

KEYFIELD INTERNATIONAL BERHAD

(202001038989 (1395310-M))

YOUR OFFSHORE ACCOMMODATION PROVIDER

3Q2024 FINANCIAL RESULTS BRIEFING

Key Highlights



| RM mil | 3Q2024 | vs 3Q2023 | % Change | vs 2Q2024 | % Change | YTD2024 | vs YTD2023 | % Change | FYE2023 |
|-------------------------|--------|-----------|----------|-----------|----------|---------|------------|----------|---------|
| Revenue | 216.8 | 149.0 | ↑ 45.5% | 199.0 | ↑ 8.9% | 522.2 | 310.9 | ↑ 68.0% | 430.5 |
| Gross Profit | 118.2 | 74.0 | ↑ 59.7% | 108.7 | ↑ 8.7% | 278.0 | 143.4 | ↑ 93.9% | 189.2 |
| EBITDA | 121.2 | 76.7 | ↑ 58.0% | 109.5 | ↑ 10.7% | 286.1 | 151.4 | ↑ 89.0% | 197.4 |
| PATAMI | 81.1 | 45.8 | ↑ 77.1% | 70.0 | ↑ 15.9% | 181.5 | 83.4 | ↑ 117.6% | 105.5 |
| 'Core' Operating PATAMI | 83.3 | 46.5 | ↑ 79.1% | 77.1 | ↑ 8.0% | 191.6 | 87.0 | ↑ 120.2% | 110.0 |

Key points:

Growth in revenue and gross profits in 3Q2024 compared with 3Q2023 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 3Q2024 was 99.2% (3Q2023: 92.8%);
- Increase in average DCR for both own vessels and third-party vessels;
- Contributions from two new own vessels, IMS Aman and Keyfield Aulia, which became our own vessel in 1Q2024 and 3Q2024 respectively;
- Despite the tight supply of third-party vessels during the peak third quarter, we managed to secure 658 third-party vessels' chartered days, an increase over the corresponding period last year albeit modestly from 642 days.

Finance costs in 3Q2024 relate to lease liabilities only as we have fully repaid our bank borrowings and financial instruments in 2Q2024. As at 30 September 2024, our remaining order book consisting of contracted charters to date amounts to RM450m, out of which RM150m is in respect of the remaining three 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.

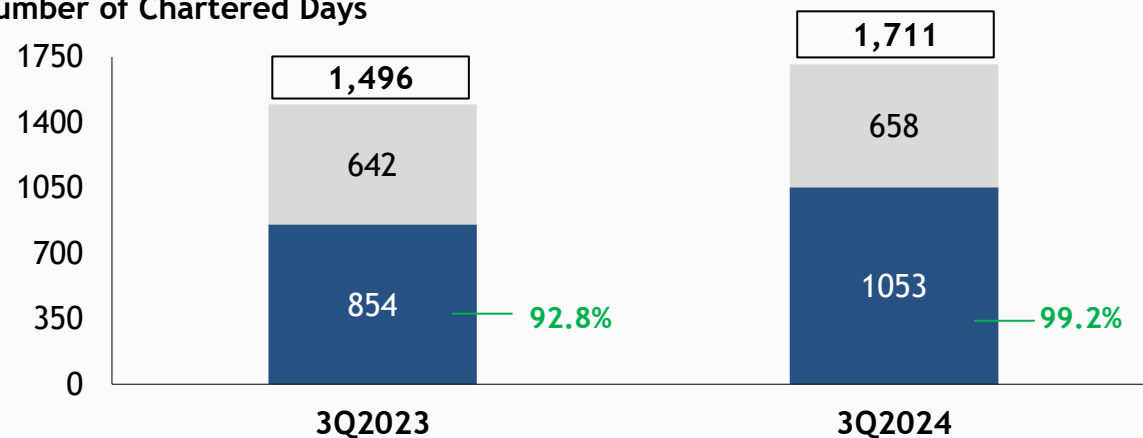
Note:

