



MISC BERHAD
53RD ANNUAL GENERAL MEETING
27 APRIL 2022

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MISC Group at a Glance

Listed since **1987** on
Bursa Malaysia



Among the world's leading
shipping conglomerates with
a market capitalization of

USD 7.6 BILLION



53

years of sterling track
record in delivering
energy-related
maritime solutions
and services

Modern fleet of

106

LNG, Petroleum and
Product vessels



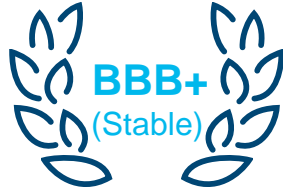
Reputable Floating
Production System
(FPS) owner-operator

with
12
assets



Moody's Investors
Service

Strong
credit rating
in the marine
transport sector



S&P
Global Ratings

International and diverse
workforce of

8,851

sea and shore employees
from **47** nationalities





MISC's Four Core Businesses



Gas Assets & Solutions

- Owns / operates 39 vessels: 30 LNGCs, 2 FSUs, 1 LBV and 6 VLECs.
- Sterling reputation for operational excellence.
- Consistent track record of reliable and on-time cargo deliveries.



Petroleum & Product Shipping

- Owns / operates 67 tankers and market leader in specialist lightering operation
- Advancing green shipping solutions with modern and technologically advanced fuel-efficient vessels
- Industry pioneers in the fields of modular capture vessels and LNG dual-fuel vessels.



Offshore Business

- Owns 12 floating assets: 6 FPSOs, 5 FSOs and 1 Semi-FPS
- Strong relationships of mutual trust with key Asia-based partners, subcontractors and suppliers.



Marine & Heavy Engineering

- Owns and operates one of the region's largest marine and heavy engineering facilities.
- The only Malaysian yard with the capacity and skills to undertake complex offshore mega structures and marine facilities projects.



Supported by Three Key Enablers



Integrated Marine Services

- Globally renowned ship management company, with stellar track record for the highest quality and standards of delivery.



Manages 85 vessels
with both sea & shore
staff of more than **4,500**

- High vessel availability and utilization rate of more than 97%



Port Management & Maritime Services

- Centre of excellence for port management and maritime services.



Excellent HSSE
culture with
ZERO LTI
since 1999

- Strong industry reputation, with more than two decades of experience in port and terminal operations and maritime services.



Maritime Education & Training

- Training institution mainly for seafarers as well as offshore platforms and shipping industry.



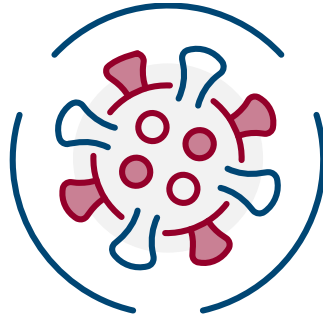
Offers over **170**
courses including
customized courses

- Providing a broad spectrum of maritime education and training, beyond Standards of Training, Certification and Watchkeeping (STCW).



2021 IN REVIEW

Year of Recovery and Resilience



Prolonged pandemic

- Worldwide vaccination programme
- Uneven vaccine access
- Fresh outbreaks as new variants emerged
- Global supply chain disruptions
- Increase in global inflation
- Investors and financiers had trepidations on funding due to uncertainty



Road to recovery

- Loosening of pandemic-related restrictions
- Rising stock market
- Surge in oil prices
- Decreased unemployment
- Capex spending increase and project resumption

