)
- AHK - Encik Ahmad Hassanudin bin Ahmad Kamaluddin
- DAW - Dato' Haji Ab Wahab bin Haji Ibrahim (resigned w.e.f. 31 May 2022)
- SS - Encik Shamsul bin Saad
- ARH - Encik Ahmad Ruhaizad bin Hashim

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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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.

### 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. Save and except for Encik Shamsul bin Saad, the NIEDs of AMRB also do not serve as directors on other listed companies.

### Embracing the Corporate Governance Culture

The Board recognizes 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 with at least three (3) members and is chaired by an INED. However, one (1) of BAC members has tendered his resignation during FPE2022. Currently, there are two (2) members and AMRB has applied for another three (3) months extensions from Bursa to replace with a suitable candidate before 30 November 2022. At least one (1) of the BAC members is a member of the Malaysian Institute of Accountants (MIA) thus fulfilling the requirement of the MMLR of Bursa Malaysia.

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 FPE2022. Based on these assessments, the BAC recommends the reappointment of external auditors at the forthcoming AGM.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 findings for FPE2022.

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 FPE2022 audit, was conducted in early June 2022, facilitated by the Internal Audit Department and no major gaps have been identified.

In respect of fees, the details of the statutory audit and non-audit fees incurred for FPE2022 are set out under Note in 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.

### 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 FPE2022 are highlighted on page 104 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 as internal audit function for the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 control 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 110 to 114 of this Annual Report provides an overview of the state of risk management and internal controls within the Group.

### C: INTEGRITY IN CORPORATE REPORTING AND EFFECTIVE STAKEHOLDERS COMMUNICATION

#### Communication with Stakeholders

The Group recognizes 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.

This 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 maintain effective and open two-way communication with shareholders and investors, the Group Chief Financial Officer (“GCFO”) is directly involved in the Company’s investor relations activities, whose details are as follows:-

Name	:	Md Nasir bin Noh
Designation	:	Group Chief Financial Officer
Email	:	mdnasir@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.

Whilst the Group endeavors 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. Recognizing 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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 GCEO or GCFO 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 recognizes 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 29 June 2021, the 16th AGM of the Company was conducted entirely via remote participation and electronic voting. Proceedings of the AGM were broadcasted to approximately 94 and 55 shareholders and proxies respectively that had registered and logged in to a designated online meeting application.

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 debt restructuring and transformation program on OSV, Subsea and 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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### 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 period ended 30 June 2022 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 28 October 2022.

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

#### Employee Share Option ("ESOS")

AMRB's ESOS was approved by the shareholders at the Company's Extraordinary General Meeting held on 2 June 2018. As at 30 June 2022, no changes in ESOS options over 110,410,742 ordinary shares were granted to the employees of the Group (including the Executive Directors) and there as follows:-

Category of employees	No of ESOS options granted as at 30 June 2022	% granted as at as at 30 June 2022 available *	No of ESOS options exercised	No of ESOS options outstanding
Executive Directors	41,600,742	30%	-	41,600,742
Senior Management	21,200,000	15%	-	21,200,000
Other Employees	47,610,000	34%	-	47,610,000
<b>TOTAL</b>	<b>110,410,742</b>		<b>-</b>	<b>110,410,742</b>

The aggregate maximum allocation of the ESOS options applicable to the Directors and senior management is 50% and actual granted to the Directors and senior management since the announcement of the ESOS is 45%.

### AUDIT AND NON-AUDIT FEES

A breakdown of fees for statutory audit and non-audit services incurred by the Group and for the FPE2022 is set out in the Financial Statements book of the Annual Report 2021-22.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### MATERIAL CONTRACTS

There were 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 FPE2022 or entered into since the end of the previous financial year.

### UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

#### Fund Raising Exercises

During the FPE2022, the Group undertook private placements as part of its fundraising exercises. The proceeds raised from these fundraising exercises are used for working capital, vessel maintenance/ dry docking, general banking and other corporate purposes, where applicable.

Details of these fundraising exercises are disclosed in Notes in respectively of the Financial Statements book of the Annual Report 2021-22.

