



# NO CONSTRAINTS

OUR PEOPLE CREATIVITY,  
INNOVATIVENESS AND THE COURAGE  
TO BE BOLD, HAS ENABLED UZMA TO  
STAY RESILIENT THROUGHOUT THE YEARS.  
THE SAME SET OF QUALITIES WITH NO  
CONSTRAINTS MINDSET WILL PROPEL  
UZMA TO GREATER HEIGHTS IN THE FUTURE.  
THUS, POSITIONING THE GROUP AS AN  
INTEGRATED SUBSURFACE SOLUTION  
PROVIDER OF CHOICE AND A LEADING  
WELL AND BROWN FIELD REJUVENATION  
SOLUTION PROVIDER IN THE EXPLORATION  
& PRODUCTION SECTOR OF OIL AND GAS  
INDUSTRY.



**BOARD OF DIRECTORS**

Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee  
*Independent Non-Executive Chairman*

Dato' Kamarul Redzuan bin Muhamed  
*Managing Director / Chief Executive Officer*

Datin Rozita binti Mat Shah@Hassan  
*Executive Director / SGM Corporate Services*

Peter Angus Knowles  
*Executive Director / SVP International Business*

Che Nazahatuhsamudin bin Che Haron  
*Executive Director / SVP Sales & Marketing*

Md Shah bin Abdullah  
*Independent Non-Executive Director*

Dato' Dr. (H) Ab Wahab bin Haji Ibrahim  
*Independent Non-Executive Director*

**AUDIT COMMITTEE**

Dato' Dr. (H) Ab Wahab bin Haji Ibrahim  
*Chairman – Independent Non-Executive Director*

Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee  
*Member – Independent Non-Executive Chairman*

Md Shah bin Abdullah  
*Member – Independent Non-Executive Director*

**NOMINATING COMMITTEE**

Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee  
*Chairman – Independent Non-Executive Chairman*

Dato' Dr. (H) Ab Wahab bin Haji Ibrahim  
*Member – Independent Non-Executive Director*

Md Shah bin Abdullah  
*Member – Independent Non-Executive Director*

**REMUNERATION COMMITTEE**

Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee  
*Chairman – Independent Non-Executive Chairman*

Dato' Dr. (H) Ab Wahab bin Haji Ibrahim  
*Member – Independent Non-Executive Director*

Dato' Kamarul Redzuan bin Muhamed  
*Member – Managing Director / Chief Executive Officer*

**SECRETARIES**

Kang Shew Meng  
(MAICSA 0778565)

Seow Fei San  
(MAICSA 7009732)

**SHARE REGISTRAR****SYMPHONY SHARE REGISTRAR**

**SDN. BHD.** (378993-D)  
Level 6, Symphony House  
Block D13, Pusat Dagangan Dana 1  
Jalan PJU 1A/46, 47301 Petaling Jaya  
Selangor Darul Ehsan  
Tel: 03 7841 8000  
Fax: 03 7841 8008

**REGISTERED OFFICE**

802, 8th Floor, Block C  
Kelana Square, 17 Jalan SS7/26  
47301 Petaling Jaya  
Selangor Darul Ehsan  
Tel: 03 7803 1126  
Fax: 03 7806 1387

**AUDITORS**

**CROWE HORWATH** (AF1018)  
Level 16 Tower C  
Megan Avenue II  
12 Jalan Yap Kwan Seng  
50450 Kuala Lumpur.  
Tel: 03 2788 9999  
Fax: 03 2788 9998

**CORPORATE OFFICE****UZMA HOUSE**

No. 68 & 70, Fraser Business Park  
Jalan Metro Pudu 2  
Off Jalan Yew  
55200 Kuala Lumpur  
Tel: 03 9232 1000  
Fax: 03 9232 1032  
Email: [malaysia@uzmagroup.com](mailto:malaysia@uzmagroup.com)  
Website: [www.uzmagroup.com](http://www.uzmagroup.com)

**PRINCIPAL BANKERS****ALLIANCE BANK MALAYSIA BERHAD (88103-W)**

Ground & 1st Floor  
No. 2, Jalan Murni 25/ 61  
Taman Sri Muda, Seksyen 25  
40400 Shah Alam, Selangor  
Tel: 03 5121 9336  
Fax: 03 5121 9373

**RHB BANK BERHAD (6171-M)**

Head Office  
Tower Two and Three, RHB Centre  
Jalan Tun Razak  
50400 Kuala Lumpur  
Tel: 03 9281 3030  
Fax: 03 9287 4173

**STANDARD CHARTERED BANK****MALAYSIA BERHAD (115793-P)**

Level 15, Menara Standard Chartered  
30, Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel: 1 300 88 33 99  
 03 2142 8933

**STOCK EXCHANGE LISTING**

Main Market – Bursa Malaysia Securities Berhad  
Listed Since: 29 July 2008  
Stock Name: UZMA  
Stock Code: 7250



## NOTICE OF THE FIFTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Fifth Annual General Meeting of the Company will be held at Kelab Golf Sultan Abdul Aziz Shah, No. 1 Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on **Tuesday, 26 June 2012 at 9:00 a.m.** to transact the following businesses:

### AGENDA

- |                                                                                                                                                 |                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2011 and the Reports of Directors and Auditors thereon. | <b>Ordinary Resolution 1</b> |
| 2. To approve the payment of Directors' fees.                                                                                                   | <b>Ordinary Resolution 2</b> |
| 3. To re-elect the following Directors who retire in accordance with Article 77 of the Company's Articles of Association:                       |                              |
| (i) Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee                                                                                        | <b>Ordinary Resolution 3</b> |
| (ii) Peter Angus Knowles                                                                                                                        | <b>Ordinary Resolution 4</b> |
| 4. To appoint Messrs Crowe Horwath as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.    | <b>Ordinary Resolution 5</b> |
| 5. As Special Business to consider and if thought fit, to pass the following Resolutions, with or without modifications:                        |                              |

#### ORDINARY RESOLUTION – AUTHORITY TO ISSUE SHARES

“THAT subject always to the Companies Act, 1965 and the approvals of the relevant authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time at such price, upon such terms and conditions, 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 issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

**Ordinary Resolution 6**

#### SPECIAL RESOLUTION – PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

“THAT the amendments to the Articles of Association of the Company in the manner detailed in 'Appendix A' to the Annual report 2011 be and are hereby approved.”

**Special Resolution 1**

6. To transact any other business of which due notice shall have been received.

BY ORDER OF THE BOARD

KANG SHEW MENG  
SEOW FEI SAN  
*Secretaries*

Selangor  
1 June 2012

## NOTICE OF THE FIFTH ANNUAL GENERAL MEETING (cont'd)

### NOTES:

- Only depositors whose names appear in the Record of Depositors as at 19 June 2012 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company and a Member may appoint any persons to be his proxy. The provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- A Member shall be entitled to appoint not more than two (2) proxies to attend and vote at the Annual General Meeting. Where a Member appoints two (2) proxies, the appointment shall be invalid unless the Member specifies the proportions of his holding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan at least forty eight (48) hours before the time for holding the Meeting or any adjournment thereof.
- Explanatory notes on special business:

#### Resolution 6 – Authority to Issue Shares

The Proposed Ordinary Resolution 6, if passed, will give the Directors of the Company, from the date of the above Annual General Meeting, authority to issue shares from the unissued capital of the Company for such purposes as the Directors may deem fit and in the interest of the Company. The authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