1. Quarter ended 30 Sep ("3Q").
2. Year-to-date for 9 months ("YTD").

Number of Chartered Days

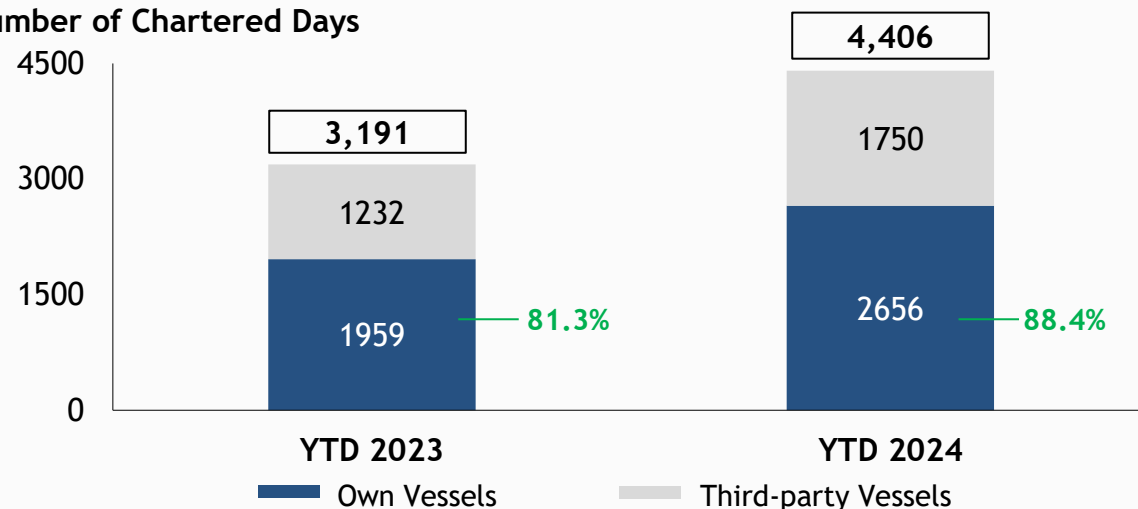


Number of Chartered Days



- In 3Q2024, we have 12 own vessels operating (excluding Keyfield Itqan which is being prepared for chartering operations), while in 3Q2023, we have 10 vessels operating. IMS Aman was acquired in 1Q2024, while Aulia was acquired in this 3Q2024.
- We achieved overall own vessels' utilisation rate of 99.2% in 3Q2024 compared with 92.8% in 3Q2023.
- Despite the tight supply of third-party vessels during the peak third quarter, we managed to secure 658 third-party vessels' chartered days, an increase over the corresponding period last year albeit modestly.

Number of Chartered Days

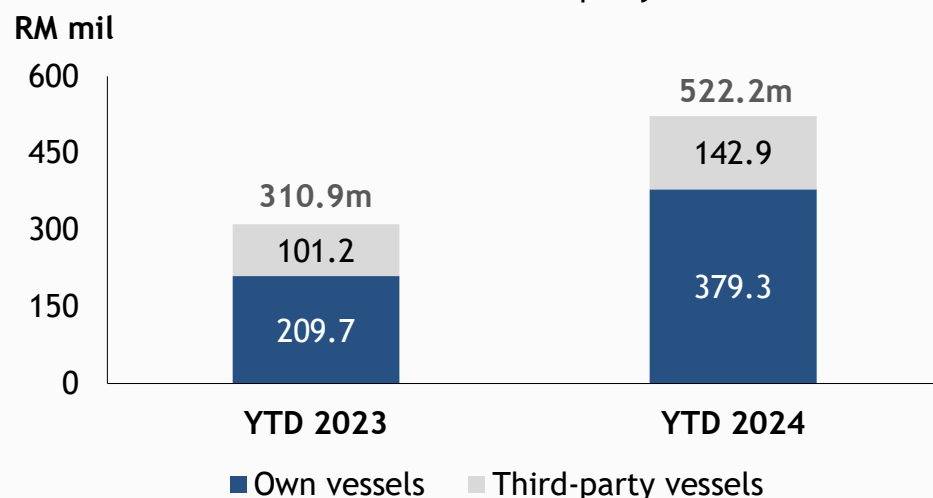
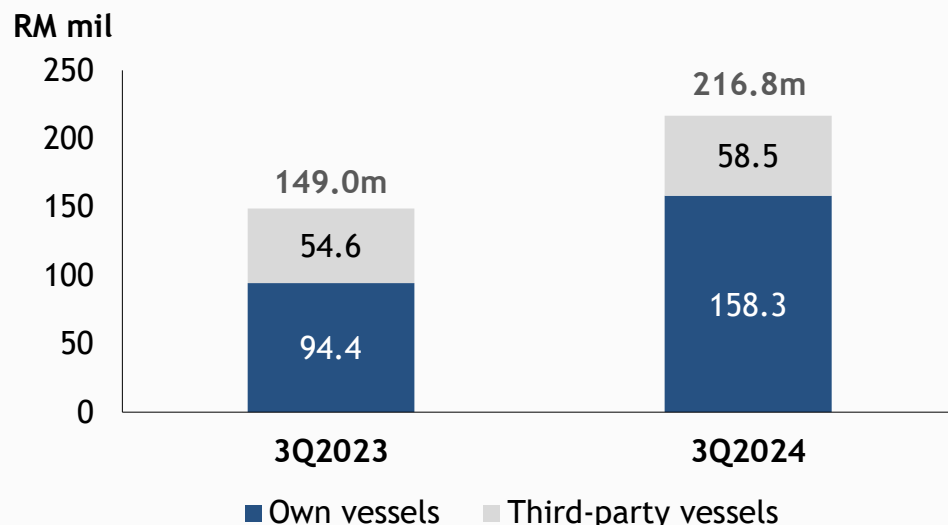