# 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 FPE2022 are as follows:

Member	Number of Meetings Attended in FPE2022	% of Meetings Attended
Dato’ Haji Ab Wahab bin Haji Ibrahim Chairman (Independent Non-Executive Director) (Resigned w.e.f 31 May 2022)	7/7	100%
Fina Norhizah binti Haji Baharu Zaman (Independent Non-Executive Director)	7/7	100%
Ahmad Ruhaizad bin Hashim (Independent Non-Executive Director)	7/7	100%

## Composition and Attendance

Both Dato’ Haji Ab Wahab bin Haji Ibrahim and Encik Ahmad Ruhaizad bin Hashim are members of the Malaysian Institute of Accountants (“MIA”) thereby complying with the Companies Act 2016 and the Bursa Listing Requirements that require at least one (1) member of the Audit Committee must be a qualified Accountant within the composition of BAC members.

A total of seven (7) BAC meetings were conducted for FPE2022. The Notice to the BAC meetings was circulated as per the required notice period by the Company Secretary who is the Secretary to the BAC meeting.

Upon invitation by the BAC, the Non-Independent Executive Directors, Group Chief Financial Officer (“GCFO”), Head of Internal Audit and representatives of the External Auditors have attended the BAC meetings.

Time was also set aside for the External Auditors to have private discussions with the BAC in the absence of Non-Independent Executive Directors and the Management. Two (2) separate session was held between the BAC and the External Auditors. Prior to the BAC Meetings, private sessions were also held between the Chairman and the Head of Internal Audit.

Minutes of all seven (7) BAC meetings in FPE2022 were prepared by the Secretary of the BAC and were distributed to each BAC member where the BAC Chairman reviewed the Minutes and confirmed it in each BAC meeting in FPE 2022.

## 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. However, one of the members, Dato’ Haji Ab Wahab bin Haji Ibrahim has tendered his resignation with effect on 30 May 2022. Currently, there are two (2) members and AMRB has applied for another three (3) months extensions from Bursa to replace with a suitable candidate before 30 November 2022.
  - 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 three (3) years of working experience and –



## AUDIT COMMITTEE REPORT

- (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]

### 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;

## AUDIT COMMITTEE REPORT

- (d) the keeping of minutes; and
- (e) the custody, production and inspection of such minutes.

### 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. AMRB received another extension of three (3) months upon expiry from Bursa to appoint one member before 30 November 2022.

### 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 organization 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 PERIOD ENDED 30 JUNE 2022

During the FPE2022, 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 Reports 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 Budget to be carried out for the the Group prepared by the Internal Auditors and the External Auditors respectively;
- 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 FPE2022.

## STATEMENT ON INTERNAL AUDIT FUNCTION

Internal Audit Risk Management ("IARM") is an integral part of the assurance structure of the Group. The department's primary responsibility is to provide independent and reasonable assurance of the adequacy, integrity and effectiveness of the Group's overall system of internal control, risk management and governance process.

The Head of the Internal Audit Department reports directly to the Chairman of the BAC. For office administrative purposes, he reports to the Group Managing Director/Group CEO. The purpose, authority and responsibility of Internal Audit as well as the nature of assurance and consulting activities provided to the Group is clearly articulated in the Internal Audit Charter that has been approved by the BAC.

## AUDIT COMMITTEE REPORT

The Head of the Internal Audit Department has direct access to the Chairman of the BAC on all matters of control and audit. Any inappropriate restrictions on audit scope are to be reported to the BAC.

Throughout FPE2022, there were three (3) audit resources in the IARM Department who undertook key risk audit areas within the Group of which the internal audit areas planned have been successfully completed and reported. The current internal audit resource is continuously trained and monitored to ensure that the planned risk-based internal audits and risk management functions are well executed.

The BAC approves the Group Internal Audit's annual audit plan, budget and human resource requirements to ensure the function is adequately resourced by qualified and experienced internal auditors to carry out their tasks to meet BAC's expectations. During the FPE2022, a total of approximately RM371,000.00 was incurred as part of resource allocation for the IARM, covering mainly manpower and incidental costs such as traveling and training costs.

IARM has adopted a risk-based approach towards the planning and conduct of audits as per the approved Annual Audit Plan which is consistent with the Group's established framework in designing, implementing and monitoring its 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 FPE2022 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.

All findings resulting from the audits were reported to the BAC, the Senior Management and the relevant Management of the operating units. The Management of the operating units 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 28 October 2022.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of Alam Maritim Resources Berhad (Board) is committed to 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 FPE2022.

