






KEYFIELD INTERNATIONAL BERHAD

(202001038989 (1395310-M)

YOUR OFFSHORE ACCOMMODATION PROVIDER

2Q2024 FINANCIAL RESULTS BRIEFING

Key Highlights

KEYFIELD

RM mil	2Q2024	vs 2Q2023	% Change	vs 1Q2024	% Change	YTD2024	vs YTD2023	% Change	FYE2023
Revenue	**199.0**	106.6	↑ 86.7%	106.4	↑ 87.0%	**305.4**	162.0	↑ 88.5%	430.5
Gross Profit	**108.7**	51.3	↑ 111.9%	51.1	↑ 112.7%	**159.8**	69.4	↑ 130.3%	189.2
EBITDA	**109.5**	53.1	↑ 106.2%	55.4	↑ 97.7%	**164.9**	74.7	↑ 120.7%	197.4
PATAMI	**70.0**	30.2	↑ 131.8%	30.3	↑ 131.0%	**100.3**	37.6	↑ 166.8%	105.5
'Core' Operating PATAMI	**77.1**	32.3	↑ 138.7%	31.2	↑ 147.1%	**108.3**	40.5	↑ 167.4%	110.0

Key points:

Growth in revenue and gross profits in 2Q2024 compared with 2Q2023 due to:

- Increase in both own vessels' and third-party vessels' number of chartered days due to ongoing supply tightness and robust demand. Own vessels utilisation rate in 2Q2024 was 96.9% (2Q2023: 93.8%) with 10 own vessels achieving full utilisation;
- Increase in average daily charter rates ("DCR") for both own and third-party vessels;
- Contributions from one new own vessel, IMS Aman, which became our own vessel in 1Q2024;
- Expansion of our service offerings to include chartering of AHTS since we obtained our SWEC Code in December 2022 and PCC in April 2024. The number of AHTS chartered days for own and third-party vessels in 2Q2024 was 91 days and 400 days respectively (2Q2023: 78 days and 146 days respectively).

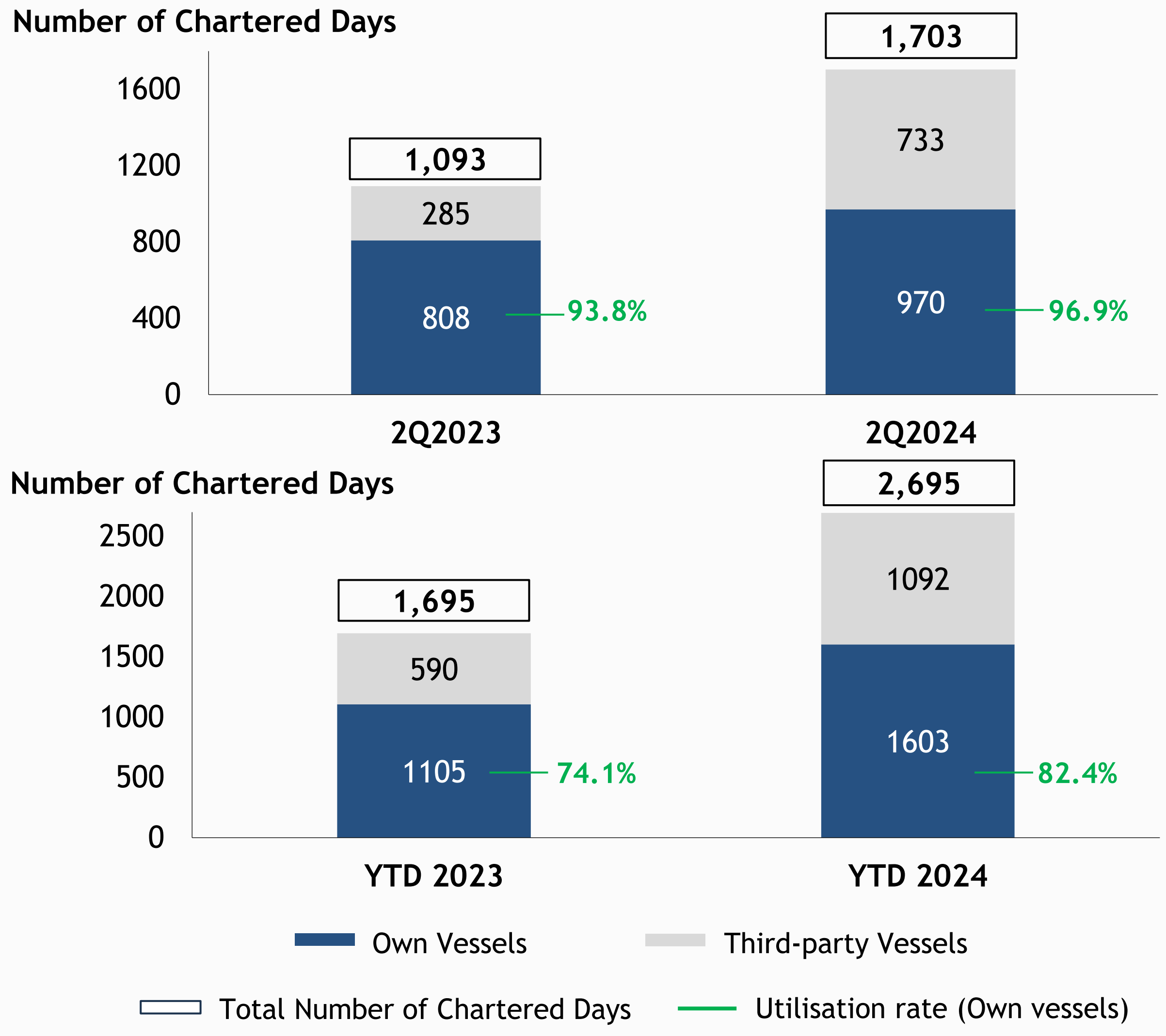
We recorded lower finance cost in 2Q2024 as we have fully repaid our bank borrowings and financial instruments.

