

MARINE & GENERAL
BERHAD

29TH ANNUAL GENERAL MEETING

22ND OCTOBER 2026

MARINE & GENERAL BERHAD

FINANCIAL BRIEFING

1.

Group Business Structure

2.

Operating Conditions

i. Upstream Division
ii. Downstream Division
iii. Marine Services Division

3.

Group Financial Results

4.

Group Financial Position

GROUP BUSINESS STRUCTURE

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MARINE LOGISTICS

Upstream Division

Providing OSV services – anchor handling, towing, offshore supply and logistics to oil majors engaged in exploration and production.

Current fleet – **9 units of 60M AHTS** and **13 units of 70M AHTS** vessels.

MARINE LOGISTICS

Downstream Division

Providing chemical and CPP tanker services.

Current fleet – **4 units of chemical tankers** and **1 unit CPP tanker**.

MARINE SERVICE

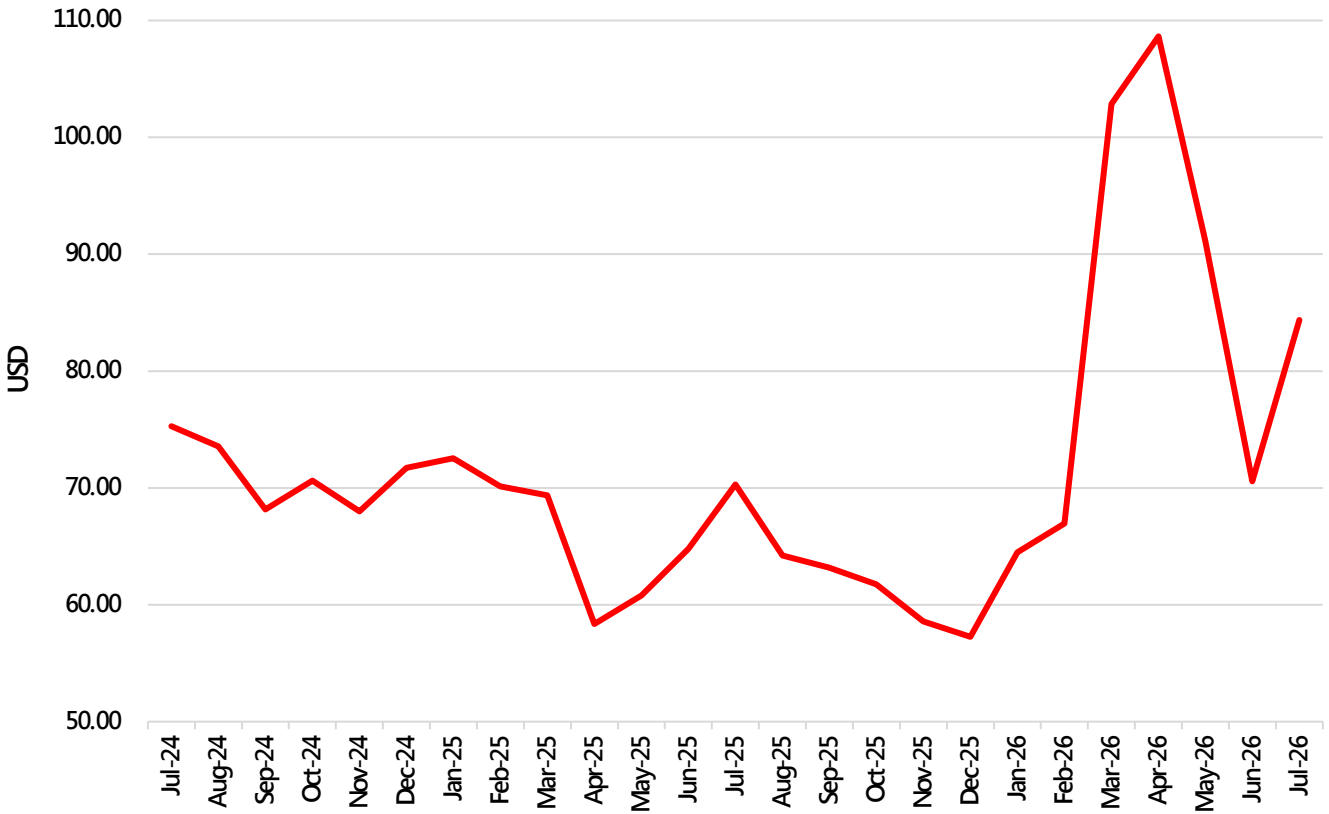
Services Division

2 new established companies:

M&G WHS – Provides integrated marine and offshore engineering services encompassing fabrication, hook-up and commissioning, welding, maintenance and repair, manpower supply and supply and rental of specialized equipment and parts.