Total Number of Chartered Days
 — Utilisation rate (Own vessels)

Financial Highlights



REVENUE (RM mil)



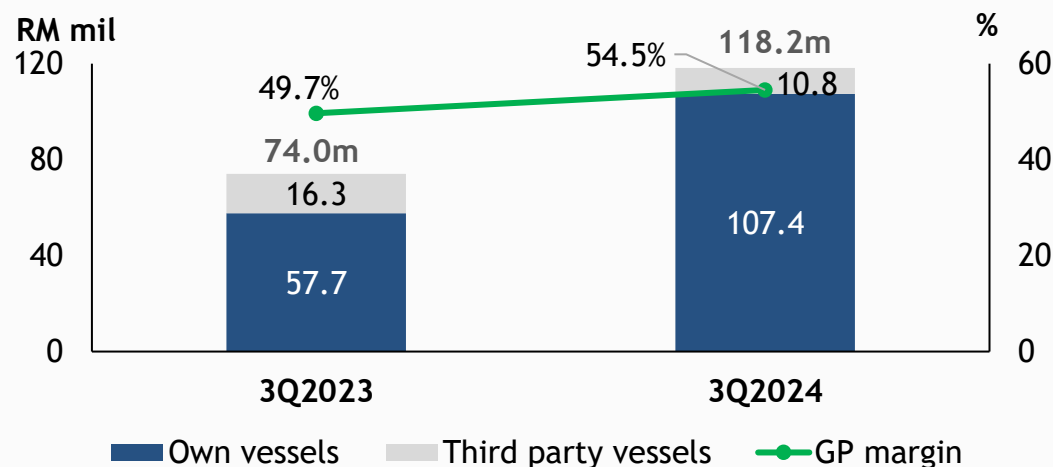
Total revenue growth of RM67.8m ($\uparrow 45.5\%$) for 3Q2024 and RM211.3 million ($\uparrow 68.0\%$) for YTD 2024 contributed by both own vessels and third-party vessels.

- Own vessels' revenue grew by 67.7% in 3Q2024 driven by both higher number of chartered days and increase in average DCR in 3Q2024 compared with 3Q2023. For YTD 2024, own vessels' revenue grew by 80.9%.
- Third-party vessels' revenue grew by 7.1% in 3Q2024 driven mainly by higher number of chartered days. Despite the tight supply of third-party vessels during the peak third quarter, we managed to secure 658 third-party vessels' chartered days, an increase over the corresponding period last year albeit modestly. For YTD 2024, third-party vessels' revenue grew by 41.2%.
- Revenue from own vessels as a % of total revenue stood at 73.0% in 3Q2024 (compared with 63.4% in 3Q2023), as this grew at a faster pace compared to revenue from third-party vessels.