As at 30 June 2024, our remaining order book consisting of contracted charters to date amounts to RM619.1m, out of which RM337.5m is in respect of the remaining six months of FYE 2024 and the balance in future financial years. Should we successfully bid for additional charter projects, our order book will increase accordingly

Note:

1. *Quarter ended 30 Jun ("2Q").*
2. *Year-to-date for 6 months ("YTD").*

Number of Chartered Days



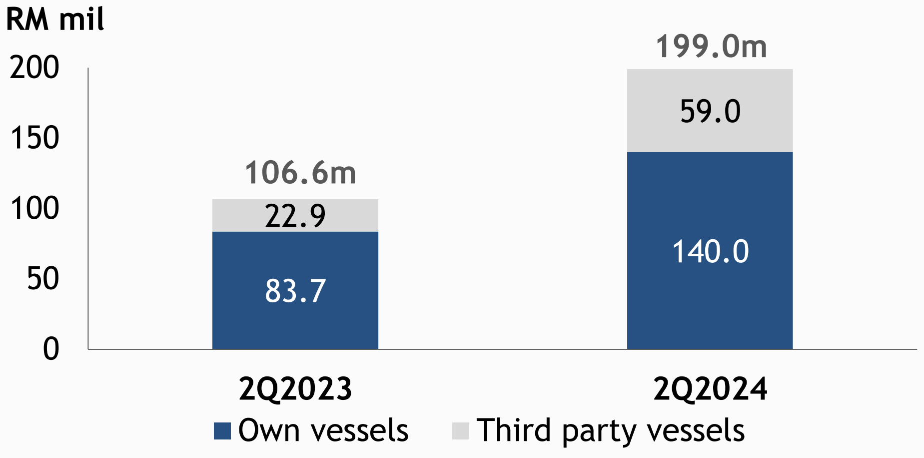
- In 2Q2024, we have 11 own vessels, while in 2Q2023, we have 10 vessels. IMS Aman was acquired in 1Q2024.
- We achieved overall own vessels' utilisation rate of 96.9% in 2Q2024 compared with 93.8% in 2Q2023. 10 of own vessels achieved full utilisation in 2Q2024 (with the exception of Commander, which underwent maintenance and pre-hire inspection for 1 month).
- Meanwhile, third-party chartered days increased to 733 days in 2Q2024 from 285 days in 2Q2023, details as shown in the table below.