## RESPONSIBILITY

The Board of Directors of Alam Maritim Resources Berhad (“Board”) asserts its overall responsibility for the Group’s system of risk management and internal control and for reviewing the adequacy and integrity of the system. The system of internal control covers not only financial controls but also controls relating to operational, governance, risk management, strategy, organization and compliance with applicable laws, regulations, rules, and guidelines. The Board, through the Board Audit Committee (“BAC”) recognizes that this system is designed to manage, rather than eliminate, the risks of not adhering to the Group’s policies and to identify, assess and respond to risks to achieve the organization’s goals and objectives within the risk tolerance to As Low As Reasonably Practicable (“ALARP”) established by the Board and Management. Therefore, the system provides a realistic approach and solution, but not absolute against nature or Act of God, assurance against the occurrence of any material testimonial, forfeiture or deception.

The Board confirms that there is a continuous process of reviewing and reporting the adequacy and integrity of the Group’s system of risk management and internal control to provide reasonable assurance in safeguarding shareholders’ investments, the Group’s assets and other stakeholders’ interests. The process is regularly reviewed by the Board through the BAC and accords with the guidelines for Directors on internal control, the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. Minutes of the BAC meetings which recorded these deliberations were presented to the Board.

A Board Risk Management Committee (“BRMC”) was established and maintained in accordance with Section 22 of the Capital Markets and Services Act 2007 (“CMSA”) to provide risk oversight and ensure prudent risk management of the Group’s business and operations. At its meetings in FPE2022, the BRMC has reviewed, deliberated and provided advice on matters pertaining to the key corporate risks, risk assessment of projects and operations, and develop mitigation strategies and action plans.

Risk-related and internal control matters which warranted the attention of the Board were recommended by the BAC and BRMC to the Board for its approval and matters or decisions made within the BAC and BRMC’s purview were updated to the Board for its notation.

## 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 ensuring sound governance requires effective and direct interaction among the Board, Management, Internal and External Auditors. The Board, in ensuring the effective discharge of its responsibilities is assisted by the Board Committees namely the BAC, Board Nomination and Remuneration Committee (“BNRC”) as well as BRMC.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### 1.2. Independence of the Board Audit Committee (“BAC”)

The BAC comprises non-executive members of the Board, all members being independent. The Committee has full access to both Internal and External Auditors and it meets with the External Auditors without any executive present at least twice a year.

### 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.

## 2. RISK MANAGEMENT

2.1 Risk management is regarded by the Board to be an integral part of the business and operations. Management is responsible for creating a risk awareness culture, educating with the necessary knowledge of risk management and revise regularly of Risk tools and procedures. They also have the responsibility for managing risks and internal control associated with the operations and ensuring compliance with applicable Laws, Regulations and Requirements.

## 3. BOARD RISK MANAGEMENT COMMITTEE (“BRMC”)

3.1 The BRMC is responsible for the Risk Management of the Group. The committee members comprise Independent Non-Executive Directors and Non-Independent Directors. The Group Chief Financial Officer, Head of Group Internal Audit and Risk Management also attended BRMC meetings as invitees.

3.2 The main responsibility of BRMC is to provide a strategic direction to the Management in managing Enterprise Wide Risk (“EWR”) within the Group via risk oversight so that the Group continues maintaining its effective risk assessment with mitigations plans in all aspects of the Group’s business activities as well to ensure the Management update their policies and procedures where necessary which shall help to guide the Group’s objectives are achieved as planned.

3.3 The BRMC is assisted by the Group Risk Management Working Committee (“GRMWC”) which comprises all Heads of Departments (“HOD”). The GRMWC is chaired by the Group Executive Director. The GRMWC is responsible for ensuring the effective implementation of the Group Risk Management Framework and the management of risks and controls associated with Group operations as well as the compliance with the applicable Laws, Regulations and Requirements. The GRMWC is also responsible to recommend the periodical reporting of key risk exposures to the BRMC.