Financial Highlights - Gross Profit (GP)



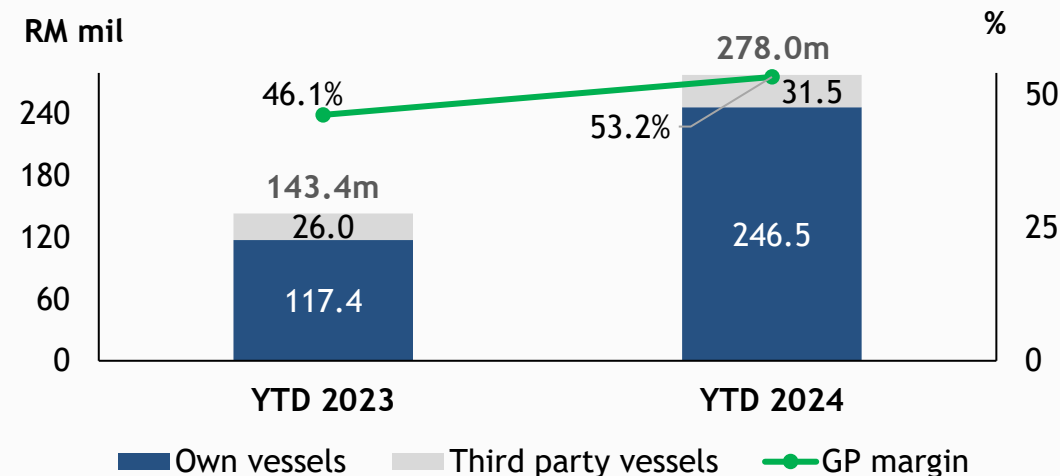
GROSS PROFIT (RM mil)



GP Margin

Our overall GP Margin for 3Q2024 expanded to 54.5% from 49.7% in 3Q2023 mainly as a result of:

- Higher GP Margin for own vessels of 67.8% in 3Q2024 compared with 61.2% in 3Q2023, contributed by higher utilisation rate (as we incur costs when our own vessels are not being utilised) and higher DCR rates.
- Higher proportion of revenue contributed by own vessels for which the GP Margin is higher as compared to third-party vessels.