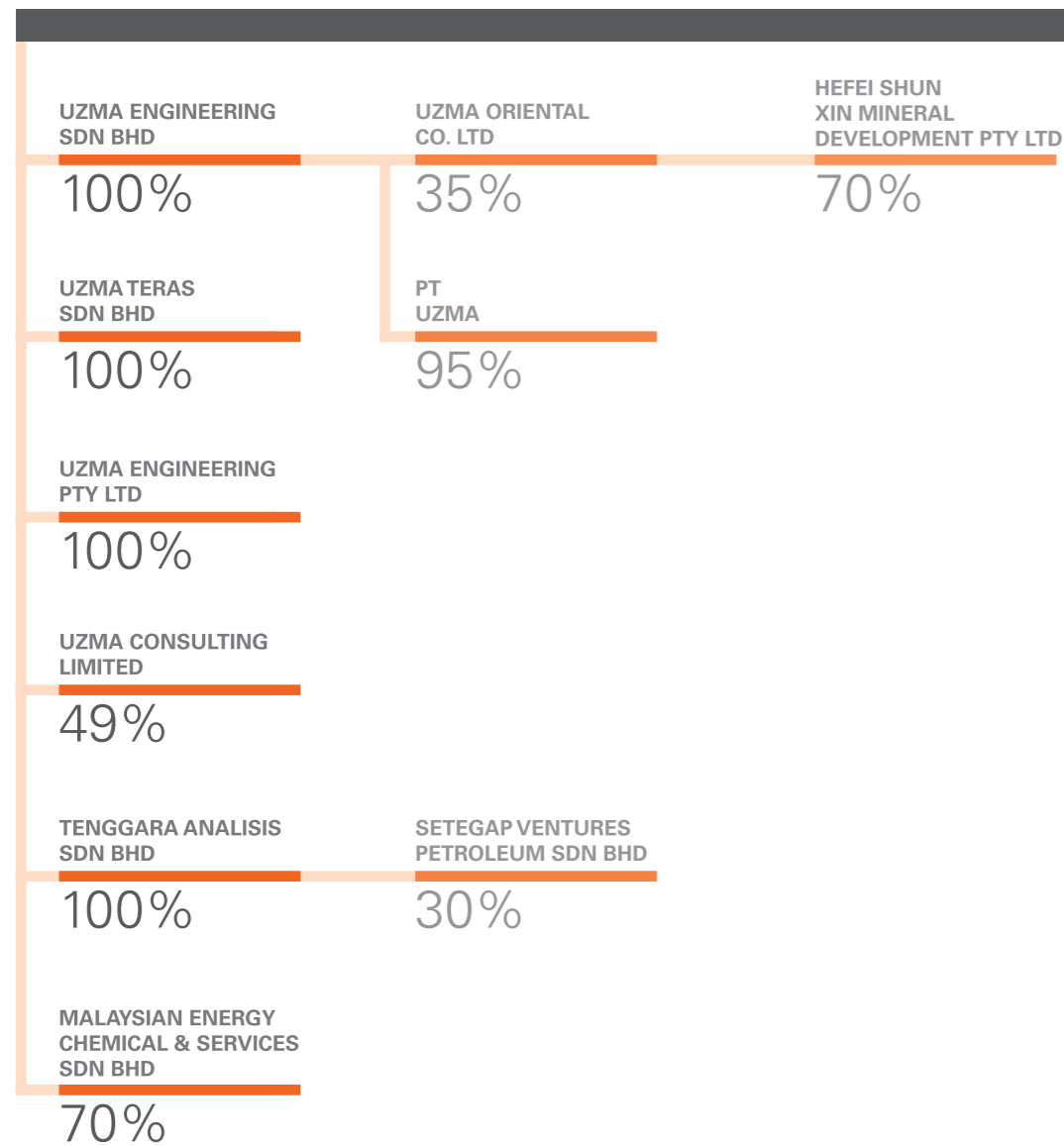
As at the date of this Notice, 8,000,000 ordinary share, representing 10% of the issued share capital of the Company then were issued by the Company pursuant to the authority granted to the Directors at the Fourth Annual General Meeting held on 28 June 2011 and which will lapse at the conclusion of the Fifth Annual General Meeting.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

#### SPECIAL RESOLUTION 1 – PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The proposed Special Resolution 1, is made to comply with the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Further information on the Proposed Amendments to the Articles of Association of the Company is set out in Appendix A of this Annual Report.

# UZMA BERHAD





I would like to start by congratulating Uzma for a very effective execution of plans throughout the successful Financial Year year 2011. This has been made possible by the hands-on leadership of our CEO who has always been instrumental in Uzma's growth, assisted by his leadership team working smart to ensure that the company is positioned in the right path armed with the right tools and resources. Not forgetting hundreds of passionate staffs working hard to achieve what now seems to be just a breeze in the park.

#### A SUCCESSFUL FINANCIAL YEAR 2011

In Financial Year year 2011 the group executed well while continuing to invest for the future. Our focus on delivering value to our clients enabled us to increase the momentum in our business and generate significant value for our shareholders.

As a result, Uzma grew another RM76.4 million, garnering a total revenue of RM192.5 million in Financial Year 2011 compared to RM116.1 million in Financial Year 2010. This is a solid growth of 66% year-on-year, contributed mostly by our production optimization and consultancy services whose presence on the offshore scene has created strong interests in the local and global oil and gas industry.

Arising from the 66% growth year-on-year, the group posted an after-tax profit of RM12.8 million compared with a net loss of RM1.2 million the year before.

**Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee**  
Independent Non-Executive Chairman

#### UZMA'S AGILITY IN THE CHANGING O&G LANDSCAPE

The Oil and Gas industry grew healthily in 2011, marked by the global increase in interest and activity in Exploration and Production. The difficulty in exploiting hydrocarbon resources has reached a new level, mostly driven by the complexity of technical challenges in upstream activities especially in geosciences and petroleum engineering. This has been a direct result of the growing focus on unconventional, deepwater and EOR.

I am satisfied that in 2011 Uzma has managed to reposition itself to fit nicely in the changing landscape of the local and global oil and gas industry. More focus in 2011 has been directed into unconventional hydrocarbon exploration and production. Oil majors have been seen to shift their focus and I am proud that Uzma has been able to quickly predict the direction and needs of the industry, and has been agile enough to pro-actively tailor its offerings and capabilities to suit the changing demands.

#### CUSTOMER FOCUS

Staying true to our customer-focused culture, the clients have always been at the heart of Uzma, and helping them achieve high performance at competitive cost and record time is what we're all about. In Financial Year 2011 we attracted new clients and expanded our relationships with existing clients, demonstrating our ability to adapt to and serve the full spectrum of our clients' needs. We're fortunate to count more new segmental clients in 2011, like MLNG, PTSSB, Shell and Santos for our Manpower and Consultancy Services. Perhaps even more important than the number and size of our clients is the depth and longevity of those relationships: Most of our clients in Financial Year 2011 have been a client for at least five years; some have been clients for the past 12 years.

I have always had the aspirations that Uzma shall become a world class organization with world class efficiency and effectiveness, governed by a proven yet customized and practicable quality management system. I am very pleased that Uzma has taken up this challenge; that in its aggressive business expansion activities, it has managed to also successfully obtain the prestigious ISO9001:2008 certification in Financial Year 2011. This, I view, is the right first step into building a more competitive organization, ready to take on the traditional big players within the industry many times its size. I am sure that this is only the beginning of the many more successful quests to come.

#### BRIGHT OUTLOOK IN 2012

We have expanded our horizon into well pumping and coil tubing services early this year by adding Setegap Ventures Petroleum Sdn. Bhd. to be part of Uzma. I am also proud that Uzma started the current year 2012 securing another first for Uzma: an RM350 million contract from PCSB, which is the biggest single contract for Uzma so far. I am ecstatic that Uzma has won this contract

through an open tender exercise, which reflects highly on Uzma's capability and cost competitiveness.

I am certain that this will open up a new income stream for Uzma. I know for certain that Uzma has always been on its toes to develop innovative technologies for the enhancement of oil recovery (EOR) and improved oil recovery (IOR). Looks like all these efforts are starting to bear fruits.

Our mission to compete with the O&G power houses which provide support services to the oil majors is shaping up on the right track. Based on our significantly smaller market capitalization, there tend to be some non-believers who may doubt that we possess the technology sitting at the same level with the likes of multi nationals service providers. I am challenging my team to prove otherwise.

Again, I would like to thank and congratulate all Uzma staffs for a successful year 2011 which has been nothing short of a feat. Looking at all the improvements taking place within the operations and organization, I am certain that FY2012 would be significantly better.

On behalf of the Board, I would like to end my statement with a sincere thank you.





Financial Year 2011 was an important year for us on two fronts: efficiently executing the income-generating projects and effectively building momentum enveloping our growth agenda. As a result we managed to set a favorable stage for a bright Financial Year 2012, which shall follow with a complementing dimension: initiating strategic technological investments to position ourselves for bigger future success.

On efficiency in execution, we achieved a solid financial performance when we exit Financial Year 2011. This was demonstrated by our revenue and earnings per share which both outperformed our historical performance. A significant increase in secured projects demonstrated growing demand for our services. Our cash flow was improved and stabilized, exceeding our expectation.

On building momentum, we reached growth at a faster rate than the overall oil and gas industry. At a growth rate of 66% year-on-year, we reaffirmed customers' preference for our value proposition of providing reliable services with good technical know-how and focused customer service.

We further strengthened our balance sheet and continued to make critical investments in technologies and infrastructure to support our vision to gain industry leadership position. We had successfully driven market expansion in our existing businesses as well as in our newer market entries. These include subsurface, production optimization and well intervention services. We exited the Financial Year year with revenue of RM192.2M.

Don't blame me for feeling upbeat about Uzma – 2011 has been good. In March, we were awarded an RM200 million long-term service agreement for the supply

**Dato' Kamarul Redzuan bin Muhamed**  
Managing Director / Chief Executive Officer

of uzmaAPRES™ equipment, technical services and consultancy to PETRONAS. The three-year contract comes with the option to extend for another two years. Barely four months later, in July, we won an RM170 million contract for the provision of integrated equipment and services for an idle well-reactivation project. The contract spreads over three years until 2014.

#### EXECUTION OF CORE COMPETENCIES

Even though our core income-generating assets are mostly intangible, looks like 2011 has brought some of our tangible assets out in the open for the world to appreciate and take advantage of. Two units of uzmaAPRES™, a low-pressure system technology developed in-house to revive old and idle oil wells, were successfully deployed in two separate offshore fields. This brings the total of operating uzmaAPRES to 5. Needless to say, our uzmaAPRES brand has continued to deliver its promises, leaving trails of highly satisfied clients.