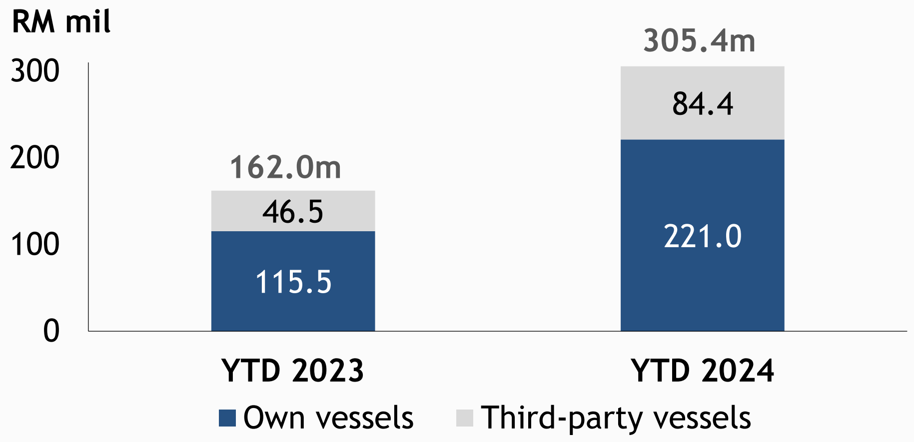
Third-Party Vessels No of Chartered Days	2Q2024	2Q2023	YTD 2024	YTD 2023
AHTS	400	146	683	195
AWB/Barge/Geotech	333	139	409	395
Total	**733**	**285**	**1,092**	**590**

- Third party AHTS' chartered days increased in 2Q2024 compared with 2Q2023 after we recently obtained our AHTS SWEC (Dec 2022) and PCC (Apr 2024).
- Own vessels' high utilisation rate for 2Q2024 and YTD 2024 is indicative of continued robust demand and tight supply in the markets which we serve.
- Due to the excess demand from our customers, we continue to charter third party vessels to fulfil such demand.

Financial Highlights

REVENUE (RM mil)





Total revenue growth of RM92.4m (↑86.7%) for 2Q2024 and RM143.4 million (↑ 88.5%) for YTD 2024 contributed by both own vessels and third-party vessels.

- Own vessels' revenue grew by 67.3% in 2Q2024 driven by both higher number of chartered days and increase in average DCR in 2Q2024 compared with 2Q2023. For YTD 2024, own vessels' revenue grew by 91.3%.
- Third-party vessels' revenue grew by 157.6% driven mainly by higher number of chartered days. Meanwhile, average DCR for third-party vessels in 2Q2024 was still higher compared with 2Q2023 despite a higher number of chartered days being contributed by AHTS, for which the DCR is typically lower than for AWBs. For YTD 2024, third-party vessels' revenue grew by 81.5%.
- Revenue from own vessels as a % of total revenue stood at 70.4% in 2Q2024 (compared with 78.5% in 2Q2023), as our own vessels have already achieved 96.9% utilisation rate and we chartered third-party vessels to fulfil excess demand.

Meanwhile, average DCR for own vessels increased in 2Q2024 from 1Q2024.

Financial Highlights – Gross Profit (GP)

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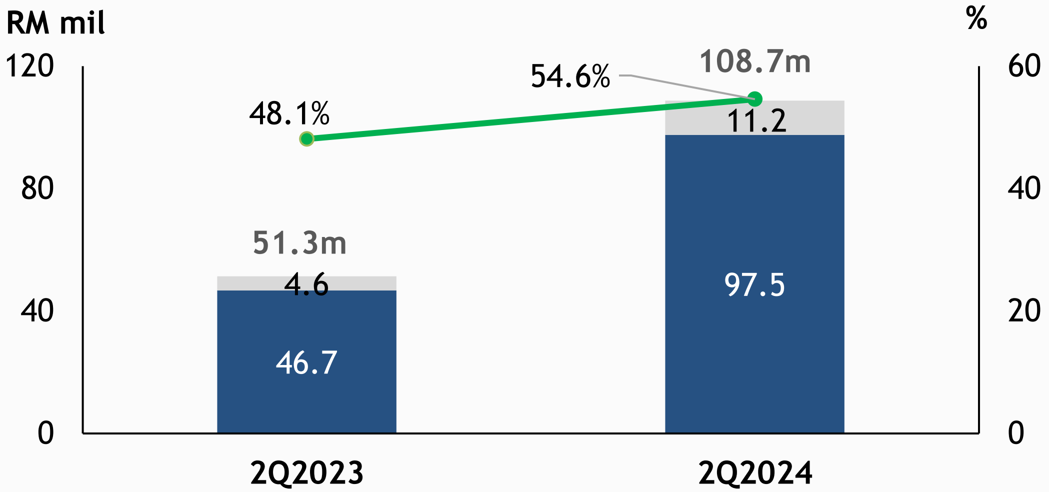
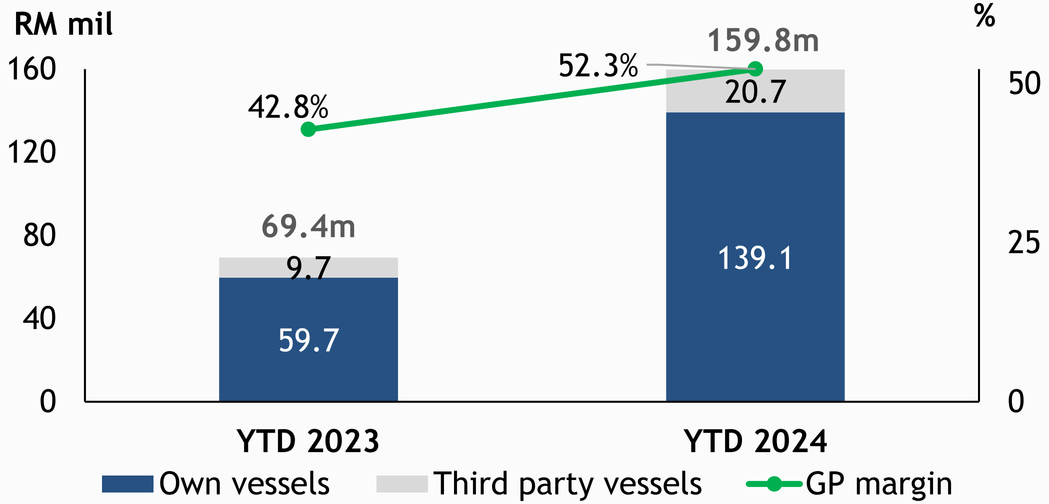
GROSS PROFIT (RM mil)