JME – Provides technical vessel management, vessel maintenance , repair and overhaul.

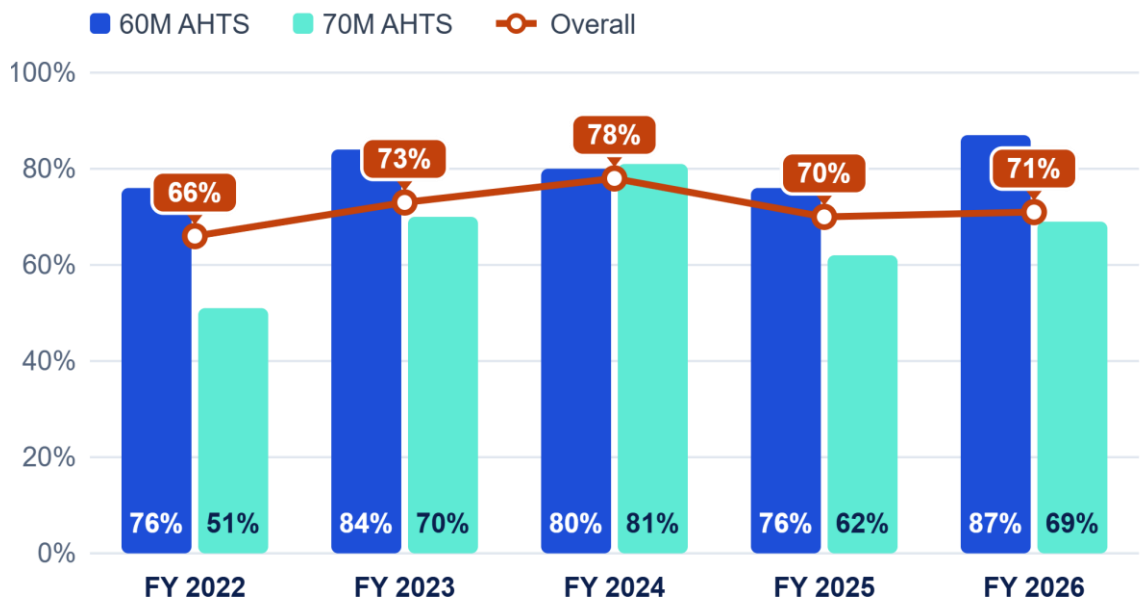
UPSTREAM DIVISION – Oil and Gas Industry Trends



