



PRESS RELEASE

PETRA ENERGY-UZMA JV RECEIVES CONDITIONAL LETTER OF AWARD FOR A PETROLEUM CONTRACT TO EXPLORE, DEVELOP AND PRODUCE PETROLEUM FROM BLOCK SK433, ONSHORE MIRI, SARAWAK

PETALING JAYA, 21 June 2021 – PETRA Energy Bhd (“PETRA” or “the Group”) and Uzma Berhad (“UZMA”) announced on 18 June 2021 that PETRA’s wholly owned subsidiary Petra Energy Development Sdn Bhd (“PEDSB”) on 15 June 2021 received a Letter of Conditional Award Offer from Petroleum Sarawak Berhad (“PETROS”) for the Petroleum Contract relating to Exploration, Development and Production of Petroleum in Block SK433, Onshore Sarawak (“Contract”). PEDSB will be the operator under the Contract for and on behalf of its joint venture partnership, PEDSB-UZMA Engineering Sdn Bhd (“PEDSB-UZMA joint venture partnership”).

Block SK 433 is in the Miri-Marudi area covering Northern Marudi and includes the discovered Adong Kecil West field.

The nature of the Contract is one of Production Sharing and the detail terms and conditions of the Contract are being finalised.

The total duration of the Contract is 29 years. Phase One (1) of the Contract is for an initial four (4) years with an option to extend for another year. Upon successful outcome of Phase One (1), the subsequent Phase Two (2) will involve development and production activities. The PEDSB-UZMA joint venture aims to monetise the discovered field with an extended production system following a successful appraisal campaign.

The award is a result of a competitive bidding exercise that was managed by PETROS since January 2021 after stringent technical and financial essential-capability assessment and a work-programme aimed at rejuvenating exploration and production activities for block SK433 contract area. PEDSB, has been studying Block SK 433 for several years. The company believes that it has submitted a credible technical and commercially competitive bid to PETROS.



PEDSB is in a good position to undertake the contract, after having had experience in upstream field development and production in the Kapal Banang Meranti Small Fields Risk Service Contract (KBMSFRSC) since 2012. The RSC was an extremely successful venture for PETRA. In 2020, PETRA became the sole operator of the Banang oilfield offshore Terengganu, under a Technical Service Agreement with PETRONAS and now operates and maintains the Banang oilfield on behalf of PETRONAS. Financial-wise, PETRA's clean balance sheet position, coupled with negative net gearing ratio will enhance the Group's capability to secure new source of funding to part-finance the Contract, complementing its present healthy free cash balance position.

In addition to PETRA's aforementioned experience and capabilities, UZMA brings expertise and experience spanning sub-surface know-how, well services capabilities and production optimisation and enhancement. UZMA's capabilities in hydrocarbon production is synergistic to the joint venture, having had experience via concessions that range from heavy oil fields in Inner Mongolia and the marginal field operations in the Tanjung Baram SFRSC project. UZMA's experience in SFRSC in addition to its existing core capabilities as reservoir service company, will enhance UZMA's opportunity to diversify sources of income from different value chain of oil and gas. Together with UZMA's recent success in Large Scale Solar (LSS4) bidding, UZMA is well into achieving its internal 5-year plan of becoming a more diversified sustainable energy company.

In line with its sustainability efforts, the Joint Venture will prioritise local content and ensure the development of the business ecosystem in areas where it operates. Both PETRA and UZMA currently have project offices and a service facility (workshop) in Miri supporting its anchor contracts.

"PETRA is pleased and honoured that PETROS has selected to collaborate with PEDSB-UZMA joint venture partnership for this inaugural conditional award of Block 433 and the confidence by the Sarawak State Government in endorsing the petroleum contract. We will do our utmost to ensure the continued success of the Contract. At the same time the company will optimise participation from local Sarawakian workforce, talent, contractors and resources, whenever feasible, in keeping with its brand promise of synergising partnerships", said Dato' Anthony Bujang, Executive Director & Group CEO, PETRA Energy Bhd. "UZMA Engineering's expertise is a great technical fit to PEDSB's, with it the collaboration brings strong credentials that complements PETRA's values of integrity, safety, professionalism and commitment to delivery", he added.

"UZMA is proud to partner PETRA in embarking on this venture to explore and develop Block SK433 which is situated onshore Sarawak. UZMA brings with it, extensive experience in identifying and locating petroleum resources as well as innovative solutions in optimising hydrocarbon production", said Dato' Kamarul Redzuan Muhamed, Group CEO of Uzma Berhad. "We are pleased to be part of PETROS' operationalisation milestone and hope to continue to contribute in boosting petroleum production", he further added.



About PETRA Energy Berhad

The PETRA Energy Group began operations over 30 years ago in Miri, Sarawak. Today, the Group is involved in providing a comprehensive range of activities that span the upstream segment of the oil and gas industry specialising in operations and maintenance of oilfields, integrated brown field maintenance & engineering; marine offshore support; design, fabrication supply & installation and engineering & project management services. PETRA is the sole operator of the Banang oilfield offshore Terengganu under a Technical Services Agreement (TSA) with PETRONAS.

PETRA's core values are integrity, professionalism, commitment and teamwork with safety as a cornerstone of its operations. The Company is on a journey to achieve its vision of being a sustainable energy company. PETRA believes in ensuring the development of the business ecosystem in areas where it operates.

For more information on PETRA, please visit www.petraenergy.com.my

Synergising Partnerships

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About Uzma Berhad

Incorporated in 2000, Uzma is one of the leading Oil & Gas Service and Equipment (OGSE) companies in Malaysia with operational offices in Thailand, Indonesia and the Philippines. We offer a spectrum of cost-effective, integrated and innovative solutions across O&G value chain.

Uzma prides itself as a technology innovator through the continuous introduction of new services through our propriety and in-house developed applications. Many of our innovations implemented by clients, include low pressure systems, mobile water injection facility, reinforced thermoplastic pipes, and several others have directly led to higher hydrocarbon recovery, extension of field life, and lowering client's operational costs.

Within both our local and international footprint, we remain committed to FIND, CONNECT and PRODUCE our clients' hydrocarbon assets by continuously developing new technology and processes that underpins our service offerings. At present, the group are diversifying into new growth areas such as the New Energy, Late Life Assets and Digitisation sectors to achieve a balance mix of growth and recurring operations going forward.

Uzma has been listed on Bursa Malaysia's Main Board since July 2008. For more information on Uzma, please visit www.uzmagroup.com.

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