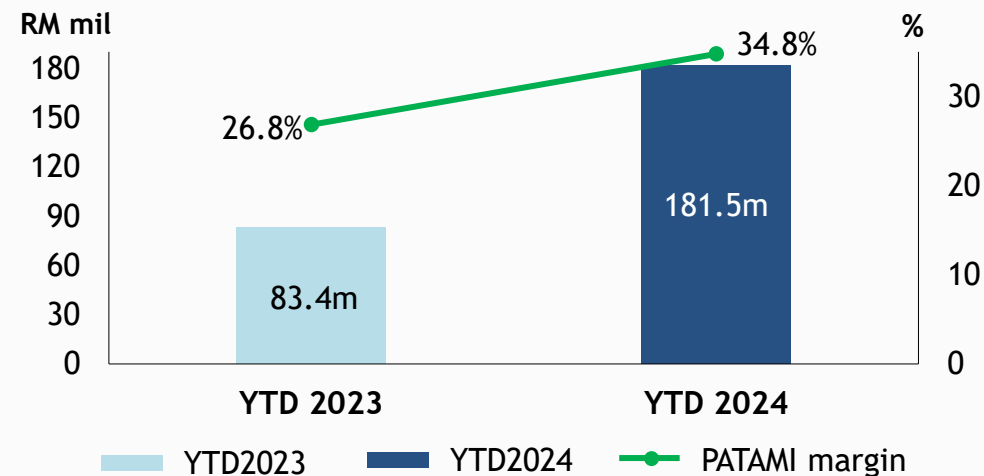
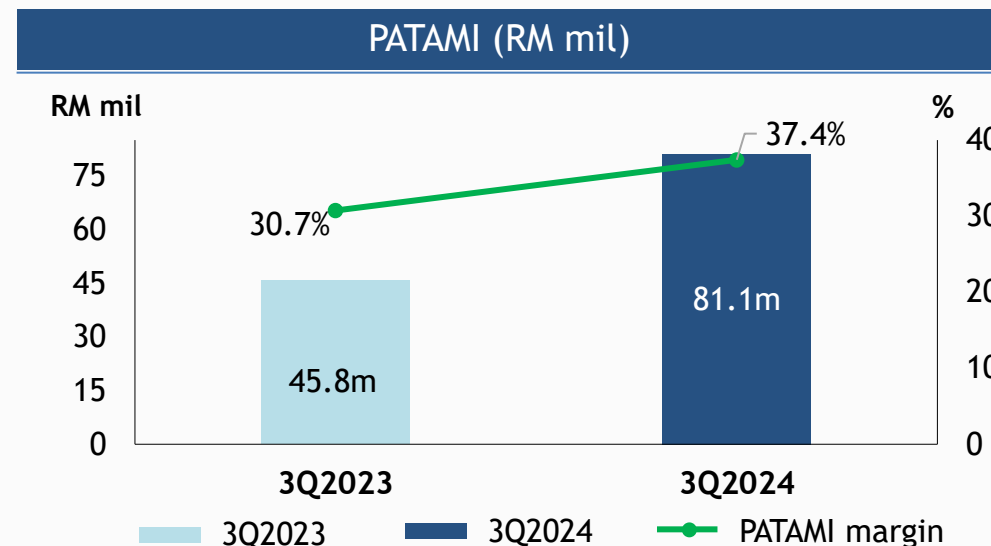
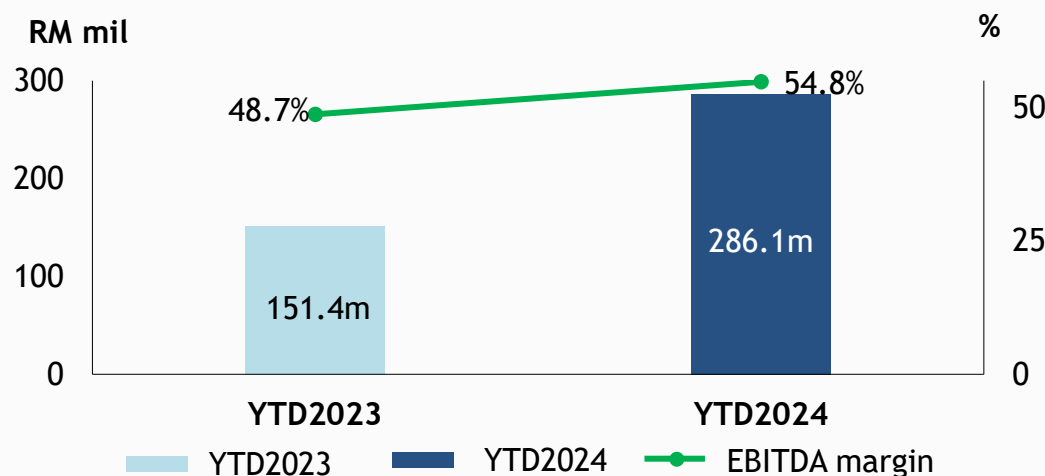
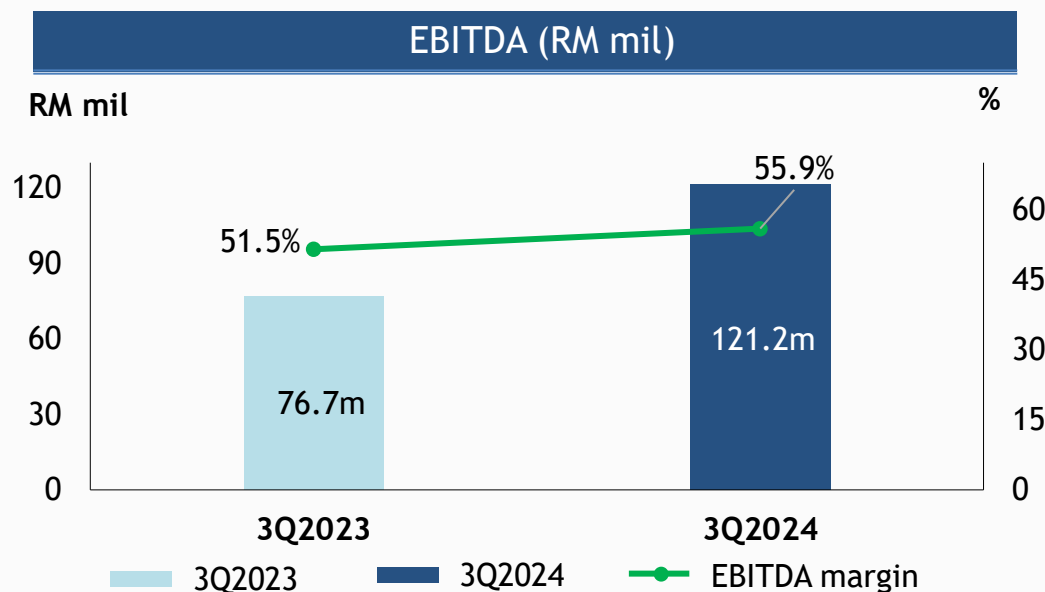