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

## 4. RISK MANAGEMENT FRAMEWORK

4.1 The Group has put in place a Risk Management Framework with the aim of providing a consistent approach to risk and facilitating a reasonably accurate perception of acceptable risk by all employees. The framework essentially outlines the risk management governance and structure, processes, accountabilities as well as responsibilities throughout the organization.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Three (3) Line of Defense in Risk Management



### 5. ACCOUNTABILITY AND RISK TOLERANCE

- 5.1 Managing risks is a shared responsibility and is integrated within the Group’s governance, business processes and operations. Employees and Management’s commitment towards the risk management process is constantly emphasized and reinforced through the establishment of GRMWC and group discussion together with the monitoring and facilitation exercise by the Group Internal Audit and Risk Management department.
- 5.2 Our level of risk tolerance is expressed through the use of a risk impact and likelihood matrix with an established risk tolerance boundary demarcating those risks that are deemed to have “exceeded risk tolerance” and those which have not. We have a structured framework where all relevant risks level and mitigations’ effectiveness from each department are assessed during quarterly engagements with the Head of Departments (“HOD”), followed by quarterly deliberations in the GRMWC and BRMC. The risk, detailed issues, contributing factors, risks’ impact as well as mitigations are assessed to ensure the respective departments’ objectives are not hampered by their identified risks. Ultimately the Group’s corporate agenda and objectives are met as desired, where the remedial actions are planned, executed and monitored regularly.

### 6. RISK MANAGEMENT REPORTING

- 6.1 The Risk Management Framework (“RMF”) provides a comprehensive regular review and reporting. On a continuing basis, the Group Internal Audit and Risk Management Department coordinates with all Heads of Departments (“HOD”) to review and update their respective risk register. Potential major risks and mitigation plans and actions taken were discussed at GRMWC and are reported to the BRMC and the Board of Directors.
- 6.2 To ensure that our RMF and processes remain sound and are in compliance with internationally recognized standards, we have revised our existing Matrix and renamed Business Risk Assessment (“BARA”) and incorporated it into existing procedures. The BARA has incorporated four (4) parameters that will be assessed in determining the root cause of the risks i.e. Human, Environment, Asset and Reputation (collectively known as “HEAR” factors).



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### 7. CONTROL ACTIVITIES

#### 7.1 Policies, Procedures and Limits of Authority

Well-defined financial limits of authority on all financial commitments for each level of management within the Group and clearly documented internal policies, standards and procedures are in place to ensure compliance with internal controls and relevant laws, Regulations and Requirements and are regularly updated to reflect changing risks or resolve operational deficiencies. Regular reviews are performed to ensure that documentation remains current and relevant. Common Group policies are available on the Group's intranet for easy access by employees. All policies and standards are approved by the Board and cases of non-compliance are reported to the Board by exception.

#### 7.2 Strategic Business Planning, Budgeting and Reporting

Regular and comprehensive information provided by management for monitoring of performance against strategic plan, covering all key financial, investment and operational indicators. On a quarterly basis, GMD reviews with the Board on all issues covering, but not restricted to, strategy, performance, resources and standards of business conduct; a detailed budgeting process is established requiring all business units to prepare budgets annually which are discussed and approved by the Board and effective reporting systems which expose significant variances against budgets and plan are in place to monitor performance.

### 8. INSURANCE AND PHYSICAL SAFEGUARD

8.1 Adequate insurance and physical safeguard on major assets in place to ensure that the assets of the Group are sufficiently covered against any liabilities that will result in material damage, claim or losses to the Group.

8.2 A yearly policy renewal exercise is undertaken by Management to review the coverage based on the current fixed asset register and the prevailing market price for the same or similar item, where applicable.

### 9. INFORMATION AND COMMUNICATION

9.1 Timely communication of relevant information such as the Group's achievement and changes with regard to corporate and organizational structure and policies and procedures, enabling employees to focus on and perform their responsibilities effectively.

9.2 The Head of subsidiaries and joint venture companies within the Group also participates in business dialogue programs with Senior Management of the Group to discuss on strategies and challenges faced towards achieving the 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.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### 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 Recommended Practice Guide (RPG) no. 5 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 in the review of the adequacy and integrity of internal control of the Group.

RPG no. 5 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, based on inquiry, information and assurance provided by the Group Managing Director and the Group Chief Financial Officer, the Board is of the opinion and to the best of its knowledge that the system of internal controls and risk management processes are adequate and sound to provide reasonable assurance in safeguarding the shareholders' investments, the Group's assets and other stakeholders' interests as well as in addressing key risks impacting the business operations of the Group. The Board has been acknowledged by the External Auditors that there was no major internal control weakness identified which may result in material loss or uncertainty that would require disclosure other than what has been included in this Annual Report.

This Statement on Risk Management and Internal Control has been prepared in accordance with the Bursa Malaysia Listing Requirements and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. This Statement has been approved by the Board at its meeting on 28 October 2022.