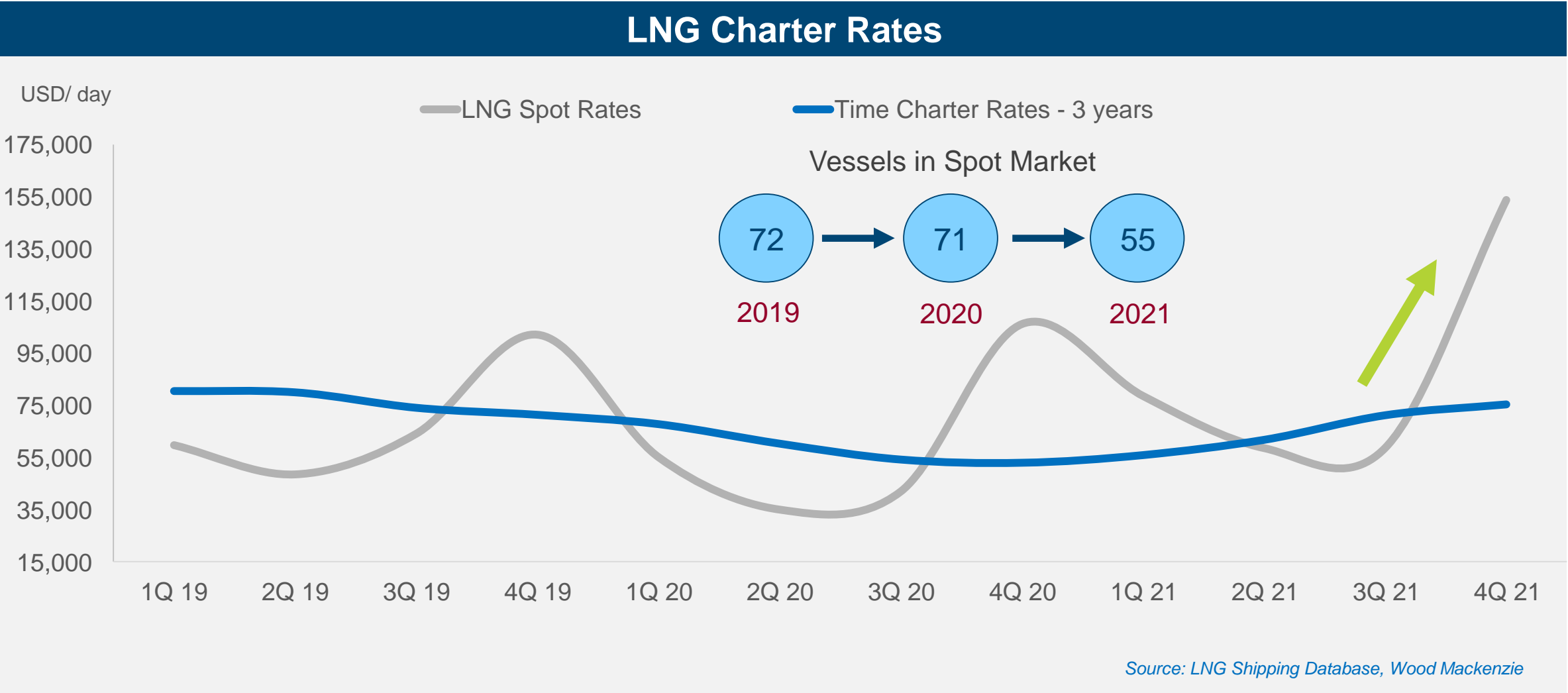


Sustainability in the limelight

- Climate change agenda – COP26
- Extreme weather events
- Energy transition initiatives
- Social equality
- Diversity and inclusion