TOTAL GP

Total GP increased by RM44.2m (↑59.7%) for 3Q2024 and RM134.6 million (↑93.9%) for YTD 2024.

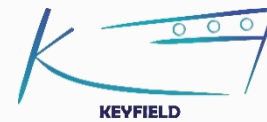
- Own vessels' total GP was the main contributor to the increase in total GP arising from high utilisation rate and higher DCR as explained earlier.
- Third-party vessels' total GP also recorded healthy growth, mainly driven by higher number of chartered days.

Financial Highlights - EBITDA & PATAMI



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Computation of 'Core' Operating PATAMI



| | 3Q2024 | 3Q2023 | YTD 2024 | YTD 2023 |
|---|---------------|---------------|----------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| PATAMI for the period | 81,116 | 45,782 | 181,454 | 83,352 |
| Add back: | | | | |
| Cost of share options to employees⁽¹⁾ | 2,200 | - | 6,449 | - |
| IPO Expenses⁽²⁾ | - | 9 | 680 | 1,607 |
| Accretion of interest on Keyfield CRNCPS⁽²⁾ | - | 665 | 3,053 | 2,004 |
| | 83,316 | 46,456 | 191,636 | 86,963 |

In accordance with MFRS 2, Share-based Payment, we incurred RM2.2m and RM6.4m in non-cash ESOS expenses in 3Q2024 and YTD2024. We expect to incur a further RM10.6 mil for such non-cash expenses from 4Q2024 to 1Q2028, being the vesting period for our ESOS.

We incurred total IPO expenses of RM0.7m in YTD2024. We have fully redeemed all Keyfield CRNCPS and incurred the accretion of interest of RM3.1m in YTD2024. These expenses will not recur.

Notes:

⁽¹⁾ Included in administrative expenses

⁽²⁾ Included in other expenses

Statement of Comprehensive Income



| | 3 months 3Q2024 RM'000 | 3 months 3Q2023 RM'000 | 9 months YTD 2024 RM'000 | 9 months YTD 2023 RM'000 |
|--|------------------------------|------------------------------|--------------------------------|--------------------------------|
| Revenue | 216,785 | 148,950 | 522,153 | 310,918 |
| Cost of sales (including vessel depreciation) | (98,607) | (74,918) | (244,159) | (167,531) |
| Gross Profit | 118,178 | 74,032 | 277,994 | 143,387 |
| Other income | 571 | 116 | 1,711 | 1,151 |
| | 118,749 | 74,148 | 279,705 | 144,538 |
| Administrative expenses | (10,901) | (5,208) | (25,894) | (13,839) |
| Other expenses | (1,198) | (2,058) | (5,605) | (5,547) |
| Finance costs | (465) | (4,227) | (4,908) | (10,710) |
| Share of losses of an equity accounted associate | (9) | (4) | (17) | (15) |
| PBT | 106,176 | 62,651 | 243,281 | 114,427 |
| Income tax expense | (24,935) | (16,461) | (61,178) | (30,190) |
| PAT | 81,241 | 46,190 | 182,103 | 84,237 |
| Other comprehensive expenses | - | - | - | - |
| Total comprehensive income for the financial period | 81,241 | 46,190 | 182,103 | 84,237 |
| Profit after taxation attributable to: | | | | |
| Owners of the Company | 81,116 | 45,782 | 181,454 | 83,352 |
| Non-controlling interests | 125 | 408 | 649 | 885 |
| | 81,241 | 46,190 | 182,103 | 84,237 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 81,116 | 45,782 | 181,454 | 83,352 |
| Non-controlling interests | 125 | 408 | 649 | 885 |
| | 81,241 | 46,190 | 182,103 | 84,237 |