Our subsurface arm, Geosciences and Petroleum Engineering (GPE), via uzmaPOLARCUS, was awarded an umbrella contract by PETRONAS for seismic acquisition. This shall go on for the next three years. Another triumph for GPE came in the consultancy services for EPTC-PETRONAS focusing on EOR, which shall continue on into the current year. FY2012 shall bring even brighter days for subsurface studies which includes FDP/FFR. Other specialized and highly technical projects such as water injection study and single well chemical tracer (SWCT) shall continue on a bigger scale in 2012, driven by GPE new leadership. The only challenge foreseen in FY2012 is to get the correct expertise to expand on our capabilities. We need the right skill sets focusing on unconventional hydrocarbon and other energy resources such as shale gas, heavy oil, coal bed methane (CBM) and fractured reservoir. Additionally our Lab, despite slowdown in 2011, shows a significant improvement towards the end of 2011 with a number of projects were secured which will lead to improved performance during Financial Year 2012. Early this year, the lab was awarded a new 3+2 year umbrella contract with PETRONAS Carigali. New SCAL equipment planned for towards the middle of the year will also help improve margins during Financial Year 2012.

Our uzmaWIRELINE, a service offered within our Well Services group,, has successfully started operations in 2011, with two active projects contributed healthily to our bottom lines. I am proud that uzmaWIRELINE has given the nation another first: jobs on workover rigs awarded to a local service company by our client. We also secured an idle well project in Financial Year 2011 deploying both e-line and slick line by PETRONAS. The challenge for 2012 is to ensure that we execute efficiently, effectively and safely – rivaled with if not better than the international service providers. The Well Services further expanded its offering in 2012 by providing Pumping and CTU services via a jointly controlled company, Setegap Ventures Petroleum Sdn Bhd.

For MECAS, the main challenge in 2011 was the escalating raw materials cost. Luckily, with close collaboration, we have managed to distribute some of the impact to be shared with the customers. Our healthy progress in positioning ourselves for the EOR market will carry seamless continuation into 2012, with focus on both EOR and deepwater projects.

Further from our shores, internationally, our uzmaAMS™ has successfully implemented a new management system for Thailand's PTTEP drilling department in 2011. While down under in Australia, in yet another many of our firsts, we managed to step into the non-hydrocarbon energy sector by securing documentation work in coal seam gas project with Santos. We have also started serious works assisting our customers including Santos, Shell and Apache to work within the framework of the new legislation brought about in the wake of the Montara blowout. These projects continue into 2012, with our active involvement in a number of safety assessments and well operations management plans. This includes Shell's Prelude floating LNG development, which is highly prestigious.

#### FORGING AHEAD

I would like to congratulate our team for the success in obtaining the ISO9001:2008 in July 2011. I hope this will further facilitate our effort in increasing the effectiveness and efficiency of all our activities and processes under a well-governed environment. This, in turn shall provide added benefits to everybody - the organisation, our customers, our shareholders and stakeholders alike.

Looking ahead, 2012 will clearly be a more exciting year for us. We started off with a strategic acquisition of 30.02% equity interest in Setegap Ventures Petroleum Sdn. Bhd. This acquisition would enable us to offer fully integrated well services to the oil majors. The acquisition is a way to expand our business and prepare ourselves to take up bigger jobs in the future.

In February, we were awarded an RM350 million contract for the provision of oil well-testing equipment and services to PETRONAS Drilling Programmes in Peninsular Malaysia for five years beginning in April 2012. This is a testament to Uzma's technological capability in the upstream support services. I am extremely excited about this, as this is the first time PETRONAS has awarded such a contract to a local player.

To end, my sincere appreciation goes to my team – from the leadership team down to our people running the tools on the offshore fields for the commitment given to Uzma. It is the hard work of everybody that successfully provides peace of mind to our customers – knowing that they are always in good, capable hands. My appreciation also goes to our stakeholders and business associates for their continuing support.

With this, I leave you with a heartfelt thank you.

## BOARD OF DIRECTORS

Sitting, from left

Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee

Datin Rozita binti Mat Shah @ Hassan

Dato' Kamarul Redzuan bin Muhamed

Standing, from left

Peter Angus Knowles

Dato' Dr. (H) Ab Wahab bin Haji Ibrahim

Mohd Shah bin Abdullah

Che Nazahatussamudin bin Che Haron







**DATUK WIRA SYED ALI BIN TAN  
SRI SYED ABBAS ALHABSHEE**

Independent Non-Executive Chairman

Aged 50, is our Independent Non-Executive Chairman. He was appointed to the Board on 21 May 2008.

He was awarded a Professional Diploma in Leadership and Management by the New Zealand Institute of Management, New Zealand in 2003. He ventured into business in the early 1980s and held directorships in several private and public corporations involved in a diverse range of businesses. He holds a directorship in C.I. Holdings Berhad and Asia Media Group Berhad, Chairman of Composites Technology Research Malaysia Sdn Bhd, a company which is controlled by the Ministry of Finance, and Tanjung Offshore Berhad, a public listed company on the Main Board of Bursa Securities. He also holds Deputy Chairman in REDtone International Berhad. Datuk Wira Syed Ali was a member of Dewan Negara (Senate) of Malaysia from 21 April 2003 to 21 April 2009. He is also the Chairman of Yayasan Pendidikan Cheras, Kuala Lumpur. Datuk Wira Syed Ali also serves as the Chairman of Remuneration Committee and Nominating Committee and a member of Audit Committee of Uzma Group.



**DATO' KAMARUL REDZUAN  
BIN MUHAMED**

Managing Director / Chief Executive Officer

Aged 39, is our Managing Director / Chief Executive Officer. He was appointed to the Board on 21 May 2008.

Dato' Kamarul attended Colorado School of Mines, which is renowned as one of the world's top petroleum universities, as part of the Government-sponsored "American Top Universities" programme. He graduated in 1995 with a Bachelor's Degree in Petroleum Engineering.

He worked as a reservoir engineer on an integrated reservoir engineering study in the USA before returning to Malaysia where he joined Esso Production Malaysia Inc. ("EPMI") as a Facilities Engineer. He worked on a number of offshore projects gaining a good grounding in offshore engineering. Where he started to develop a network of exploration and production contacts in Malaysia. Subsequently he joined Sedco Forex, a leading International Drilling Contractor as a graduate trainee, further expanding his offshore engineering knowledge. He later joined Smedvig Technologies Sdn Bhd, as a Technical Representative. He proved to be a natural entrepreneur and helped grow the company's sales expediently. He was soon promoted above the incumbent expatriate sales personnel to become Business Development Manager for the Asian Division. During his tenure, he developed a good relationship with PETRONAS and other profit sharing contractors and secured multi-million dollar contracts for Smedvig Technologies Sdn Bhd in Malaysia and the region.

Smedvig Technologies Sdn Bhd was rebranded as Roxar Sdn Bhd ("Roxar") in 1999. He was instrumental in setting up Roxar's office in Kuala Lumpur and was responsible for effectively changing the Roxar's Kuala Lumpur office to become the regional office and hub for Roxar's activities in Asia Pacific. He left Roxar in May 2000 and formed Uzma where he assumed the role of Chief Executive Officer. He has been instrumental in growing the company from inception to what it is today.

Despite being a competent engineer, it is his business development skills and entrepreneurship that contribute most to Uzma. He has developed an established network in many Malaysian Oil and Gas companies and has earned the respect of senior management in many Malaysian-based Oil and Gas companies. His overseas education and working experience enables him to relate equally well with Malaysians and foreigners. He spends most of his time managing Uzma where he plays a role in technical governance and business strategy in addition to his primary commercial responsibilities.



Aged 42, is our Executive Director / SGM Corporate Services. She was appointed to the Board on 21 May 2008.

Datin Rozita graduated with a Bachelor of Science in Chemical Engineering from Rensselaer Polytechnic Institute, New York in 1993. She worked for an American technology company before returning to Malaysia in 1994 where she joined EPMI as a Systems Engineer. She held various technical roles during her six years with EPMI during which she developed sound project management skills and became an accomplished Project Engineer. After a short stint as a Project Engineer with OGP Technical Services Sdn Bhd, a PETRONAS subsidiary, she joined forces with her husband, Dato Kamarul to set up Uzma.

Her initial role in Uzma Malaysia was to build the core consultancy business where she had successfully grown the business during her tenure. Her abilities were ideal for the consultancy business as she has strong formal technical qualifications and training, coupled with a natural ability to develop and maintain personal relationships. These skills, together with good commercial awareness and strong management techniques have won her respect from the staffs, customers and consultants. She became the Operations Director, managing the back office functions for the whole business as well as performance improvement. The back office functions include logistics, human resources and information technology and fostering good community relationships. Until the appointment of Group Finance Manager, she also managed accounting and finance. Currently as SGM of Corporate Services, Datin Rozita has an additional and demanding role to play as she is also in charge of three separate departments: the Human Resources, Corporate Relations & Administration and Information Technology Department.

### DATIN ROZITA BINTI MAT SHAH @ HASSAN

Executive Director / SGM Corporate Services



A British aged 55, is our Executive Director / SVP International Business. He was appointed to the Board on 21 May 2008.