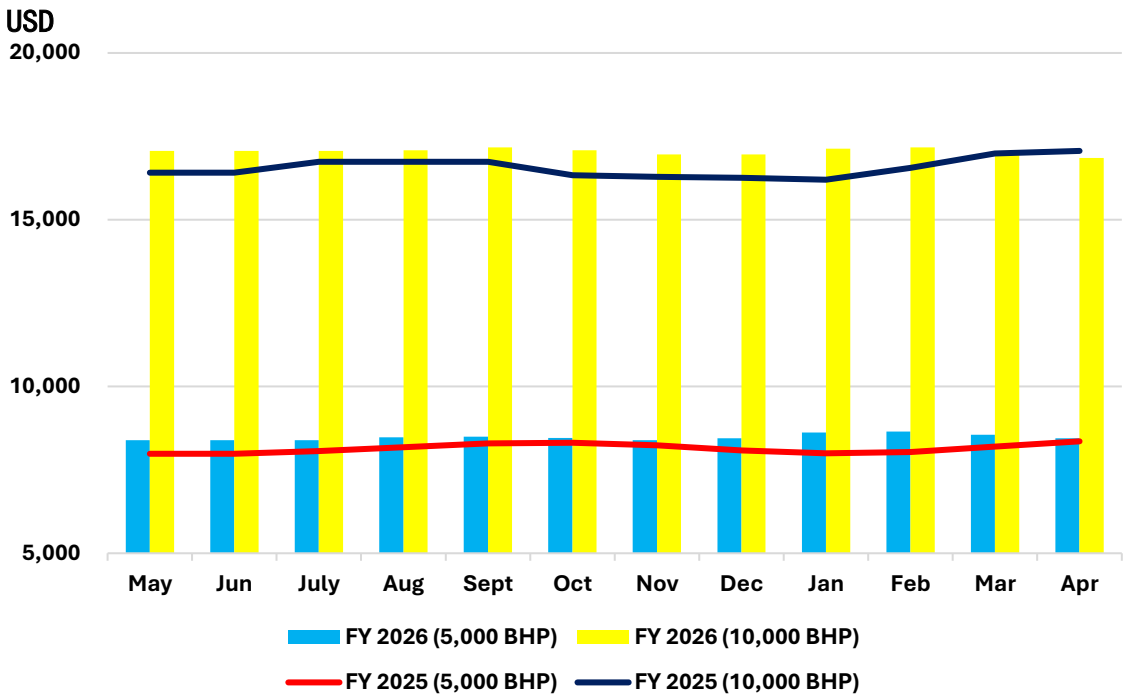
- The global oil and gas stayed strong in 2025 despite moderating demand, rising supply, price volatility and geopolitical uncertainty.
- Brent crude averaged USD65/barrel in late 2025 as demand slowed and supply from non-OPEC producers increased.
- In 2026, the war in the Middle East and closure of the Strait of Hormuz caused a major supply shock, cutting off up to 20 million barrels per day.
- Brent crude surged to about USD90/barrel in the first seven (7) months of 2026, driving inflation and slowing global growth.
- In Malaysia, crude oil output declined slightly, while natural gas and LNG exports remained strong, with Japan, China and South Korea as key markets.

UPSTREAM DIVISION – Vessel Charter and Fleet Utilisation

VESSEL UTILISATION RATE
FY 2022 - FY 2026



AVERAGE AHTS DAILY CHARTER RATE (ASIA PACIFIC)



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UPSTREAM DIVISION – Third-Party Vessel Management

01

Commercial & technical services

A broad service offer covering day-to-day commercial and technical needs.

02

Support for small fleet owners

Professional management gives owners access to experienced teams and proven processes.

03

Continuity in FY2026

The Group continued to manage several vessels owned by third parties during the year.

UPSTREAM DIVISION – Awards and Recognition

20.8M

man-hours without Lost Time Injury

Zero LTI since April 2013

A strong safety culture built over many years.

- **ENQUEST Notable HSE Award 2025**
  Outstanding Safety Delivery
- **ENQUEST SAFE RESULT**
  Value Recognition
- **HESS 2024 Logistics EHS**
  LTI Free & Operational Excellence Award

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DOWNSTREAM DIVISION

FLEET UTILISATION

Recorded marginally higher tanker utilisation of **84%** (FY 2025: 83%).