GP Margin
Our overall GP Margin for 2Q2024 expanded to 54.6% from 48.1% in 2Q2023, despite the higher percentage revenue contribution from third party vessels, where the GP Margin is lower than for own vessels.

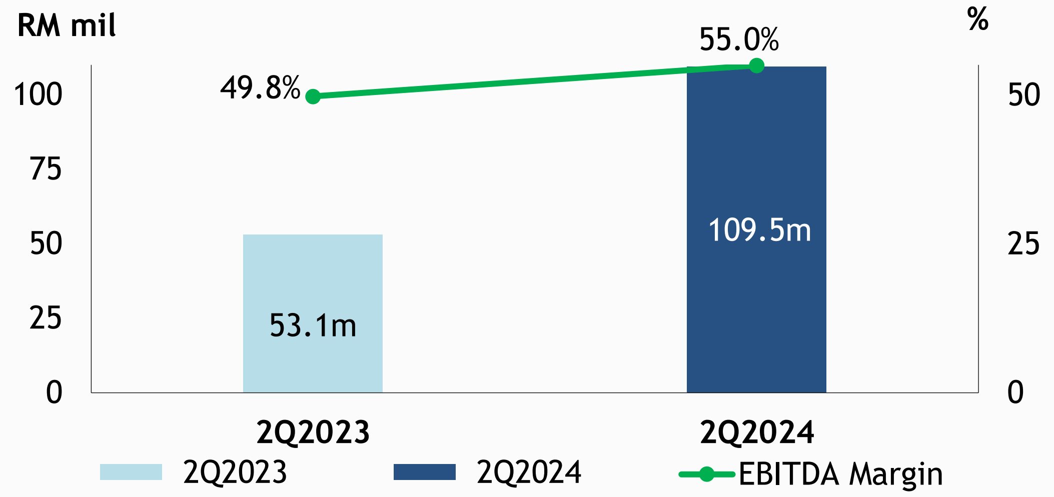
- Higher GP Margin for own vessels of 69.6% in 2Q2024 compared with 55.8% in 2Q2023, contributed by higher utilisation rate (as we incur costs when our own vessels are not being utilised) and higher DCR rates as explained above.
- GP Margin for third-party vessels was fairly stable at 19.0% for 2Q2024 as compared with 20.1% for 2Q2023.