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Statement of Financial Position



| | 30 Sep 2024 RM'000 | 31 Dec 2023 RM'000 | 30 Sep 2023 RM'000 |
|---|-----------------------|-----------------------|-----------------------|
| NON-CURRENT ASSETS | | | |
| Investment in an associate | 189 | 206 | 214 |
| Property, plant and equipment | ¹⁾ 613,731 | 501,154 | 508,198 |
| Investment property | 1,500 | 1,524 | 1,532 |
| Right-of-use assets | ²⁾ 36,051 | 14,454 | 17,210 |
| Other investments | 218 | 218 | 218 |
| | 651,689 | 517,556 | 527,372 |
| CURRENT ASSETS | | | |
| Inventories | 4,424 | 3,351 | 1,392 |
| Trade receivables | ³⁾ 213,608 | 93,561 | 147,392 |
| Other receivables, deposits and prepayments | ⁴⁾ 7,510 | 3,949 | 1,770 |
| Current tax assets | - | - | 60 |
| Fixed deposits with licensed banks | 5,264 | 4,241 | 7,304 |
| Cash and bank balances | 50,743 | 68,540 | 36,668 |
| | 281,549 | 173,642 | 194,586 |
| TOTAL ASSETS | 933,238 | 691,198 | 721,958 |

1) Increase mainly due to acquisition of IMS Aman, Keyfield Aulia and Keyfield Itqan less depreciation for YTD 2024. Deposit paid for newbuilt DP2 AWB also included herein.

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 80 days as at 30 September 2024 (30 September 2023: 103 days).

Statement of Financial Position



| | 30 Sep 2024 RM'000 | 31 Dec 2023 RM'000 | 30 Sep 2023 RM'000 |
|--|-----------------------|-----------------------|-----------------------|
| EQUITY | | | |
| Share capital | ⁴⁾ 393,075 | 125,260 | 125,260 |
| Share application monies | 32 | - | - |
| Employee Share Option Reserves | 4,468 | - | - |
| Retained profits | 297,463 | 163,127 | 141,016 |
| Equity attributable to owners of the Company | 695,038 | 288,387 | 266,276 |
| Non-controlling interests | 4,121 | 6,005 | 5,250 |
| TOTAL EQUITY | 699,159 | 294,392 | 271,526 |
| NON-CURRENT LIABILITIES | | | |
| Cumulative redeemable non-convertible preference shares ("CRNCPS") | ⁵⁾ - | 139,447 | 138,782 |
| Lease liabilities | ⁶⁾ 18,443 | 4,384 | 6,407 |
| Other payables | - | 88,255 | 94,464 |
| Borrowings | ⁸⁾ - | 6,186 | 9,854 |
| Deferred tax liabilities | 91,544 | 65,464 | 59,757 |
| | 109,987 | 303,736 | 309,264 |
| CURRENT LIABILITIES | | | |
| Trade payables | 61,436 | 40,673 | 51,500 |
| Other payables and accruals | ⁸⁾ 8,923 | 32,346 | 29,958 |
| CRNCPS | - | 3,563 | 2,494 |
| Lease liabilities | ⁹⁾ 17,973 | 10,259 | 10,927 |
| Borrowings | - | 2,625 | 46,084 |
| Current tax liabilities | 35,760 | 3,604 | 205 |
| | 124,092 | 93,070 | 141,168 |
| TOTAL LIABILITIES | 234,079 | 396,806 | 450,432 |
| TOTAL EQUITY AND LIABILITIES | 933,238 | 691,198 | 721,958 |

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

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

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

7) We have fully repaid our bank borrowings as at 30 September 2024.

8) Refer to note (5).