He is a graduate from RGIT University in Aberdeen, Scotland which is renowned as a higher learning institution for offshore engineering. After graduation in 1978 he worked for an offshore engineering company before joining Southeastern Drilling Company ("Sedco"), a leading International Drilling Contractor in 1981, as a graduate trainee. He worked on a number of international assignments in Korea, USA, Norway and the Middle East attaining the level of District Manager before Sedco was acquired by Schlumberger in 1984. He subsequently worked in a number of senior engineer roles. In 1989 he joined Prodrill Ltd, an Aberdeen-based drilling consultancy, and was seconded as Senior Drilling Engineer to Petroleum Development Oman and to Shell and Conoco Phillips and the United Kingdom for a total of 4 years before being posted to Malaysia as Engineering Manager in 1992. He was subsequently promoted to Regional Manager. In 1996 Prodrill was acquired by Smedvig Inc, a leading Norwegian drilling company listed on the New York Stock Exchange. He was appointed Asian General Manager for their Smedvig Technologies division and led a period of major expansion.

He brings with him a total of 26 years hands-on international oilfield experience which earns him technical credibility and respect amongst customers throughout South East Asia and Australasia. He also has a proven track record in business development and project management providing a balance of technical understanding, entrepreneurial spirit, and commercial prudence. The continuing demand from oil companies for his performance improvement and risk management consultancy helps him to maintain his extensive client network and provides access to senior executives throughout the industry.

### PETER ANGUS KNOWLES

Executive Director / SVP International Business





Aged 39, is our Executive Director / SVP Sales & Marketing. He was appointed to our Board on 21 May 2008.

He joined Uzma Malaysia in 2001 and was appointed Sales and Operations Director in 2006.

He graduated with a Bachelor of Science in Electrical Engineering from Valparaiso University, Indiana in 1996. After graduation he joined Scopetel (M) Sdn Bhd as a Project Engineer gaining four years hands-on offshore engineering and project management experience in this satellite communications company where he also assisted in business development. He joined AKK Management, our related party, in 1999 as its General Manager and helped build the company into a successful trading and water treatment company. He soon proved himself to be a natural entrepreneur and an exceptionally dedicated and trustworthy employee. During his tenure at AKK Management, he had concluded major contracts with various multinational companies. He also has been instrumental in forming formal and exclusive relationships with major suppliers in the water treatment business. In 2001, having previously built AKK Management into a viable operation, he joined Uzma Malaysia to open up business for Uzma Malaysia in the Middle East. He readily accepted this challenge and set about building, from a zero customer base, into a successful overseas business centre in the Middle East, extending into North Africa. While in Qatar, he successfully built a relationship with major Oil and Gas and petrochemical companies and subsequently secured various long term contracts with various companies in the region.

In 2007 he was entrusted to be our Sales and Operations Director. This is a role which he can apply his excellent human relationship and negotiating skills to their maximum. In addition to directing Account Managers and managing preparation of tenders and proposals, he spends a great deal of his time engaging customers for business development and marketing. His unquestionable loyalty, dedication and business skills are valuable assets to Uzma's continued growth.

## CHE NAZAHATUHSAMUDIN BIN CHE HARON

Executive Director / SVP Sales & Marketing



Aged 62, is our Independent Non-Executive Director. He was appointed to our Board on 2 August 2010.

He obtained his professional qualification, MBA from Cornell University in 1981 and Bachelor of Social Science (Honors) in Economic from Singapore University in 1971. He had extensive experience in the government sectors such as Ministry of Transport and Ministry of Finance from 1971 until 1984.

He then joined Malaysian International Merchant Bankers as the Head of Corporate Banking. He had also sit on the board of other listed companies, namely Malaysian International Shipping Corporation, MECIB Berhad, Malaysian International Finance Berhad, Asia Unit Trust, Lembaga Pelabuhan Johor and Yayasan Tunku Abdul Rahman. Encik Md Shah Bin Abdullah is a member of the Audit Committee and Nominating Committee of Uzma Group.

## MD SHAH BIN ABDULLAH

Independent Non-Executive Director





Aged 61, is our Independent Non-Executive Director. He was appointed to our Board on 26 May 2011.

He is a Chartered Accountant and also a member of the Malaysian Institute of Accountants (MIA). He holds a Diploma and Advanced Diploma in Accounting from Universiti Teknologi MARA and his experience spans over 27 years in the area of finance and accounting. He began his career in the Corporate Finance Division at PETRONAS in 1978 and later assumed the role of Finance Manager for PETRONAS Gas Berhad (PGB), a subsidiary of PETRONAS. He was also appointed as Joint Company Secretary and was a member of the Management Committee for PGB.

Following the successful implementation of the listing of PETRONAS Gas Berhad, he was further reassigned as Head of the Finance and IT Division of Technical Services Sdn. Bhd., another subsidiary of PETRONAS in 1996, a position he held until 2004. In 2007, he obtained his Master of Business Administration (Management Studies) from University of Rockhampton, USA and in the same year was honoured with the Honorary Doctorate Degree in Public Service by the Irish International University, Ireland. He is currently an Independent Non-Executive Director on the board of Alam Maritime Resources Berhad and Tanjung Offshore Berhad. Dato' Dr. (H) Ab Wahab bin Haji Ibrahim also serves as the Chairman of Audit Committee and a member of Nominating Committee and Remuneration Committee of Uzma Group.

#### ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS

There is no family relationship among the directors and substantial shareholders of the Company except for Dato' Kamarul Redzuan bin Muhamed and Datin Rozita binti Mat Shah @ Hassan who relationship is husband and wife.

None of the directors have any conviction for offences, other than traffic offences, within the past 10 years.

With the exception of Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee and Dato' Dr. (H) Ab Wahab bin Haji Ibrahim, none of the directors hold any directorship in other public companies.

The Director's holdings in shares of the Company are disclosed in the Analysis of Shareholding section of the Annual Report.

#### DATO' DR. (H) AB WAHAB BIN HAJI IBRAHIM

Independent Non-Executive Director

## BOARD OF DIRECTORS

Front roll, from left

Datin Rozita binti Mat Shah @ Hassan

Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee

Dato' Kamarul Redzuan bin Muhamed

Mohd Shah bin Abdullah

Dato' Dr. (H) Ab Wahab bin Haji Ibrahim

Che Nazahatuhsamudin bin Che Haron

Peter Angus Knowles (back row)

## KEY MANAGEMENT

Back roll, from left

Drs. Robert Eise Hulsbos

Tengku Zuraidi Yazli bin Tengku Yahaya

Rizal bin Mohd Arifin

Azmi bin Mahamad

Khong Kheng Ting

Ahmad Yunus bin Abdul Talib

Zaliza binti Ahmad Zainuddin

Bong Leong Sung

Sa'adiyah binti Omar (front row)





**1. KHONG KHENG TING***Chief Operation Officer*

Aged 47, is our Chief Operating Officer. He is a Petroleum Engineering graduate from University Technology Malaysia and an MBA graduate from University of Strathclyde, United Kingdom. He has 23 years of experience in the upstream oil and gas services industry. He was formerly a Vice President of Roxar/Emerson Asia Pacific. Prior to this, he held various senior sales and operations management positions globally in Schlumberger, Halliburton and Baker Hughes, the top three global oil field services provider. Mr. Khong currently serves as Director of the Society of Petroleum Engineers (SPE) - Kuala Lumpur Chapter. He joined Uzma on 1 February 2012. His appointment was made in line with the group's aggressive business strategy where Uzma hoped to tap his vast hands-on experience to further position the company to leap into its next phase of growth.

**2. AZMI BIN MAHAMAD***Senior Vice President, Strategic*

Aged 41, is our Senior Vice President, Strategy. Azmi graduated with a Bachelor of Engineering in Mechanical Engineering from Universiti Sains Malaysia in 1994 and obtained Masters of Science in Engineering Business Systems (with Distinctions) from University of Coventry, UK. He has vast experience in oil and gas industries having worked for EPMI, Lundin Malaysia Limited (which later acquired by Talisman Energy Inc.), and Talisman Malaysia Limited before joining Uzma on 1 March 2011.

**3. BONG LEONG SUNG***Chief Financial Officer*

Aged 38, is our Chief Financial Officer. He graduated with a degree in Accounting from University of Malaya in 1999 and obtained his professional qualification from the Chartered Accountant (Malaysia) and Certified Public Accountant (Malaysia) in 2002. Currently, he is a member of the Malaysian Institute of Accountants (MIA) and Malaysian Institute of Certified Public Accountants (MICPA). He played a very important role during Uzma pre- IPO days as our Corporate Finance Manager and was subsequently promoted to Chief Financial Officer.

**4. AHMAD YUNUS BIN ABDUL TALIB***General Manager/Managing Director, MECAS*

Ahmad Yunus Abdul Talib, aged 43, is a graduate from University of Wisconsin, Madison, USA, in Mechanical Engineering. He has over 16 years of experience in the oil and gas industry. Yunus is a Managing Director and General Manager for Malaysian Energy Chemical and Services Sdn Bhd. He was with ExxonMobil for 13 years and held various positions of increasing responsibility in the Operations Technical and Project Departments before joining Uzma on 21st of July 2008.

**5. DRS. ROBERT EISE HULSBOS***Senior General Manager, Laboratory Services*

Drs. Robert Eise Hulbos, aged 56, is the Manager for Laboratory Services. He gained his BSc and MSc degrees in Geology from the Free University in Amsterdam. He has extensive experience in laboratory services and regional basin studies having worked in the oil and gas industry for over 25 years in countries like Libya, Indonesia, Malaysia and United Kingdom.