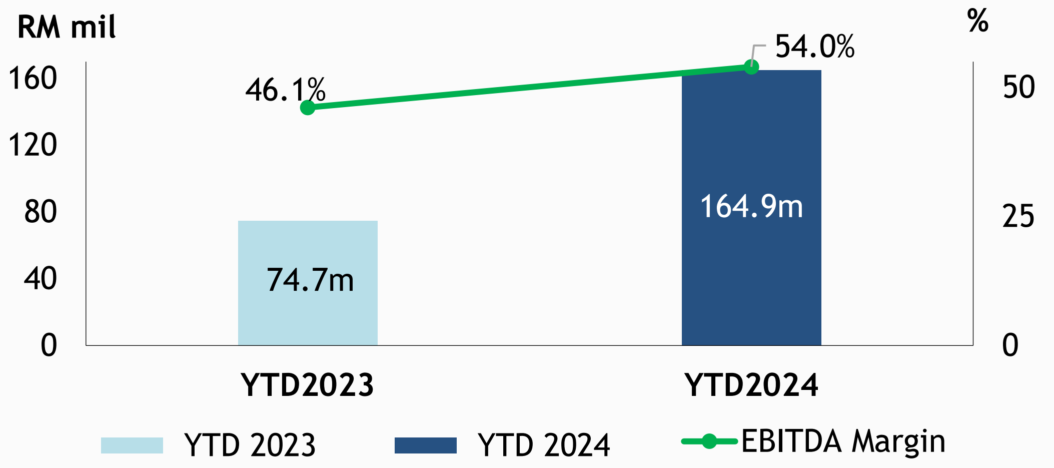
TOTAL GP
Total GP increased by RM57.4m (↑111.9%) for 2Q2024 and RM90.4 million (↑130.3%) for YTD 2024.

- Own vessels' total GP was the main contributor to the increase in total GP arising from high utilisation rate and higher DCR as explained earlier.
- Third-party vessels' total GP also recorded healthy growth, mainly driven by higher number of chartered days.

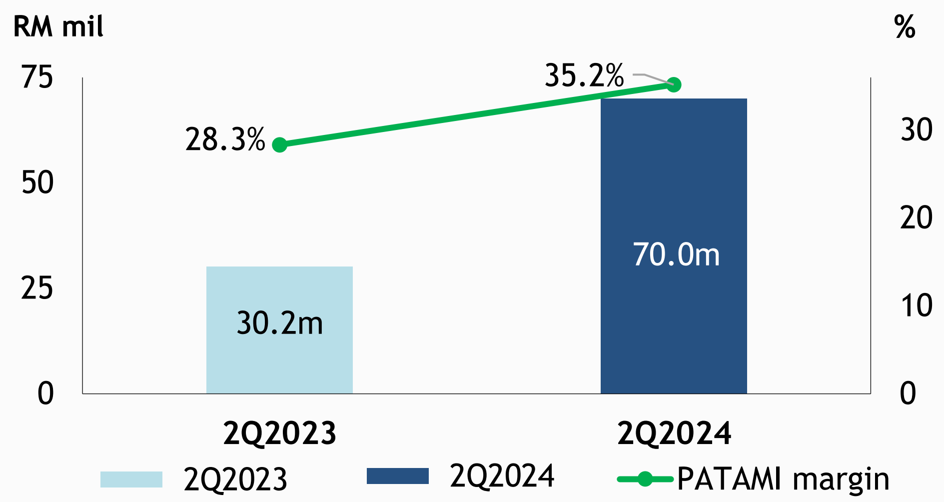
Financial Highlights – EBITDA & PATAMI

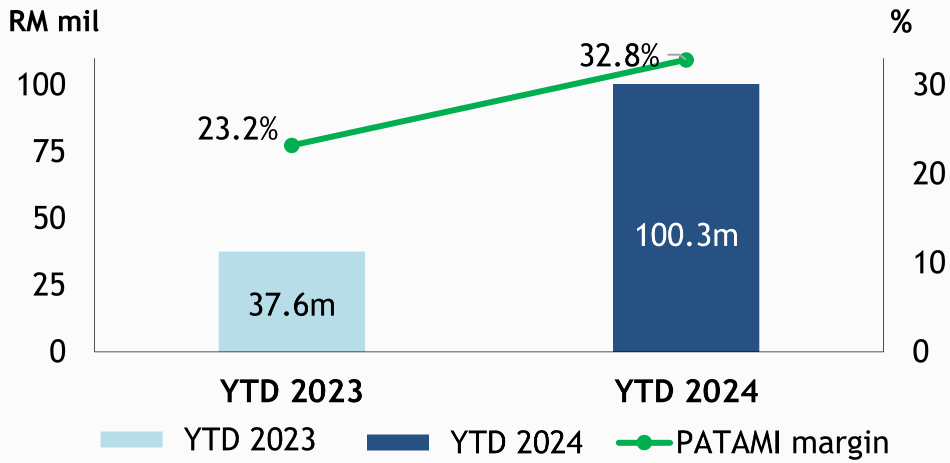
EBITDA (RM mil)





PATAMI (RM mil)





Computation of ‘Core’ Operating PATAMI

	2Q2024 RM’000	2Q2023 RM’000	YTD 2024 RM’000	YTD 2023 RM’000
PATAMI for the period	70,039	30,160	100,338	37,570
Add back:				
Cost of share options to employees[1]	4,205	-	4,205	-
IPO Expenses[2]	480	1,478	724	1,598
Accretion of interest on Keyfield CRNCPS[2]	2,392	666	3,053	1,339
	77,116	**32,304**	**108,320**	**40,507**

In accordance with MFRS 2, Share-based Payment, we incurred RM4.2 mil in non-cash ESOS expenses in 2Q2024. We expect to incur a further RM12.9 mil for such non-cash expenses from 3Q2024 to 1Q2028, being the vesting period for our ESOS.