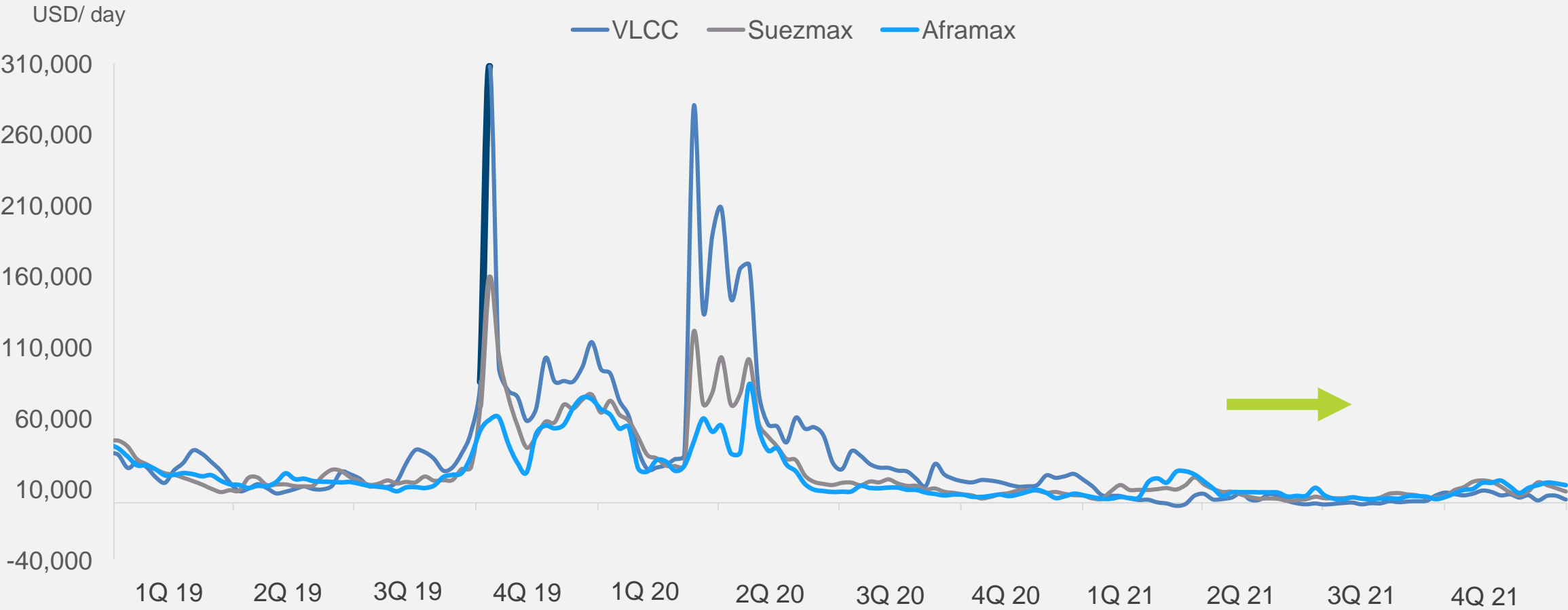
LNG Spot Rates Surged towards Winter Season