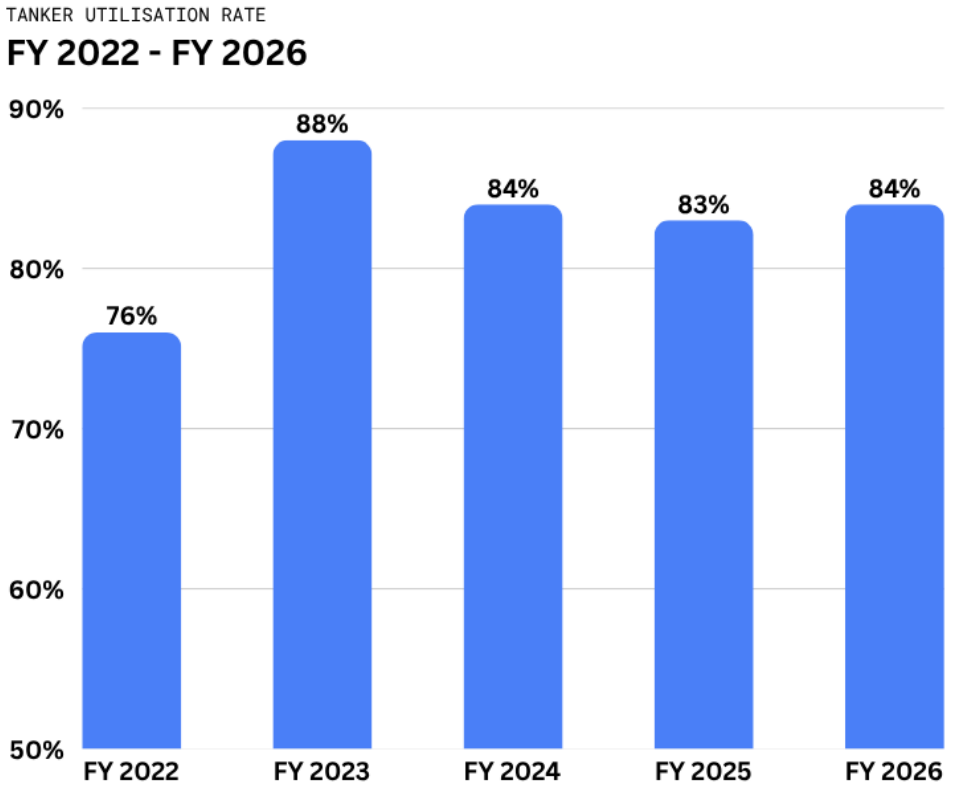
All tanker are on time charter contracts.

FLEET OPTIMISATION

5 vessels in operation *(4 chemical tankers and 1 CPP tanker)*

The Division completed the **acquisition of JM Sutera 9** on 16 December 2026.

Average fleet age: Reduced from 12.5 years to **10.7 years**.



MARINE SERVICES DIVISION

Newly established division during the current financial year.

Spearheaded by **M&G WHS Engineering Sdn Bhd** (“M&G WHS”) and **Jasa Merin Engineering Sdn Bhd** (“JME”).

M&G WHS Engineering Sdn Bhd

- ✓ Commenced operation in December 2025.
- ✓ Provides integrated marine and offshore engineering services encompassing fabrication, hook-up and commissioning, welding, maintenance and repair, manpower supply and supply and rental of specialized equipment and parts.

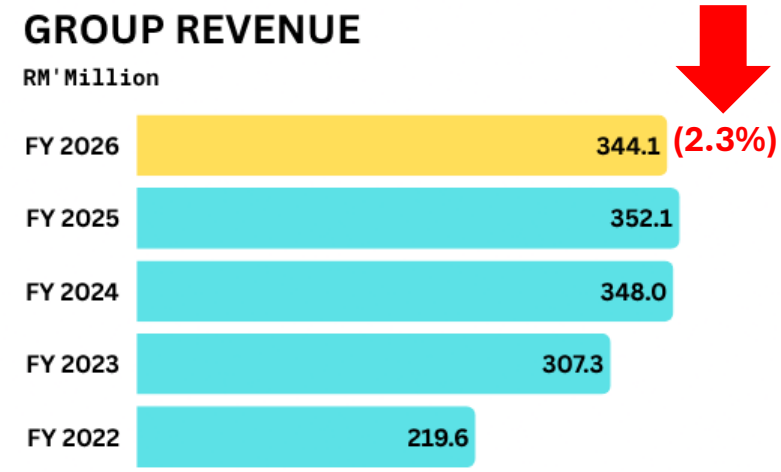
Jasa Merin Engineering Sdn Bhd

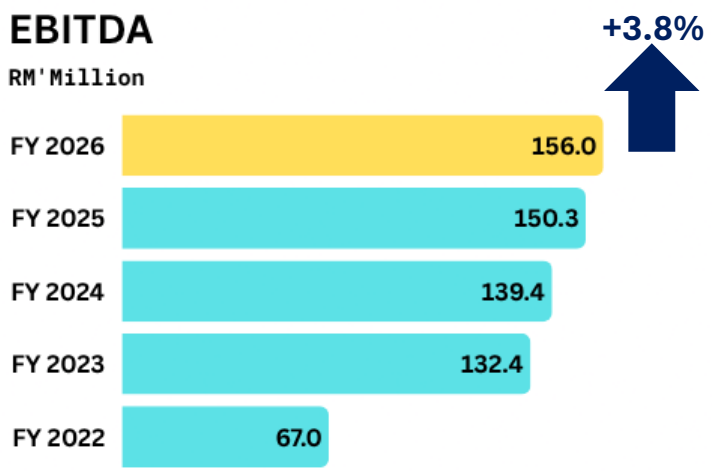
- ✓ Commenced operation in February 2026
- ✓ Provides technical vessel management, vessel maintenance, repair and overhaul.