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2022

Authorised Share Capital	: -
Issued and Paid-Up Share Capital	: RM442,667,403.38
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	142	1.058	5,546	0.000
100 - 1,000	853	6.356	515,686	0.033
1,001 - 10,000	4,531	33.763	27,834,246	1.817
10,001 - 100,000	5,950	44.336	262,569,569	17.140
100,001 - 76,591,439 (*)	1,943	14.478	910,488,322	59.437
76,591,440 and above(**)	1	0.007	330,415,436	21.569
<b>Total</b>	<b>13,420</b>	<b>100.000</b>	<b>1,531,828,805</b>	<b>100.000</b>

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	0.158	330,581,061 (1)	21.579
SHAMSUL BIN SAAD	0	0.000	0	0.000
AHMAD HASSANUDIN BIN AHMAD KAMALUDDIN	0	0.000 (*)	123,750 (2)	0.008
FINA NORHIZAH BINTI HJ BAHARU ZAMAN	34,000	0.002 (*)	0	0.000
AHMAD RUHAIZAD BIN HASHIM	0	0.000	0	0.000

## 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	21.579	-	-
DATUK AZMI BIN AHMAD	2,292,748	0.158	330,581,061 (1)	21.579

Notes:

(\*) Shareholding of less than 0.01%

(1) 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.

(2) Deemed interested by virtue of his spouse's shareholding in AMRB pursuant to Section 59(11)(c) of the Act.

## ANALYSIS OF SHAREHOLDINGS

### 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	29,000,000	1.893
3	NING SAI PIEW	11,326,200	0.739
4	WONG CHOONG SUN	10,000,000	0.652
5	CHUNG KIN CHUAN	9,600,000	0.626
6	CHOONG KEAN LEANG	9,500,000	0.620
7	TING CHEE MING	9,000,000	0.587
8	TEO CHIN SIONG	8,728,800	0.569
9	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AZMI BIN MUHAMMAD (MY2422)	8,040,600	0.524
10	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FONG LOONG TUCK (CEB)	8,000,000	0.522
11	KHOR SEOW BEI WEN	7,250,000	0.473
12	JOYCELYNN KHO FEI FEI	6,995,000	0.456
13	AZNIZAN BIN HUSSEIN	6,200,000	0.404
14	FOO LEE FEI	5,000,000	0.326
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR STUART SAW TEIK SIEW	5,000,000	0.326
16	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG CHIEW KEE	5,000,000	0.326
17	TING MEE LING	4,930,000	0.321
18	MOHD FADIR BIN EMBONG	4,835,000	0.315
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ROSLAN BIN OTHMAN	4,750,000	0.310
20	AMINAH BINTI ZULKARNAIN	4,734,200	0.309
21	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AZLI BIN MOHAMED (8089084)	4,262,600	0.278
22	ENG LEE CHOO	4,010,000	0.261
23	LIM YEE HOE	4,000,000	0.261
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD NGE TIONG CHEE @ GOH TIONG CHEE	4,000,000	0.261
25	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIA KIE KING (E-LBG)	4,000,000	0.261
26	SIMSON SIM XIAN ZHI	4,000,000	0.261
27	SUN CHU TIAM @ SOON CHU TIAM	4,000,000	0.261
28	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NING CHOON MOY (E-KTN/KLS)	3,740,000	0.244
29	GABRIEL KOK CHUNG HIAN	3,537,000	0.230
30	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG GEOK CHOO	3,500,000	0.228

# NOTICE OF 17<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting (“17th AGM”) of Alam Maritim Resources Berhad (the “Company” or “AMRB”) will be conducted fully virtual meeting from the broadcast venue at Multipurpose Hall, No. 38C, Level 1, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur (“Broadcast Venue”) on Wednesday, 14 December 2022 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 TIH Online website at <https://tiah.online>, for the following purposes:-