**6. ZALIZA BT. AHMAD ZAINUDDIN***Senior General Manager, Wireline Services*

Aged 41, is the General Manager for Wireline Services. She graduated from University of Malaya in Chemical Engineering. She has vast experience in Wireline services spanning from Australia and Indonesia before returned to Malaysia to take up the role of Wireline Customer Support for PETRONAS and eventually promoted to OFS Base Manager for the West Malaysia Operations before joining Uzma on 11 May 2009.

**7. RIZAL BIN MOHD ARIFIN***Vice President, Geoscience & Petroleum Engineering Services*

Aged 39, is our Vice President, Geoscience & Petroleum Engineering Services. He graduated from Marquette University, Milwaukee, Wisconsin, USA with Bachelor of Science in Business Administration. His excellent capability with 13 years of experience in Sales & Marketing have brought his previous company, ROXAR, in securing big projects with PETRONAS and numerous awards as Best Sales Manager of the Year by the company. He joined Uzma in June 2011 and now leads the GPE Services.

**8. TENGKU ZURAI YAZLI TENGKU YAHAYA***General Manager, Project Oilfield and Operation Services.*

Aged 30, is a graduate from Universiti Teknologi Petronas in Mechanical Engineering (majoring in Petroleum Engineering). He started his career as Drilling Engineer at PETRONAS for 3 years before he joined Uzma as a Sales Engineer-Drilling Service. He has taken the challenges for Account Manager & Sales Manager position before he was later promoted to the current position as General Manager, Project Oilfield & Operation Services. A young leader with great capability and energy, balance skills between technical and commercial have brought him to this capacity of responsibility.

**8. SA'ADIAH BINTI OMAR***General Manager, Oilfield Manpower Services*

Aged 36, graduated from University of Malaya in Executive Diploma in Human Resources. She began her career with numerous construction companies before joining Uzma in 2008 as Operation Executive. Having contributed much to the growth of Oilfield Manpower department, she was later promoted as General Manager, Oilfield Manpower Services.

**1. KHONG KHENG TING***Chief Operation Officer***2. AZMI BIN MAHAMAD***Senior Vice President, Strategic***3. BONG LEONG SUNG***Chief Financial Officer***4. AHMAD YUNUS BIN ABDUL TALIB***General Manager/Managing Director, MECAS***5. DRS. ROBERT EISE HULSBOS***Senior General Manager, Laboratory Services***6. ZALIZA BT. AHMAD ZAINUDDIN***Senior General Manager, Wireline Services***7. RIZAL BIN MOHD ARIFIN***Vice President, Geoscience & Petroleum Engineering Services***8. TENGKU ZURAI YAZLI TENGKU YAHAYA***General Manager, Project Oilfield and Operation Services.***8. SA'ADIAH BINTI OMAR***General Manager, Oilfield Manpower Services*



The Board of Directors (“the Board”) is committed to ensure the highest standards of corporate governance are practiced throughout the Uzma Berhad group of Companies (“Uzma Group”) as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and the financial performance of the Group.

Uzma Group’s corporate governance structure has been developed and enhanced based on the principles and best practices prescribed in the Malaysian Code on Corporate Governance (“the Code”) and the Corporate Governance Guide (“CG Guide”) issued by Bursa Malaysia Berhad.

In this Statement, the Board reports on the manner in which the Group has adopted and applied the principles of good governance and the extent to which it has complied with the best practices set out in the Code and CG Guide throughout the year under review.

#### (A) BOARD OF DIRECTORS

The Company is led by an experienced Board comprising members whose skills, expertise and experience ranges from engineers, to entrepreneurs and accountants. This wide spectrum of skills and experience provide the strength that is required to lead the Group towards its objectives and enable the Group to rest in the firm control of an accountable and competent Board. The Board is responsible for the Group’s overall strategies and objectives, its acquisition and divestment policies, financial policy and major capital expenditure projects and the consideration of significant financial matters. In carrying out its function, the Board is assisted by several Board Committees, namely, the Audit Committee, Nominating Committee and Remuneration Committee.

The roles of the Chairman and the Executive Directors are separate to ensure balance of power and authority, so that no one individual has unfettered powers of decision.

The Board operates within a robust set of governance as set out below:

##### Composition of the Board

The Board has a balanced composition of seven (7) Directors consisting of four (4) Executive Directors and three (3) Independent Non-Executive Directors. The Board composition is in line with the Bursa Malaysia Securities Berhad Main Market Listing Requirements that requires one-third (1/3) of the Board members to be independent directors. The size of the Board is appropriate for the complexity and scale of operations of the Uzma Group.

The profiles of the Board members are as set out on pages 16 to 22 of this Annual Report.

##### Board Meeting

The Board meets at least once in a quarter with additional meeting convened as and when necessary. During the year under review, five (5) Board of Directors’ meetings were held for the financial year ended 31 December 2011 to review the Group’s quarterly and annual financial statements and its operations.

The Board has a formal schedule of matters reserved at Board Meetings which includes, corporate plans, annual budgets, management and Group’s performance review, major investments and financial decisions, changes to the management and control structure within the Group, including key policies and procedures and delegated authority limits.

The Board is supplied with information in a timely manner and appropriate quality to enable them to discharge their duties and due notice is given to Directors with regard to issues to be discussed. All resolutions are recorded and thereafter circulated to the Directors for comments before minutes of proceedings are finalised and confirmed. The Company Secretary organises and attends all Board Meetings to ensure proper records of the proceedings.

Directors are also given access to any information within the Company and are free to seek independent professional advice at the Company’s expense, if necessary, in furtherance of their duties. Towards this end, there is an agreed procedure in place for Directors to acquire independent professional advice to ensure the Board functions effectively. All Directors have access to the advice and services of the Company Secretary who is responsible for ensuring that Board procedures are met and advises the Board on compliance issues.

The attendance of the Directors at the Board meetings held during the financial year ended 31 December 2011 is set out in the table below:

Name of Director	Directorate	Attendance
Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee	Independent Non-Executive Chairman	5/5
Dato’ Kamarul Redzuan bin Muhamed	Managing Director/ Chief Executive Officer	5/5
Datin Rozita binti Mat Shah @ Hassan	Executive Director	5/5
Peter Angus Knowles	Executive Director	5/5
Che Nazahatuhisamudin bin Che Haron	Executive Director	5/5
Md Shah bin Abdullah	Independent Non-Executive Director	4/5
Dato’ Dr. (H) Ab Wahab bin Haji Ibrahim (appointed on 26 May 2011)	Independent Non-Executive Director	2/2
Mohd Khalid Embong (resigned on 9 February 2012)	Executive Director	4/5

The Directors recognise the importance and value of attending programmes, seminars and forums in order to keep themselves abreast with the current developments of the industry as well as the new statutory and regulatory requirements. The trainings attended by the Directors during the financial year ended 31 December 2011, which they considered as useful in contributing to the effective discharge of their duties as Directors, are set out below:

Name of Director	Training Attended	Training Date
Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee	1. Seminar on Integriti & Keutuhan Tadbir Urus	7 May 2012
Dato’ Kamarul Redzuan bin Muhamed	1. New Rewards Strategies 2. Enhanced Oil Recovery Conference – SPE Applied Technical Workshop, Chemical Enhance Oil Recovery 3. High Impact Governance Seminar on Corporate Compliance: Focussing on Directors’ Duties, Liabilities and Expectations*	24 & 25 Jan 2011 19 to 22 Jul 2011 11 Aug 2011
Datin Rozita binti Mat Shah @ Hassan	1. New Rewards Strategies 2. Essential Human Resource Management Skills 3. Internal Auditor Training QMS ISO 9001:2008 4. High Impact Governance Seminar on Corporate Compliance: Focussing on Directors’ Duties, Liabilities and Expectations*	24 & 25 Jan 2011 3 & 4 May 2011 4 to 6 Apr 2011 11 Aug 2011
Peter Angus Knowles	1. High Impact Governance Seminar on Corporate Compliance: Focussing on Directors’ Duties, Liabilities and Expectations*	11 Aug 2011
Che Nazahatuhisamudin bin Che Haron	1. Enhanced Oil Recovery Conference – SPE Applied Technical Workshop, Chemical Enhance Oil Recovery 2. SPE Applied Technical Workshop, Mature Fields: Prescriptions for Mid to Late Field Life 3. High Impact Governance Seminar on Corporate Compliance: Focussing on Directors’ Duties, Liabilities and Expectations* 4. Kursus Integriti CIDB	19 to 22 Jul 2011 22 to 25 Jul 2011 11 Aug 2011 29 Dec 2011
Mohd Shah bin Abdullah	1. High Impact Governance Seminar on Corporate Compliance: Focussing on Directors’ Duties, Liabilities and Expectations*	11 Aug 2011
Dato’ Dr. (H) Ab Wahab bin Haji Ibrahim (appointed on 26 May 2011)	1. Labuan FSA Regulatory 2. Understanding Investor Mindset 3. “The Securities Commission’s New Corporate Governance Blueprint - What Does It Mean For Your Company?” 4. Key Amendments to Listing Requirements 2011 & Corporate Disclosure Guide & Accounting Standard Updates (In-house workshops)	9 May 2011 7 July 2011 10 Aug 2011 13 Dec 2011

**Directors' Appointment and Re-election**

In accordance with the Company's Articles of Association, all newly appointed Directors are subject to retirement and are entitled for re-election at the first annual general meeting after their appointment. At every subsequent Annual General Meeting, one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one third shall retire from office provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election. An election of Directors shall take place every year.