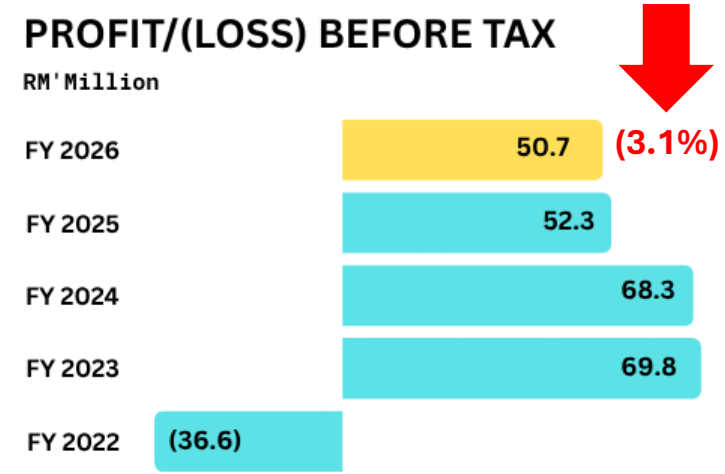
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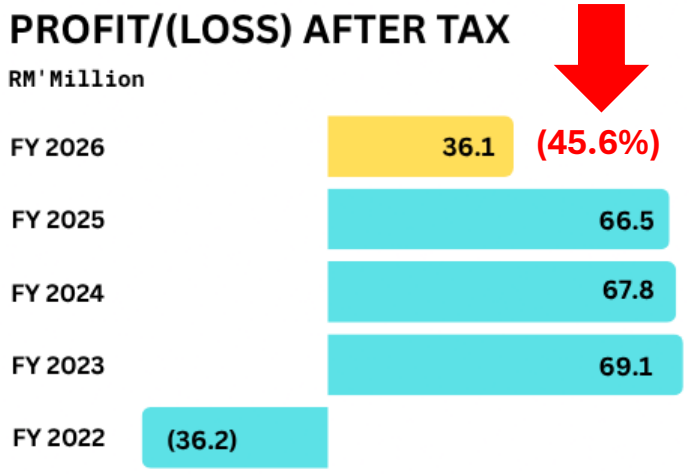
GROUP FINANCIAL RESULTS

*Refer to **page 131** of the **Annual Report** for the **Statements of Profit or Loss and Other Comprehensive Income for the Financial Year Ended 30 April 2026.***









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GROUP FINANCIAL POSITION

TOTAL ASSETS

RM810.3M (FY 2025: RM868M)

Decreased by **RM57.7m** – due to decrease in trade and other receivables following the **utilisation of funds** held by the solicitor for the acquisition of JM Sutera 9.

TOTAL LIABILITIES

RM575.6M (FY 2025: RM658.5M)

Decreased by **RM82.9m** – mainly due to the **reduction in borrowings** following the repayment made during the financial year.

EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

RM185.2M (FY 2025: RM168.4M)

Increased by RM16.8m, reflecting stronger retained earnings.

GEARING

70% (FY 2025: 74%)

Gearing ratio has **improved from 74% to 70%** in FY 2026.

*Refer to **page 129** of the **Annual Report** for the **Statements of Financial Position as at 30 April 2026**.*

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End of Briefing on Financial Results for FYE 30 April 2026

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QUESTIONS AND ANSWERS

MINORITY SHAREHOLDERS WATCH GROUP

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

The Board and Management have expressed cautious optimism about the upstream OSV business in FY2027.

For Q1FY2027, revenue from Marine Logistics – Upstream segment declined by 28% to RM61.57 million from RM85.49 million in the previous corresponding quarter, primarily attributable to lower fleet utilisation at 75% (Q1FY2025: 82%), as several vessels underwent mandatory docking and repairs. Utilisation was also affected by moderating drilling activities domestically. Meanwhile, quarterly profit before tax declined to RM9.35 million from RM22 million previously.