We incurred additional IPO expenses in 2Q2024, being the period when Keyfield was listed. We also fully redeemed all Keyfield CRNCPS in this period and incurred the remaining accretion of interest on Keyfield CRNCPS in 2Q2024. These expenses will not recur in future quarters.

Notes:
(1) Included in administrative expenses
(2) Included in other expenses

Statement of Comprehensive Income

	3 months 2Q2024 RM'000	3 months 2Q2023 RM'000	6 months YTD 2024 RM'000	6 months YTD 2023 RM'000
Revenue	198,976	106,564	305,367	161,967
Cost of sales (including vessel depreciation)	(90,268)	(55,256)	(145,552)	(92,613)
Gross Profit	**108,708**	**51,308**	**159,815**	**69,354**
Other income	683	842	1,140	1,035
	109,391	**52,150**	**160,955**	**70,389**
Administrative expenses	(9,257)	(5,077)	(14,993)	(8,629)
Other expenses	(3,248)	(2,600)	(4,407)	(3,489)
Finance costs	(1,543)	(4,040)	(4,443)	(6,484)
Share of losses of an equity accounted associate	(5)	(3)	(8)	(11)
PBT	**95,338**	**40,430**	**137,104**	**51,776**
Income tax expense	(25,112)	(9,677)	(36,242)	(13,729)
PAT	**70,226**	**30,753**	**100,862**	**38,047**
Other comprehensive expenses	-	-	-	-
Total comprehensive income for the financial period	**70,226**	**30,753**	**100,862**	**38,047**
Profit after taxation attributable to:				
Owners of the Company	70,039	30,160	100,338	37,570
Non-controlling interests	187	593	524	477
	70,226	**30,753**	**100,862**	**38,047**
Total comprehensive income attributable to:				
Owners of the Company	70,039	30,160	100,338	37,570
Non-controlling interests	187	593	524	477
	70,226	**30,753**	**100,862**	**38,047**

Statement of Financial Position

	30 Jun 2024 RM'000	31 Dec 2023 RM'000	30 Jun 2023 RM'000
NON-CURRENT ASSETS			
Investment in an associate	197	206	218
Property, plant and equipment	1) 523,294	501,154	514,715
Investment property	1,508	1,524	1,540
Right-of-use assets	2) 32,691	14,454	8,056
Other investments	218	218	218
	557,908	**517,556**	**524,747**
CURRENT ASSETS			
Inventories	4,645	3,351	1,448
Trade receivables	3) 170,642	93,561	114,530
Other receivables, deposits and prepayments	4) 16,302	3,949	1,283
Current tax assets	-	-	58
Fixed deposits with licensed banks	5,257	4,241	6,834
Cash and bank balances	86,203	68,540	19,763
	283,049	**173,642**	**143,916**
TOTAL ASSETS	**840,957**	**691,198**	**668,663**

1) Increase mainly due to acquisition of IMS Aman less depreciation for YTD 2024.

2) We had chartered an additional third-party AHTS on long-term basis to serve one of our customers. This is accounted for as Right-of-use asset and correspondingly recorded as our lease liabilities.

3) Increase due to higher revenue earned in YTD 2024. Our average TR turnover days is 79 days as at 30 June 2024 (30 June 2023: 114 days).

4) Increase mainly due to deposits of RM7.6 million made for acquisition of Keyfield Itqan and shipbuilding of New DP2 AWB and RM4.8 million for equipment and parts purchased for our own vessels' dry-docking which scheduled to be carried out later in the year.