## AGENDA

### AS ORDINARY BUSINESS

- |  |  |
|--|--|
| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 together with the Reports of the Directors and Auditors thereon.  | <i>Please refer to Explanatory Note (i)</i>  |
| 2. To re-elect the following Directors who retire pursuant to Article 101 of the Company’s Constitution and being eligible, have offered themselves for re-election:<br><br>(i) Encik Ahmad Ruhaizad bin Hashim; and<br><br>(ii) Encik Shamsul bin Saad. | <i>Please refer to Explanatory Note (ii)</i><br><br><b>Ordinary Resolution 1</b><br><br><b>Ordinary Resolution 2</b> |
| 3. To approve the payment of Directors’ fees and remuneration to the Non-Executive Directors amounting to RM568,763.72 for the financial year ended 30 June 2022 (18 months).  | <b>Ordinary Resolution 3</b>   |
| 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 2022 until the next Annual General Meeting of the Company to be held in 2023.        | <i>Please refer to Explanatory Note (iii)</i><br><b>Ordinary Resolution 4</b>  |
| 5. To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorize the Directors to determine their remuneration.  | <b>Ordinary Resolution 5</b>   |

### 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. <b>Authority for Puan Fina Norhizah binti Haji Baharu Zaman to continue in office as Independent Non-Executive Director of the Company</b>   | <b>Ordinary Resolution 6</b> |
| “ <b>THAT</b> 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.”  |                              |
| 7. <b>Authority to Issue Shares Pursuant to Section 75 and Section 76 of the Companies Act, 2016</b>  | <b>Ordinary Resolution 7</b> |
| “ <b>THAT</b> 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.” |                              |

## NOTICE OF 17<sup>TH</sup> ANNUAL GENERAL MEETING

### 8. Proposed Renewal of Authority for The Company to Purchase Its Own Shares of Up to 10% of The Issued And Paid-Up Share Capital of The Company. Ordinary Resolution 8

“**THAT** subject to the Companies Act, 2016, the Company's Constitution, the Bursa Malaysia Securities and the approvals of the relevant governmental and/or regulatory authority (if any), the Company be and is hereby authorized to purchase such amount of ordinary shares in the Company from time to time through Bursa Securities subject to the following:

- i. the maximum number of shares which may be purchased and/or held by the Company shall be equivalent to 10% of the issued and paid-up share capital of the Company (Shares) for the time being;
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate retained profits of the Company;
- iii. the authority conferred by this resolution will commence immediately upon the passing of this ordinary resolution and shall be in force until:
  - (a) at the conclusion of the next AGM of the Company; or
  - (b) upon the expiration of the period within which the next AGM is required by the law to be held; or
  - (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;whichever is earlier; and
- iv. upon the completion of the purchase(s), the Directors are authorized to deal with the Shares so purchased in the manner they may deem fit in the best interest of the Company;

**AND THAT** the Directors of the Company be and are hereby authorized to take necessary steps to fully implement the purchase(s) of the Shares with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to do all such acts and things as they may deem fit in the best interest of the Company.”

9. 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)

**Siti Nurdiana Binti Md Sah**, (LS0009636)

(SSM PC No. 202008000748)

Company Secretaries

Kuala Lumpur  
31 October 2022

## NOTICE OF 17<sup>TH</sup> ANNUAL GENERAL MEETING

### EXPLANATORY NOTES:-

- (i) **Agenda Item No. 1** – Audited Financial Statements for the financial year ended 30 June 2022 - 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 101 of the new Constitution** Encik Ahmad Ruhaizad bin Hashim and Encik Shamsul bin Saad are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election.
- (iii) **Ordinary Resolution 3 – Payment of Directors' Remuneration to the Non-Executive Directors for the period from 1 July 2022 until the next Annual General Meeting of the Company to be held in 2023**

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

### 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 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 Board’s and Board Committees’ deliberations and decision-making in an objective manner, exercises due care in all undertakings of the Group and carried out his 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.

## NOTICE OF 17<sup>TH</sup> ANNUAL GENERAL MEETING

- (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.

- (iii) The proposed **Ordinary Resolution 8**, if passed, is to empower the Directors to purchase the Company's shares of up to 10% of the issued and paid-up capital of the Company by utilizing the retained profits of the Company.

Information on the proposed renewal of authority for the Company to purchase its own is set out in the Statement to Shareholders dated 31 October 2022 available at <https://www.alam-maritim.com.my/AMRB2022/> and [www.bursamalaysia.com.my](http://www.bursamalaysia.com.my) together with the Annual Report 2022, Notice of the 17th AGM, Proxy Form and the Administrative Guide Details of the 17th AGM.