Question 1.a

Given the hiccups experienced in Q1FY2027, can the Upstream segment deliver financial performance comparable to FY2026, with revenue and segment profit of RM286.05 million and RM36.38 million, respectively?

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

Answer 1.a

The Group remains cautiously optimistic about the outlook for the Upstream segment, while recognising the uncertainties in the offshore oil and gas industry.

The performance in Q1FY2027 reflects, among other factors, lower fleet utilisation arising from scheduled vessel maintenance and moderating offshore drilling activities. While the Group remains focused on sustaining its financial performance, the outlook will continue to depend on market conditions, offshore activity levels and vessel utilisation.

The Group will continue to prioritise operational efficiency, prudent cost management and effective fleet deployment to support its overall business performance.

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

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Question 1.b

Kindly elaborate on fleet utilisation for the 60M and 70M AHTS vessels during 1H FY2027.

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

Answer 1.b

The utilisation of the Group's AHTS fleet is influenced by the nature of charter arrangements and prevailing offshore activities.

The 60M AHTS vessels are primarily engaged in production-related activities under longer-term charter contracts, providing a degree of revenue visibility. The 70M AHTS vessels mainly support drilling activities under shorter-term, project-based contracts and are therefore more sensitive to changes in drilling schedules and contract awards.

During the first quarter of FY2027, most vessels recorded high utilisation, except for those undergoing maintenance or docking. The Group continues to monitor market developments and optimise fleet deployment to support operational efficiency and commercial performance.

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

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Question 1.c

What is the average remaining charter tenure of the Group's AHTS vessels? How many vessels are currently operating under contracts due to expire within the next 12 months? Accordingly, what proportion of these vessels have secured contract extensions or replacement contracts?

OPERATIONAL & FINANCIAL MATTERS

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Answer 1.c

The Group's AHTS fleet has varying charter tenures, depending on the vessel category and contractual arrangements.

All nine 60M AHTS vessels are covered by firm contracts with about two years remaining. In contrast, the existing contracts for the 70M AHTS vessels are generally project-based and are subject to renewal within the next 12 months.

The Group will continue to participate in relevant tender exercises and leverage its good operating track record and health, safety and environmental performance to pursue contract renewals and new contract opportunities. Nevertheless, the award of future contracts will remain subject to customer requirements and prevailing market conditions.

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

The Board and Management have expressed cautious optimism about the upstream OSV business in FY2027.

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Question 1.d

Page 17 of the Annual Report 2026 outlines M&G's selective fleet renewal strategy for FY2027. Please elaborate on the key initiatives under this strategy, including the types and number of vessels targeted for renewal, the expected timeline, and the estimated capital expenditure.

OPERATIONAL & FINANCIAL MATTERS

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Answer 1.d

The Group adopts a prudent and selective approach to fleet renewal, with the objectives of rejuvenating its offshore support vessel fleet and expanding its tanker fleet in line with long-term business requirements.

The strategy includes both acquisition and exploring long-term lease arrangements with options to purchase, where commercially viable.

The timing and scale of fleet renewal will be guided by vessel age, market demand, commercial viability and funding considerations. Accordingly, capital expenditure for FY2027 is expected to remain limited.

OPERATIONAL & FINANCIAL MATTERS

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Question 2.

During Q1FY2027, M&G reassessed the estimated useful lives of its offshore support vessels (OSVs) and extended the estimated useful life from 20 to 25 years, citing the vessels' design and construction, which support an expected service life exceeding 25 years.

Following this revision, what is the estimated impact on the Group's depreciation charges for property, vessels and equipment in FY2027 and subsequent financial years?

OPERATIONAL & FINANCIAL MATTERS

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Answer 2.

Following the revision of the estimated useful lives of the Group's offshore support vessels from 20 to 25 years, depreciation expenses for FY2027 are expected to decrease by approximately RM16 million.

The annual reduction in depreciation expenses going forward will vary according to the remaining useful lives and carrying values of the vessels.

The Group will continue to review the estimated useful lives and carrying values of its assets based on their expected service potential and in accordance with the applicable accounting standards.

OPERATIONAL & FINANCIAL MATTERS

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Question 3.