Statement of Financial Position

	30 Jun 2024 RM'000	31 Dec 2023 RM'000	30 Jun 2023 RM'000
EQUITY			
Share capital	5) 388,316	125,260	125,260
Employee Share Option Reserves	4,205	-	-
Retained profits	240,434	163,127	95,247
Equity attributable to owners of the Company	632,955	288,387	220,507
Non-controlling interests	6,502	6,005	4,842
TOTAL EQUITY	**639,457**	**294,392**	**225,349**
NON-CURRENT LIABILITIES			
Cumulative redeemable non-convertible preference shares ("CRNCPS")	6) -	139,447	138,117
Lease liabilities	7) 14,754	4,384	3,078
Other payables	-	88,255	100,588
Borrowings	8) -	6,186	7,511
Deferred tax liabilities	78,377	65,464	43,295
	93,131	**303,736**	**292,589**
CURRENT LIABILITIES			
Trade payables	57,526	40,673	40,490
Other payables and accruals	9) 5,688	32,346	29,848
CRNCPS	-	3,563	1,425
Lease liabilities	10) 18,307	10,259	4,974
Borrowings	-	2,625	73,770
Current tax liabilities	26,848	3,604	218
	108,369	**93,070**	**150,725**
TOTAL LIABILITIES	**201,500**	**396,806**	**443,314**
TOTAL EQUITY AND LIABILITIES	**840,957**	**691,198**	**668,663**

5) Increase in share capital arising from IPO, less certain IPO expenses which are allowed to be set-off against share capital.

6) Keyfield CRNCPS and amounts due to vendors of Blooming Wisdom and Keyfield Helms 1 fully redeemed / repaid in 2Q2024.

7) Refer to note (2) on Slide 9.

8) We have fully repaid our bank borrowings as at 30 June 2024.

9) Refer to note (6).

10) Refer to note (2) on Slide 9.

Cash Flow Statement

KEYFIELD

CASH FLOW STATEMENT FOR 6 MONTHS ENDED 30 JUNE 2024

	Jun 2024 RM'000	Jun 2023 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	137,104	51,776
Adjustments for:-		
Accretion of interest on cumulative redeemable non-convertible preference shares ("CRNCPS")	3,053	1,339
Depreciation:		
- property, plant and equipment	16,878	12,452
- investment property	16	16
- right-of-use assets	7,271	4,177
Other interest expenses	3,862	6,138
Interest expense on lease liabilities	581	346
Share of losses of an equity accounted associate	9	11
Net unrealised losses on foreign exchange	169	-
Interest income	(807)	(238)
Loss on lease modification	-	18
Share options to employees	4,205	-
Operating profit before working capital changes	172,341	76,035
(Increase)/Decrease in inventories	(1,294)	693
Increase in trade and other receivables	(89,434)	(27,071)
Increase in trade and other payables	14,541	5,597
Cash from/(for) operations activities	96,154	55,254
Interest paid	(8,006)	(8,622)
Income tax paid	(85)	(49)
NET CASH FROM OPERATING ACTIVITIES	**88,063**	**46,583**

	Jun 2024 RM'000	Jun 2023 RM'000
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest income received	807	238
Purchase of property, plant and equipment	(39,018)	(34,327)
Increase in pledged fixed deposit with a licensed bank	(1,016)	(594)
NET CASH FOR INVESTING ACTIVITIES	**(39,227)**	**34,683**
CASH FLOWS FOR FINANCING ACTIVITIES		
Net drawdown of revolving credits	-	16,005
Dividend paid	(23,050)	(5,035)
Repayment of third parties	(112,609)	-
Repayment of lease liabilities	(7,090)	(4,068)
Repayment of term loans	(8,811)	(16,063)
Redemption of CRNCPS	(61,500)	-
Proceeds from issuance of ordinary shares	182,056	-
NET CASH FOR FINANCING ACTIVITIES	**(31,044)**	**(9,161)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	17,832	2,739
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(169)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	68,540	17,024
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	**86,203**	**19,763**

Other Highlights

Declaration of Dividends

The Board has approved a second interim dividend for FYE 2024 of 3.0 sen per share amounting to RM24.1 million in total, representing 34% of 2Q2024's PATAMI. The timetable is as follows:

No	Events	Date
1	Declaration of dividend	15 August 2024
2	Entitlement date	30 August 2024
3	KIB remit funds to Tricor	11 September 2024
4	Payment date	13 September 2024

This timetable is proposed by our share registrar in accordance with MMLR.