Further, pursuant to Section 129(6) of the Companies Act, 1965, Directors who over the age of 70 may, by a resolution of which no shorter notice than that required to be given to the members of the Company of an Annual General Meeting has been duly given, be appointed or reappointed as a director of the Company to hold office until the conclusion of the next Annual General Meeting.

**Directors' Remuneration**

The remuneration of the Executive Directors is structured to attract, retain and motivate them in order to run the Group successfully.

On the recommendation of the Remuneration Committee, the Board reviews the remuneration of the Executive Directors whereby the respective Executive Directors abstained from discussions and decisions on their own remuneration. The fees of Non-Executive Directors are determined by the Board and subject to the approval of the shareholders of the Company at general meeting. Meeting attendance fees for all the Non-Executive Directors are determined by the Board

The number of Directors who served during the financial year ended 31 December 2011 whose remuneration and fees received/receivable from the Group falls into the following bands:

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
< RM100,000	-	4
RM100,001 – RM200,000	1	-
RM200,001 – RM500,000	1	-
RM500,001 – RM1,000,000	3	-
Total:	5	4

	Executive	Non-Executive
<b>RM'000</b>		
Remuneration	2,535	12
Fees	1	124

**(B) BOARD COMMITTEES**

In discharging its fiduciary duties, the Board has set up various committees.

**Audit Committee**

The role of the Audit Committee is to oversee the processes for production of the financial data, review the financial reports and the internal control of the Company.

The detail roles, functions and responsibilities of the Audit Committee are as set out in the Audit Committee Report on pages 34 to 37 of this Annual Report.

**Nominating Committee**

The Nominating Committee comprises the following members:

- (1) Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee – Chairman (Independent Non-Executive Chairman)
- (2) Md Shah bin Abdullah – Member (Independent Non-Executive Director)
- (3) Dato' Dr. (H) Ab Wahab bin Haji Ibrahim – Member (Appointed on 26 May 2011) (Independent Non-Executive Director)

The functions of the Nominating Committee are:

- (i) recommend the nomination of a person or persons for all directorships to be filled by the shareholders or the board;
- (ii) consider, in making its recommendations, candidates for directorships proposed by the Managing Director and, within the bounds of practicability, by any other senior executive or any director or shareholder;
- (iii) recommend to the board, directors to fill the seats on board committees;
- (iv) identify, evaluate and recommend candidates for appointment as Company Secretary;
- (v) assess annually the effectiveness of the board as a whole, the committees of the board and the contribution of each existing individual director and thereafter, recommend its findings to the board; and
- (vi) review annually the required mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the board and thereafter, recommend its findings to the board.

**Remuneration Committee**

The Remuneration Committee comprises the following members:

- (1) Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee – Chairman (Independent Non-Executive Chairman)
- (2) Dato' Dr. (H) Ab Wahab bin Haji Ibrahim – Member (Appointed on 26 May 2011) (Independent Non-Executive Director)
- (3) Dato' Kamarul Redzuan bin Muhamed – Member (Managing Director / Chief Executive Officer)

The function of the Remuneration Committee is to recommend to the Board, the remuneration packages of Managing Director and Executive Directors of the Group in all its forms, drawing from outside advice as necessary.

The fee of Non-Executive Directors should be determined by the Board of Directors as a whole.

**(C) SHAREHOLDERS****Relationship with Shareholders**

The Board recognises the importance of keeping the shareholders and investors informed of the Group's business and corporate developments. Where practicable, the Board is prepared to enter into dialogue with institutional shareholders. Currently, information is disseminated through various disclosures and announcements made to the Bursa Malaysia Securities Berhad. The latest updates and development of the Group can also be found at its corporate website, <http://www.uzmagroup.com>

The Annual General Meeting is also the principal forum for dialogue and interaction with the shareholders of the

Company. The Company values feedback from its shareholders and encourages them to actively participate in discussion and deliberations. The Board will ensure that each item of special business included in the notices of the general meetings is accompanied by a full explanation of the effects of any proposed resolution.

#### (D) ACCOUNTABILITY & AUDIT

##### Financial Reporting

The Board is responsible to present a balanced, clear and comprehensive assessment of the Group's financial performance and prospects through the quarterly and annual financial statements to shareholders. The Board with the assistance of the Audit Committee has to ensure that the financial statements are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia. In presenting the financial statements, the Board has reviewed and ensured that appropriate accounting policies have been used, consistently applied and supported by reasonable judgments and estimates.

##### Relationship with the Auditors

The Board has maintained a professional and transparent relationship with the External Auditors through the Company's Audit Committee in ensuring compliance with the applicable accounting standards in Malaysia.

##### Internal Control and Internal Audit Function

The Board acknowledges its responsibility for maintaining a sound system of internal controls, which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines.

The Statement on Internal Control set out on page 38 of this Annual Report provides an overview of the state of internal controls within the Group. Further information on the internal audit function and its activities are set out on page 38 to 39 of this Annual Report.

#### (E) RESPONSIBILITY STATEMENT BY DIRECTORS

The Directors are responsible for ensuring that the annual financial statements of the Company are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia, the provisions of the Companies Act, 1965 and the Bursa Malaysia Securities Berhad Main Market Listing Requirements. They are to ensure that the annual financial statements of the Company give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and the results and cash flows for the year then ended.

In preparing the financial statements, the Directors have:

- (i) adopted the appropriate accounting policies and applied them consistently;
- (ii) made judgments and estimates that are reasonable and prudent;
- (iii) ensure applicable approved accounting standards have been followed, and any material departures have been disclosed and explained in the financial statements; and
- (iv) ensure the financial statements have been prepared on a going concern basis.

The Board is also responsible for taking reasonable steps to safeguard the assets of the Company to prevent and detect fraud and other irregularities.

#### (F) CORPORATE SOCIAL RESPONSIBILITIES ("CSR")

Corporate Social Responsibility has been a fundamental part of our organisational policy, and, as a conscientious organisation, we are committed to sustainable development and ensuring zero harm to the people and the environment in all our undertakings and wherever we operate. We are aware of our obligation to deliver profits to enhance shareholders value and at the same time, make positive social contribution to the immediate communities where we operate as well as to the wider business community of which we belong. CSR is undertaken at many levels including Group corporate office, regional and representative offices.

#### THE ENVIRONMENT

Our philosophy exemplifies our commitment to "sustainable development and zero harm to the people and environment" in all our business undertakings areas in which we operate. Our Core values, Health Safety and Environment ("HSE") Policy and various procedures on safety and business ethics serve as our guides in all our operations.

To inculcate the 'Care for the Environment' values among our staff and the community at large and to use energy more effectively, we are actively and continuously reducing our carbon footprint by simply ensuring a reduction in the indiscriminate use of paper and also by ensuring that all employees work together to reduce wastage of electricity and water. We believe that by enforcing these values at the office place, these positive behaviours will also spillover into the daily lives of our employees and their families.

#### THE WORKPLACE

We recognise that as a knowledge and technology based company, our people are our greatest assets. Their safety and health is our prime concern and we adhere to the belief that 'a healthy body leads to a healthy mind'. With this in mind, and in particular with the onset of the H1N1 disease in Malaysia, the HSE Department promptly communicated up to date information regarding the virus and preventive measures to take. This measure was particularly critical as everyone was at risk. The virus was a very true and prevalent threat to all Malaysians alike.

An equally common threat was that of layoffs due to the global financial and economic meltdown and many organisations were forced to dismiss their longstanding employees. Our people were however spared this indignity as we made every provision to make sure that we retained our most precious of assets.

Staff development was also part of our CSR policies and we ensured deserving staff attended the necessary trainings to keep their knowledge and skills honed.

#### THE COMMUNITY

All companies live and operate within the community and depend upon this very community in many ways. As a caring and socially responsible corporate citizen, the Company supported the Rumah Permata Hatiku, an orphanage place that houses orphans by bringing festive cheer to the orphans of Rumah Permata Hatiku. The management and staff feted these orphans along with our staff in conjunction with the Ramadhan celebrations.

The fulfillment of our corporate social responsibility will always be a fundamental part of our operations. The delivery may evolve over time, but its very essence will remain the same, that is to give back to those who have given us so much!

#### (G) COMPLIANCE WITH THE CODE

The Board strives to ensure that the Company complies with the Principles and Best Practices of the Code. The Board will endeavour to improve and enhance the procedures from time to time.



The Audit Committee of Uzma Berhad is pleased to present the Audit Committee Report for the financial year ended 31 December 2011.

### 1. COMPOSITION

The Audit Committee comprises the following Board members:

Chairman  
Dato' Ab Wahab bin Haji Ibrahim – Independent Non-Executive Director

Members  
Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee – Independent Non-Executive Chairman  
Mohd Shah bin Abdullah – Independent Non-Executive Director

### 2. MEMBERS AND ATTENDANCE

According to the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Audit Committee shall be appointed by the Board of Directors ("Board") from amongst the Directors of the Company and its number shall not be less than three (3) members, all of whom shall be Non-Executive Directors, with a majority being Independent Directors. The members of the Audit Committee shall elect a Chairman from amongst themselves who is an Independent Non-Executive Director.