Page 163 of the Annual Report 2026 states that JM Indah, a straight supply vessel that is classified as an asset held for sale, received an offer of US$1.05 million in March 2025. However, the proposed disposal was put on hold following a revision of the acquisition plan by JAC Maritime Services LLC ("JAC") during the financial year.

In FY2026, M&G subsequently received a renewed offer of US$502,000 for the vessel, representing a reduction of approximately 52% from the earlier offer.

Kindly explain the key factors underlying the substantial decline in the offer price within approximately one year. Why does the Management decide to consider the renewed offer despite a sharp decline in the offer price for JM Indah?

OPERATIONAL & FINANCIAL MATTERS

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Answer 3.

The two offers were made about a year apart by different prospective buyers and on different conditions. Hence, the offers are not comparable and should be considered differently.

The first proposal of US$1.05 million was received in March 2025 from JAC.

The proposal was subsequently revised, where JAC agreed to purchase another vessel instead of JM Indah.

The disposal was completed in July 2026.

Subsequently, the Group received an offer for JM Indah from another party for USD0.502 million. This offer remained under negotiation as at the year end.

The proposal was subsequently aborted and the vessel remains as an asset held for sale.

The Group remains committed to prudent asset management and will continue to evaluate rationalisation opportunities based on commercial merit and in the best interests of the Group.

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

Question 4.

Page 29 of the Annual Report 2026 notes that vessel supply in the OSV market remains constrained due to limited investment in newbuilds following the prolonged downturn in offshore services, contributing to stable charter rates during the reporting period.

Against this backdrop, does the current supply-demand dynamic present a favourable opportunity for investment in new OSVs? What key factors would the Board and Management consider in assessing the timing and commercial viability of newbuild investments?

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

Answer 4.

The Group recognises that constrained vessel supply may present selective investment opportunities in the offshore support vessel market. However, such opportunities must be assessed against market demand, commercial viability and the associated investment risks.

In evaluating potential investments, the Board and Management will consider the outlook for offshore activities, customer requirements, charter prospects, vessel availability, acquisition costs, and funding arrangements.

The Group will continue to adopt a disciplined and selective approach to fleet expansion, with emphasis on capital efficiency, operational readiness and sustainable long-term returns.

SUSTAINABILITY

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Question 5.

PETRONAS, a major customer of M&G, aims to achieve net zero carbon emissions by 2050, and reduce absolute greenhouse gas (GHG) emissions by 25% by 2030. PETRONAS' decarbonisation journey involves sustainability efforts from various stakeholders, including suppliers.

Against the stricter environmental and ESG standards from customers, M&G is working towards a dedicated climate risk and opportunity assessment framework to better address physical and transition climate risks, as well as to support reporting in accordance with IFRS S1 and S2 (page 68 of AR2026).

What sustainability-related requirements, particularly those concerning GHG emissions measurement, climate risk assessment and climate-related disclosures, has PETRONAS imposed on its suppliers, including M&G?

Given that M&G is not yet fully prepared to provide detailed climate-related disclosures, how does the Company currently meet PETRONAS' requirements, and what measures are being undertaken to address any gaps in its reporting capabilities?

OPERATIONAL & FINANCIAL MATTERS

MARINE & GENERAL BERHAD

Answer 5.

The Group recognises the increasing importance of sustainability and climate-related considerations within the oil and gas industry, particularly in response to evolving customer expectations and regulatory requirements.

PETRONAS currently encourages offshore support vessel operators to measure, report and reduce greenhouse gas emissions. The Group understands that climate-related expectations may continue to evolve and become increasingly relevant to future sourcing decisions. The Group reported Scope 1 emissions of 142,816 tonnes of CO_2e in FY2026, compared with 169,209 tonnes in FY2025, alongside Scope 2 and limited Scope 3 disclosures.

The Group is progressively strengthening its sustainability reporting capabilities, including the development of a structured climate risk and opportunity assessment framework with reference to applicable reporting standards, including IFRS S2.

These initiatives are intended to enhance the Group's preparedness for evolving disclosure requirements, improve the quality and consistency of sustainability-related information and support compliance with applicable obligations. The Group will continue to review and strengthen its practices as stakeholder expectations and regulatory requirements develop.

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END OF BRIEFING

THANK YOU