### 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 page 40, 43 and 44 of the Company's Annual Report 2022 respectively, which available on the Company's website at <https://www.alam-maritim.com.my/AMRB2022/>

### 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 17th AGM Meeting.
2. Members/proxies **WILL NOT BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the 17th AGM.
3. Members are to attend and vote (collectively, "participate") remotely at the 17th 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 17th AGM in order to participate in the Meeting remotely via RPV facilities on the 17th AGM.
4. Members may submit questions to the Company prior to the 17th AGM via email to [info@alam-maritim.com.my](mailto: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 TIIH Online website no later than **Monday, 12 December 2022 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 17th AGM of the Company, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at **30 November 2022**. Only a depositor whose name appears in the Record of Depositors as at 30 November 2022 shall be entitled to participate in the 17th AGM or appoint proxy/proxies to participate on his/her behalf.
2. Every member including authorised 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 17th AGM, and that such proxy needs not be a member.



## NOTICE OF 17<sup>TH</sup> ANNUAL GENERAL MEETING

4. 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.
5. 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 Monday, 12 December 2022 at 10.00 a.m., being forty-eight (48) hours before the appointed time for holding the 17th AGM.
6. A member who has appointed a proxy or attorney or authorized representative to participate in the 17th 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 17th AGM.

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# FORM OF PROXY



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

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

I/We \_\_\_\_\_  
(Block Letters)

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

	Name/CDS Account No	NRIC/Passport No	No of shares	%
Proxy 1	_____	_____	_____	_____
Proxy 2	_____	_____	_____	_____
		<b>Total</b>		<b>100%</b>

failing THE CHAIRMAN OF THE MEETING as my/our\* proxy(ies) to vote for me/us\* and on my/our\* behalf at the Seventeenth Annual General Meeting of the Company to be conducted fully virtual meeting from the broadcast venue at Multipurpose Hall, No. 38C, Level 1, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur on Wednesday, 14 December 2022 at 10.00 a.m. and at any adjournment thereof, in the manner indicated below:

No	Resolutions	For	Against
1	To re-elect Encik Ahmad Ruhaizad bin Hashim pursuant to Article 101.		
2	To re-elect Encik Shamsul bin Saad pursuant to Article 101.		
3	To approve the payment of Directors' fees and remuneration to the Non-Executive Directors amounting to RM568,763.72 for the Financial Year ended 30 June 2022 (18 months).		
4	To approve the payment of Directors' fee and remuneration for the period from 1 July 2022 until the next Annual General Meeting of the Company to be held in 2023.		
5	To re-appoint Messrs. Alas 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.		
8	To approve the proposed renewal of authority for the Company to purchase its own shares.		

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

- 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 17th AGM Meeting.
- Members/proxies **WILL NOT BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the 17th AGM.
- Members are to attend and vote (collectively, "participate") remotely at the 17th AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIH Online website at <https://tiah.online>. Please follow the Procedures for RPV provided in the Administrative Guide Details for the 17th AGM and read the notes below in order to participate remotely via RPV.
- 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.
- Members may submit questions to the Board prior to the 17th AGM via Tricor's TIH Online website at <https://tiah.online> by selecting "e-Services" to login, pose questions and submit electronically no later than Monday, 12 December 2022 at 10.00 a.m. or to use the query box to transmit questions to the Chairman/Board via RPV during live streaming.

- 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.
- 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.
- A member who has appointed a proxy or attorney or authorized representative to attend, participate and vote at this 17th AGM via RPV must request his/her proxy or attorney or authorized representative to register himself/herself for RPV at the TIH Online website at <https://tiah.online>. Please follow the Procedures for RPV in the Administrative Details for the 17th AGM.
- 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 Monday, 12 December 2022 at 10.00 a.m., forty-eight (48) hours before the appointed time for holding the 17th AGM.
- Please ensure ALL the particulars as required in the form of proxy are completed, signed and dated accordingly.
- Last date and time for lodging the form of proxy is Monday, 12 December 2022 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 Monday, 12 December 2022 at 10.00 a.m., forty-eight (48) hours before the appointed time for holding the 17th 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 Monday, 12 December 2022 at 10.00 a.m., being forty-eight (48) hours before the appointed time for holding the 17th AGM. The certificate of appointment should be executed in the following manner:
- (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 30 November 2022. 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.

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AFFIX STAMP

**ALAM MARITIM RESOURCES BERHAD**

(Registration No. 200501018734 (700849-K))

38F, Level 3, Jalan Radin Anum,  
Bandar Baru Sri Petaling  
57000 Kuala Lumpur

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