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

Cash Flow Statement

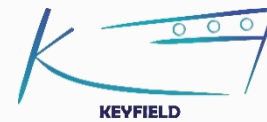


CASH FLOW STATEMENT FOR 9 MONTHS ENDED 30 SEP 2024

| | Sep 2024 RM'000 | Sep 2023 RM'000 | | Sep 2024 RM'000 | Sep 2023 RM'000 |
|---|--------------------|--------------------|---|--------------------|--------------------|
| CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES | | | CASH FLOWS FOR INVESTING ACTIVITIES | | |
| Profit before taxation | 243,281 | 114,427 | Interest income received | 894 | 307 |
| Adjustments for:- | | | Proceeds from disposal of property, plant and equipment | 38 | - |
| Accretion of interest on cumulative redeemable non-convertible preference shares ("CRNCPS") | 3,053 | 2,004 | Purchase of property, plant and equipment | (138,619) | (30,372) |
| Depreciation: | | | Increase in pledged fixed deposit with a licensed bank | (1,023) | (1,064) |
| - property, plant and equipment | 26,133 | 19,826 | NET CASH FOR INVESTING ACTIVITIES | (138,710) | (31,129) |
| - investment property | 24 | 23 | | | |
| - right-of-use assets | 12,675 | 6,698 | CASH FLOWS FOR FINANCING ACTIVITIES | | |
| Interest expense on lease liabilities | 1,046 | 590 | Drawdown of term loans | - | 3,000 |
| Other interest expenses | 3,862 | 10,120 | Net repayment of revolving credits | - | (3,074) |
| Share of losses of an equity accounted associate | 17 | 15 | Dividend paid | (47,151) | (5,010) |
| Net unrealised losses/(gain) on foreign exchange | 421 | (79) | Repayment of third parties | (112,609) | (13,518) |
| Interest income | (894) | (307) | Repayment of lease liabilities | (12,443) | (6,461) |
| (Gain)/Loss on lease modification | (185) | 18 | Repayment of term loans | (8,811) | (23,326) |
| Share options to employees | 6,449 | - | Redemption of CRNCPS/CRCPS | (64,000) | - |
| Operating profit before working capital changes | 295,882 | 153,335 | Proceeds from share application monies | 2,810 | - |
| (Increase)/Decrease in inventories | (1,073) | 749 | Proceeds from issuance of ordinary shares | 182,056 | - |
| Increase in trade and other receivables | (123,608) | (60,419) | NET CASH FOR FINANCING ACTIVITIES | (60,148) | (48,389) |
| Increase in trade and other payables | 21,695 | 17,260 | | | |
| Cash from/(for) operations activities | 192,896 | 110,925 | NET INCREASE IN CASH AND CASH EQUIVALENTS | (17,376) | 19,565 |
| Interest paid | (8,471) | (11,779) | EFFECTS OF FOREIGN EXCHANGE TRANSLATION | (421) | 79 |
| Income tax paid | (2,943) | (63) | CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD | 68,540 | 17,024 |
| NET CASH FROM OPERATING ACTIVITIES | 181,482 | 99,083 | CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD | 50,743 | 36,668 |

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Other Highlights



Declaration of Dividends

The management is proposing for the Board to approve a third interim dividend for FYE 2024 of 4.0 sen per share amounting to approximately RM32.1 million in total, representing 39.6% of 3Q2024's PATAMI. The timetable is as follows:

| No | Events | Date |
|----|---------------------------|-------------|
| 1 | Declaration of dividend | 14 Nov 2024 |
| 2 | Entitlement date | 6 Dec 2024 |
| 3 | KIB remit funds to Tricor | 13 Dec 2024 |
| 4 | Payment date | 19 Dec 2024 |

For YTD2024, we have declared a cumulative dividend of 8 sen representing 35.4% of our YTD2024 PATAMI.

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 |
| 21121519S | Safety Standby Vessel |

Notable Clients



Our main revenue consists of:

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

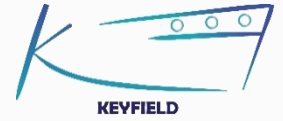
Revenue earned is based on time, and not on project milestones.



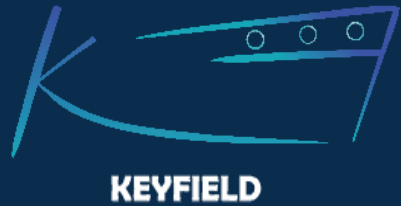
Our remaining order book:

- RM450m as at 30 September 2024
- RM150m to be recognised in remaining 3 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

Thank You



Contact Information



ir@keyfieldoffshore.com



+603 - 7972 9118 | +603 - 7972 9117



<https://keyfieldoffshore.com>



B-31-02, Tower B, Pavilion Embassy,
No. 200, Jalan Ampang, 50450 Kuala Lumpur