Other Highlights

Utilisation of Proceeds

The status of utilisation of proceeds from our recent IPO is as follows:

Utilisation of proceeds	Time frame (months)	Proposed utilisation RM'm	Actual utilisation RM'm	Status
Redemption of Keyfield CRNCPS	1	61.5	61.5	Fully utilised
Repayment of bank borrowings	3	3.0	3.0	Fully utilised
Settlement of balance purchase consideration for Blooming Wisdom	1	65.0	65.0	Fully utilised
Settlement of balance purchase consideration for Helms 1	1	35.0	35.0	Fully utilised
Working capital	12	14.6	15.0	Fully utilised with RM0.4 million re-allocated from estimated listing expenses.
Estimated listing expenses	1	9.0	8.6	Fully utilised with RM0.4 million re-allocated to working capital.
Total		**188.1**	**188.1**	**Fully utilised**

Other Highlights

Vessel Acquisitions / Shipbuilding Updates

No	Vessel	Information	Timeline
1	Keyfield Itqan (Formerly known as Belait Barakah)	• Completed acquisition and took delivery (announced on Bursa Malaysia)	3 July 2024
		• Currently readying this vessel to be deployed for our chartering operations	Expected to be deployed by 4Q2024
2	Newbuilt DP2 AWB	• Entered into a Shipbuilding Contract (announced on Bursa Malaysia)	25 June 2024
		• Completion of the vessel within 18 – 24 months from signing of contract	1Q2026
3	Keyfield Aulia	• Completed acquisition and took delivery (announced on Bursa Malaysia)	13 August 2024

Keyfield's Summary

Principally involved in the ownership and chartering of accommodation vessels of varying sizes:

- 9 accommodation workboats ("**AWB**")
- 2 anchor handling tug & supply vessel ("**AHTS**")
- 1 geotechnical vessel
- 1 work barge

Our fleet consists of 13 own vessels and 3 others managed by us.

We also charter other third-party vessels on spot basis to meet the demand of our clients.

We specialise in offshore accommodation with a total capacity for over 2,000 persons.

We can serve various offshore industries and activities.

We are a PETRONAS licence holder and panel contractor for AWB, AHTS and PSV which allows us to directly participate in such tenders by PCSB and other PACs in Malaysia.

SWEC	Description
21121510S	Accommodation Workboat/Barge
21121511S	Anchor Handling Tug & Supply
21121518S	Platform Supply Vessel

Notable Clients

PETRONAS Shell PTTEP MDPC PETRA HELMS GEOMARINE

Our main revenue consists of:

- Daily charter rates (DCR)
- Daily catering income
- Daily bunk and laundry income
- Internet connectivity (VSAT) income

Revenue earned is based on time, and not on project milestones.

Our remaining order book:

- RM619.1m as at 30 June 2024
- RM337.5m to be recognised in remaining 6 months of FYE2024
- Consists of contracted charters to date
- Does not include potential extensions by clients
- Should we successfully bid for additional charter projects, our order book will increase accordingly

Our Fleet of Vessels

Own vessels	Vessel name	Type of vessel	Available accommodation capacity (pax)	Functions
Smaller sized vessels cum AHTS/ geotechnical vessel	1. Keyfield Kindness	DP1 AHTS, 65T bollard pull	50	• Can be used as:- • A smaller accommodation vessel • An AHTS - undertake projects such as anchor deployment & retrieval, towing of vessels and re-stocking of supplies
	2. Keyfield Aulia	DP1 AHTS, 60T bollard pull	42	
	3. Keyfield Helms 1	DP2 Geotechnical vessel	48	• Can be used as:- • A smaller accommodation vessel • A geotechnical vessel – undertake geotechnical study /survey. It is equipped with a moonpool to facilitate installation of a drilling tower for soil-boring projects
Medium sized vessels (ie AWBs)	1. Keyfield Falcon	DP2 AWB	200	• Primarily used as a floating hotel with various amenities such as accommodation, meals, laundry and hospital • Used as customer's offshore office – equipped with meetings rooms, office space and internet connectivity • Deck area used for engineering works performed by our customers and their contractors • Fitted with a main crane for heavy lifting of equipment, between vessel and shore / offshore platforms • DP2 equipped vessels allow for deployment in harsher, deeper and congested seabed locations
	2. Keyfield Compassion	DP2 AWB	192	
	3. Keyfield Commander	DP2 AWB	200	
	4. Keyfield Grace	DP2 AWB	150	
	5. Laguna Setia 1	Four point mooring AWB	208	
	6. Laguna Setia 2	Four point mooring AWB	208	
	7. Keyfield Lestari	Four point mooring AWB	180	
	8. IMS Aman	DP2 AWB	198	
	9. Keyfield Itqan	DP2 AWB	152	
Larger sized vessel (ie Barge)	1. Blooming Wisdom	Eight point mooring Barge	500	• Similar functions as an AWB but on a much bigger scale • One out of only two such large-sized barges in Malaysia – 500 pax capacity, 300T main crane, 2,220 m^2 workable deck space
Total	**13 vessels**		**2,328**	

Thank You

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