The terms of office and performance of the Committee and each of its members shall be reviewed by the Board no less than once every three (3) years.

The Audit Committee met five (5) times during the financial year ended 31 December 2011. Details of attendance of each member at the Audit Committee Meeting held during the financial year ended 31 December 2011 are as follows:

<b>Members of the Audit Committee</b>	<b>Total Meeting Attended</b>
Dato' Dr. (H) Ab Wahab bin Haji Ibrahim (Appointed on 26 May 2011)	2/2
Datuk Wira Syed Ali bin Tan Sri Syed Abbas Alhabshee	5/5
Encik Mohd Shah bin Abdullah	4/5

### 3. TERMS OF REFERENCE

#### 3.1 Primary Purposes

The Audit Committee shall:

- (1) provide assistance to the Board of Directors in fulfilling its fiduciary responsibilities relating to the corporate accounting and practices for the Company and all its wholly and majority owned subsidiaries ("Group").
- (2) improve the Group's business efficiency, quality of the accounting function, system of internal controls and audit function and strengthen the confidence of the public in the Group's reported results.
- (3) maintain through regularly scheduled meetings, a direct line of communication between the Board and the external auditors as well as internal auditors.
- (4) enhance the independence of both the external and internal auditors functions through active participation in the audit process.
- (5) strengthen the role of the independent directors by giving them a greater depth of knowledge as to the operations of the Company and the Group through their participation in the Committee.

- (6) act upon the Board of Directors' request to investigate and report on any issues or concerns with regard to the management of the Group.

#### 3.2 Composition

The Board of Directors shall appoint the members of the Audit Committee from amongst themselves, which fulfils the requirements of the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

#### 3.3 Retirement and Resignation

In the event of any vacancy in the Audit Committee, the Company shall fill in the vacancy within two (2) months, but in any case not later than three (3) months.

#### 3.4 Authority

The Audit Committee shall in accordance with the procedure determined by the Board and at the cost of the Company have explicit authority to investigate any matter within its terms of reference, full and unrestricted access to any information pertaining to the Company and all the resources required to perform its duties. The Committee shall have direct communication channels with the external auditors and person(s) carrying out the internal audit function and be able to convene meetings/obtain independent/external professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

#### 3.5 Functions & Duties

The functions of the Audit Committee are as follows:

- (1) To do the following, in relation to the internal audit function:
  - (i) review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
  - (ii) review the internal audit programme and processes or investigation undertaken and ascertain whether or not appropriate actions are taken on the recommendations of the internal audit function; and
  - (iii) review any appraisal or assessment of the performance of members of the internal audit function and approve any appointment or termination of senior staff members of the internal audit function.
- (2) To do the following, in relation to the external audit function:
  - (i) meets with the external auditors without executive board members present at least twice a year;
  - (ii) consider the appointment of the external auditors, the audit fee and any questions of resignation or dismissal;
  - (iii) discuss with the external auditors before the audit commences, the nature and scope of the audit and review the adequacy of existing external auditors audit arrangements;
  - (iv) review the quarterly results and year end financial statements, prior to the approval by the Board and review the external auditors' audit report;
  - (v) review and response to any management letter sent by the external auditors to the Company;
  - (vi) discuss problems and reservations arising from the interim and final audits, and any matter the auditors may wish to discuss (in the absence of management where necessary); and
  - (vii) review all areas of significant financial risk and the arrangements in place to contain those risks to acceptable levels.

Apart from the above functions, the Committee may carry out any other function that may be mutually agreed upon by the Committee and the Board, which would be beneficial to the Company to ensure the effectiveness discharge of the Committee's duties and responsibilities including reviewing any related party transactions and potential conflict of interests arising therefrom, consider major findings of internal investigations and management response and review/verify the Share Option Scheme of the Company (if any).

The Committee actions shall be reported to the Board of Directors with such recommendations as the Committee deemed appropriate. Where necessary, the Committee may report to Bursa Malaysia Securities Berhad on any matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

### 3.6 Meetings

The Committee shall meet at least four (4) times in a year subject to the quorum of at least two (2) independent directors or more frequently as circumstances required or upon the request of any member of the Committee with due notice of issues to be discussed and shall record its conclusions in discharging its duties and responsibilities. The Committee may invite any Board member or any member of management or any employee of the Company who the Committee thinks fit to attend its meetings to assist and to provide pertinent information as necessary.

### 3.7 Procedure of Audit Committee

The Audit Committee may regulate its own procedures, in particular, calling of meetings, notice to be given of such meetings, voting and proceedings of such meetings, keeping of minutes and custody, production and inspection of such minutes.

### 3.8 Secretary

The Company Secretary or other appropriate senior official shall be the Secretary to the Audit Committee.

## 4. SUMMARY OF THE ACTIVITIES OF THE AUDIT COMMITTEE

The activities undertaken by the Audit Committee during the financial year ended 31 December 2011 included the following:

- (1) Reviewed the Company's quarterly financial report prior to submission to the Board for consideration and approval, focusing particularly on significant and unusual events and compliance with accounting standards and other legal requirements.
- (2) Reviewed and discuss with the External Auditors, the major issues raised in the audit reports, the audit's recommendations, management's response and actions taken.
- (3) Reviewed the annual audited financial statements of the Company prior to submission to the Board for consideration and approval.
- (4) Reviewed the related party transactions and to ensure that they are not more favourable to the related parties than those generally available to the public and complies with the Bursa Malaysia Securities Berhad Main Market Listing Requirements.
- (5) Reviewed with the Internal Auditors the Internal Audit Planning Memorandum, their review and findings and the management's response and actions taken.

## 5. INTERNAL AUDIT FUNCTION AND ITS ACTIVITIES

The internal audit function, which is outsourced to a professional services firm is an integral part of the assurance mechanism in ensuring the Group's system of internal control are adequate and effective. The Internal Auditors report directly to the Audit Committee and assist the Audit Committee to discharge its duties and responsibilities.

The Internal Auditors prepare and table the Internal Audit Plan for the consideration and approval of the Audit Committee. It conducts independent reviews of the key activities with the Group's operation based on the audit plan approved by the Audit Committee. The Internal Auditors report to the Audit Committee on a regular basis and provide the Audit Committee with independent views on the adequacy, integrity and effectiveness of the system of internal control after its reviews.

The costs incurred in maintaining the outsourced the internal audit function for the financial year ended 31 December 2011 is RM74,320.00



## STATEMENT OF INTERNAL CONTROL

### INTRODUCTION

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and as guided by the Statement on Internal Control: Guidance for Directors of Public Listed Companies, the Board of Directors ("the Board") is pleased to provide a statement on the Group's (excluding jointly controlled companies) state of internal controls for financial year ended 31 December 2011.

### BOARD RESPONSIBILITY

The Board acknowledges that it is ultimately responsible for the Group's systems of internal control and for reviewing the adequacy and integrity of the internal control systems to ensure that shareholders' interests and the Group's assets are safeguarded. In this respect, the responsibility of reviewing the adequacy and integrity of the internal control systems has been delegated to the Audit Committee, which is empowered by its terms of reference to seek the assurance on the adequacy and integrity of the internal control systems through reports it receives from independent reviews conducted by the internal audit function and management.

However, as there are inherent limitations in any system on internal controls, such internal control systems put into effect by Management can only manage rather than eliminate all the risks that may impede the achievement of the Group's business objectives or goals. Therefore, the internal control systems can only provide reasonable and not absolute assurance against material misstatement or loss.

In addition, in devising internal control procedures, due consideration is given to the cost of implementation as compared to the expected benefits to be derived from the implementation of the internal controls.

### RISK MANAGEMENT

The Head of Departments are delegated with the responsibility to manage identified risks within defined parameters and standards. Periodic management meetings were held in which key risks and the appropriate mitigating controls were discussed. Significant risks affecting the Group's strategic and business plans are escalated to the Board at their scheduled meetings.

The abovementioned risk management practices of the Group serve as the on-going process used to identify, evaluate and manage significant risks.

### INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to external consultants. The outsourced internal auditors assist the Board and the Audit Committee in providing independent assessment of the adequacy, efficiency and effectiveness of the Group's internal control systems. They report directly to the Audit Committee.

Other Key Elements of Internal Controls

#### The other key elements of the Group's internal control systems are:

- An organisational structure, which clearly defines the lines of responsibility, proper segregation of duties and delegation of authority;
- Relevant training and development programmes are in place to ensure that the Company has a team of employees who are well trained and equipped with all the necessary knowledge, skills and abilities to carry out their responsibility effectively;
- Rigorous review of key information such as financial performance, management accounts and budgets by the Board;
- The Executive Directors are closely involved in the running of business and operation of the Group and they report to the Board on significant changes in the business and external environment, which affect the operation of the Group at large;

## STATEMENT OF INTERNAL CONTROL (cont'd)

- An annual Group budget is prepared by Management and tabled to the Board for approval. Continuous monitoring is carried out quarterly to measure actual performance against budget so as to identify significant variances arising and devise remedial action plans;
- Regular management meetings are held to discuss the Group's performance, business operation and management issues as well as formulate appropriate measures to address them;
- The Group has established policies and procedures to support the Group's various business activities ;
- The internal audit function did not perform any review and assessment of the Group's jointly controlled companies as Uzma Group does not have the full management control over these companies ; and
- The cost incurred on the internal audit function for the financial year ended 31 December is RM74,320.00.

### CONCLUSION

The Board is of the view that the Group's system of internal controls is adequate to safeguard shareholder's investments and the Group's assets. However, the Board is conscious of the fact that the systems of internal control and risk management practices must continuously evolve to support the Group's operations and changing business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the system of internal controls.

This statement was approved by the Board of Directors on 25 April 2012.

## OTHER COMPLIANCE INFO

### 1. Utilisation of proceeds

The Company did not undertake any fund arising corporate proposal during the financial year ended 31 December 2011.

### 2. Share buy-back

The Company did not purchase any of its own shares during the financial year ended 31 December 2011.

### 3. Options, warrants or convertibles securities

The Company did not issue any options, warrants or convertibles securities during the financial year ended 31 December 2011.

### 4. American Depository Receipts ("ADR") of Global Depository Receipts ("GDR")

The Company did not issue any ADR or GDR programme during the financial year ended 31 December 2011.

### 5. Imposition of Sanctions and/or Penalties

During the financial year ended 31 December 2011, there was no material sanctions and/or penalties imposed on the Company and its subsidiaries, its Directors or Management by the relevant regulatory bodies.

### 6. Variation in results from estimates, forecasts, projections or unaudited results announced

The Company did not release any profit estimates, forecasts or projections for the financial year and the audited results did not differ by 10% or more from the unaudited results announced.

### 7. Profit Guarantee

During the financial year, there was no profit guarantees given by the Company.

### 8. Non-audit Fees

For the financial year ended 31 December 2011, the non-audit fees from the external auditors incurred by the Group amounted to RM63,000.00.

### 9. Material Contracts

There were no material contracts involving the Directors' interest during the financial year ended 31 December 2011.

## ANALYSIS OF SHAREHOLDINGS

As at 3 May 2012

Class of shares : Ordinary Shares of RM0.50 each

Voting rights : One vote per shareholder on a show of hands or one vote per ordinary share on a poll

### DISTRIBUTION OF SHAREHOLDINGS

Size of holding	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	6	0.65	104	0.00
100 to 1,000	529	57.63	105,600	0.12
1,001 to 10,000	216	23.53	1,017,000	1.16
10,001 to 100,000	109	11.87	3,671,800	4.17
100,001 to less than 5% of issued shares	53	5.77	28,006,200	31.82
5% and above of issued shares	5	0.55	55,199,296	62.73
<b>Total</b>	<b>918</b>	<b>100.0</b>	<b>88,000,000</b>	<b>100.0</b>



## ANALYSIS OF SHAREHOLDINGS (cont'd)

### THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	% of issued Shared Capital
1.	Kamarul Redzuan Bin Muhamed	39,145,957	44.48
2.	Rozita Binti Mat Shah @ Hassan	8,307,720	9.44
3.	Lembaga Tabung Haji	6,799,300	7.73
4.	AIBB Nominess (Tempatan) Sdn Bhd Pledged Securities Account for Chua Ma Yu	3,000,000	3.41
5.	Citigroup Nominess (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM)	2,013,000	2.29
6.	Malaysia Nominess (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LPF)	1,607,000	1.83
7.	HSBC Nominess (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for OSK-UOB Growth and Income Focus Trust (4,892)	1,362,000	1.55
8.	UOBM Nominess (Tempatan) Sdn Bhd EXEMPT AN for Areca Capital Sdn Bhd (Client A/C 1)	1,160,000	1.32
9.	CIMSEC Nominess (Tempatan) Sdn Bhd CIMB for Chan Chee Beng (PB)	1,157,000	1.31
10.	HSBC Nominess (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for OSK-UOB Small Cap Opportunity Unit Trust (3548)	1,129,000	1.28
11.	Cartaban Nominess (Asing) Sdn Bhd EXEMPT AN for RBC Dexia Investor Services Trust (Client A/C)	1,000,000	1.14
12.	Cartaban Nominess (Tempatan) Sdn Bhd CORSTON-SMITH Asset Management Sdn Bhd for CORSTON-SMITH ASEAN Corporate Governanace Fund	1,000,000	1.14
13.	Tengku AB Malek Bin Tengku Mohamed	1,000,000	1.14
14.	Che Nazahatuhsamudin	927,900	1.05
15.	MAYBANK Nominess (Tempatan) Sdn Bhd MAYBANK Trustess Berhad for MAAKL Value Fund (950290)	900,000	1.02
16.	EB Nominess (Tempatan) Sdn Bhd Pledged Securities Account for Kamarul Redzuan Bin Muhamed (KLM-SFC)	854,000	0.97
17.	CIMSEC Nominess (Asing) Sdn Bhd Pledged Securities Account for Kenwin Investment Limited	774,900	0.88
18.	MAYBANK Nominess (Tempatan) Sdn Bhd Libra Invest Berhad for Lam Soo Heng @ Lam Seo Han (AIS012-240263)	684,000	0.78

## ANALYSIS OF SHAREHOLDINGS (cont'd)

### THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	% of issued Shared Capital
19.	UOBM Nominess (Tempatan) Sdn Bhd UOB-OSK Asset Management Sdn Bhd for Uni. Asia Life Assurance Berhad (Par Fund)	650,000	0.74
20.	HSBC Nominess (Tempatan) Sdn Bhd HSBC (M) Trustee Berhad for MAAKL Progress Fund (4082)	600,000	0.68
21.	CIMSEC Nominess (Tempatan) Sdn Bhd CIMB Bank for Koh Kin Lip (MY0502)	550,000	0.63
22.	Ho Kat Sin	513,100	0.58
23.	HSBC Nominess (Tempatan) Sdn Bhd HSBC (M) Trustess Berhad for Maak Growth Fund (4074)	500,000	0.57
24.	Koperasi Permodalan Felda Malaysia Berhad	482,300	0.55
25.	HSBC Nominess (Tempatan) Sdn Bhd HSBC (M) Trustee Berhad for OSK-UOB Emerging Opportunity Unit Trust (4611)	460,000	0.52
26.	Cartaban Nominess (Tempatan) Sdn Bhd OSK Trustee Berhad for MAAKL - HDBS Shariah Progress Fund	450,000	0.51
27.	Cartaban Nominess (Asing) Sdn Bhd UNION Bank for Grandeur Peak International Oppportunities Fund	437,800	0.50
28.	UOBM Nominess (Tempatan) Sdn Bhd UOB-OSK Asset Management Sdn Bhd for Uni Aggressive Fund	437,100	0.50
29.	Abdullah Ghanim A Alghanim	400,000	0.45
30.	Mohd Khalid Bin Embong	300,000	0.34

## ANALYSIS OF SHAREHOLDINGS (cont'd)

### DIRECTORS SHAREHOLDINGS AS PER REGISTER OF DIRECTOR'S SHAREHOLDINGS

No.	Name Directors	No. of Shares Held			
		Direct	%	Indirect	%
1	SENATOR DATUK WIRA SYED ALI BIN TAN SRI SYED ABBAS ALHABSHEE	74,300	0.08	-	-
2	DATO' KAMARUL REDZUAN MUHAMED	39,999,957	45.45	8,400,039	9.55
3	DATIN ROZITA BINTI MAT SHAH @ HASSAN	8,400,039	9.55	39,999,957	45.45
4	PETER ANGUS KNOWLES	50,000	0.06	-	-
5	CHE NAZAHATUHHISAMUDIN CHE HARON	927,900	1.05	-	-

### SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name Directors	SHAREHOLDING	%
1	DATO' KAMARUL REDZUAN MUHAMED	39,999,957	45.45
2	DATIN ROZITA BINTI MAT SHAH @ HASSAN	8,400,039	9.55
3	LEMBAGATABUNG HAJI	6,799,300	7.73

## LIST OF PROPERTIES

Title/ Location	Description/ Existing Use	Registered Owner	Age of Building (Years)	Land/ Built-Up Area	Tenure	Net Book Value as at 31.12.2011 (RM'000)	Original Cost (RM'000)
H.S. (D) 110395/110396 P.T. No. 549 & 550 Seksyen 92 Bandar Kuala Lumpur	Two adjacent multi-storey building for use as office premises	Uzma Engineering Sdn. Bhd	4 years	1,722sq ft/ 8,034 sq ft per multi storey lot	Freehold	5,654	5,860
No. 68 and 70, Fraser Business Park Jalan Metro Pudu 2 55200 Kuala Lumpur							
H.S. (D) 102228 P.T. No. 16042 Damansara, Selangor Darul Ehsan	Geological Laboratory	Uzma Engineering Sdn. Bhd	11 years	892 sq mtr or 9601.49 sq ft	Freehold	3,522	3,626
No. 29, Jalan Kartunis U1/47 Temasya Industrial Park Section U1 Shah Alam Selangor Darul Ehsan							