Depressed Tanker Market throughout 2021

Average Crude Tanker Earnings

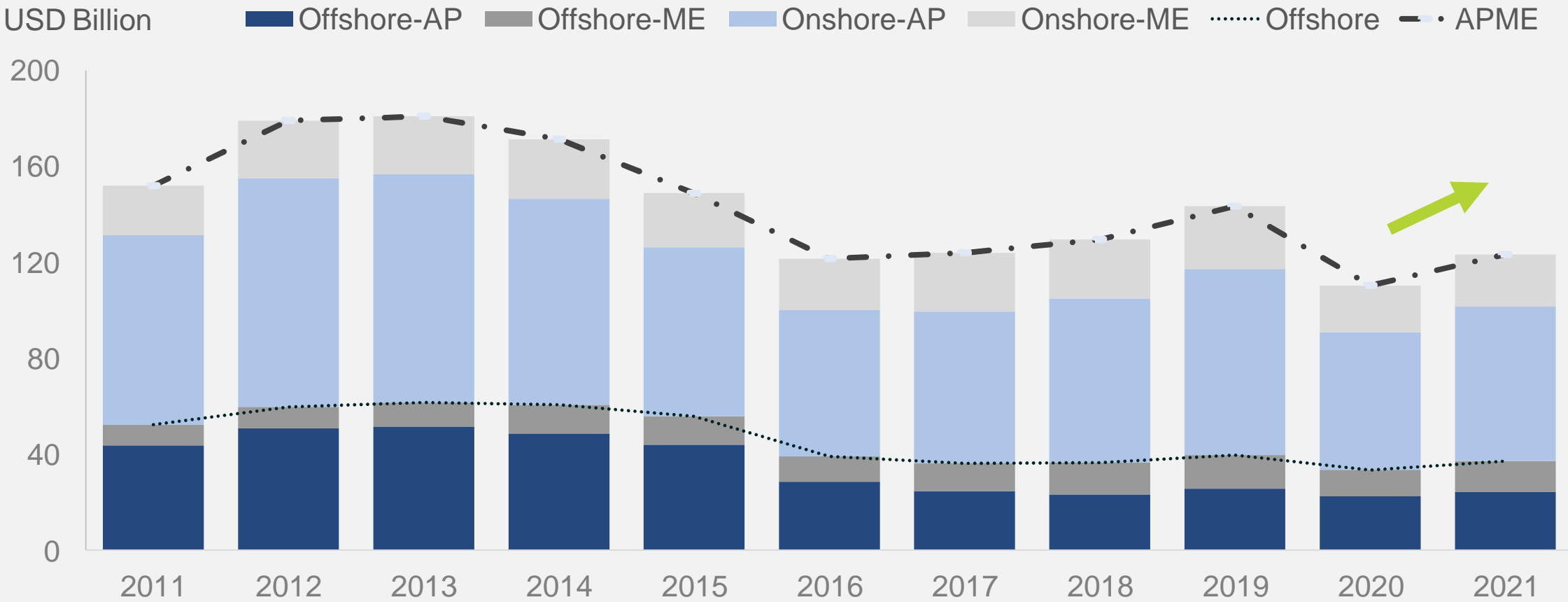


Source: Clarksons



Rebound in E&P Capex with Strengthened Oil Prices

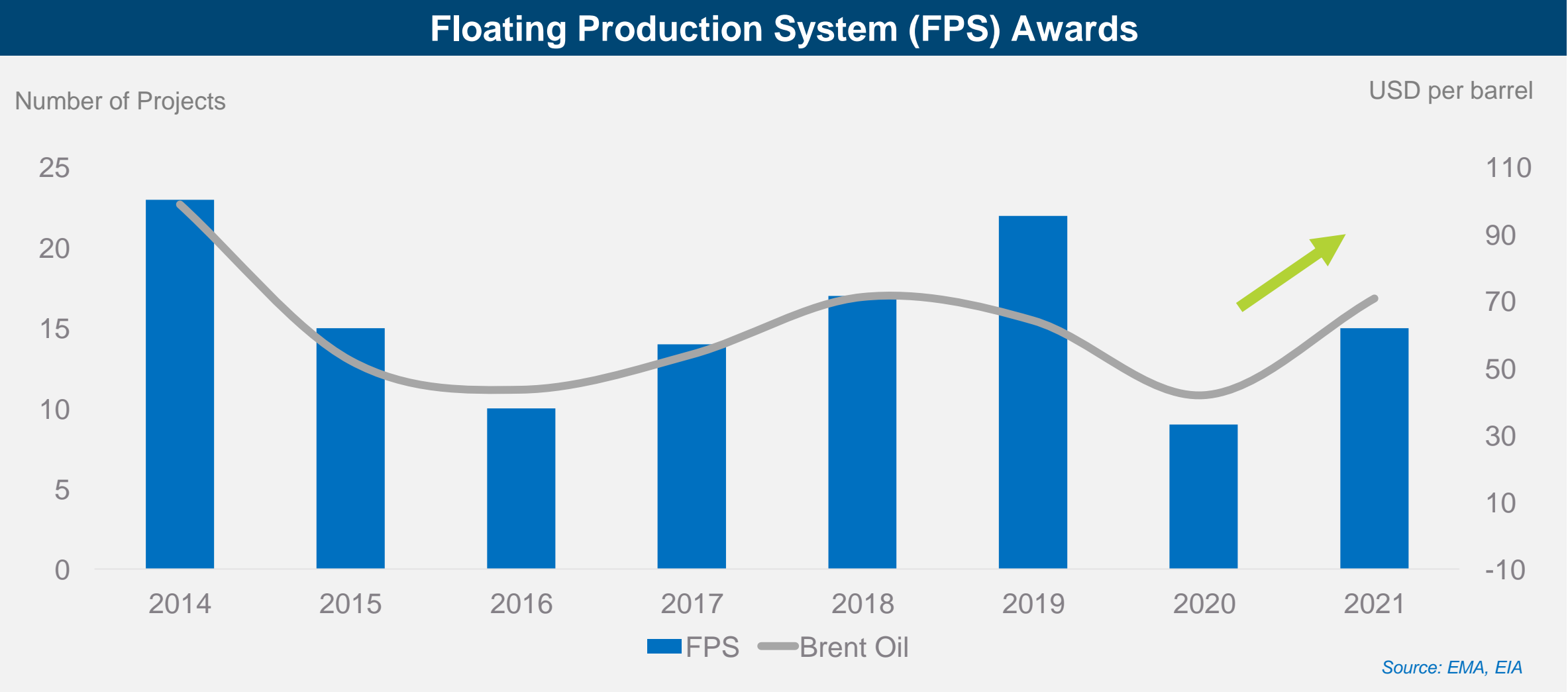
Asia Pacific (AP) & Middle East (ME) Exploration & Production (E&P) Capex Spending



Source: IHS Markit



The FPS Markets Improved in Tandem



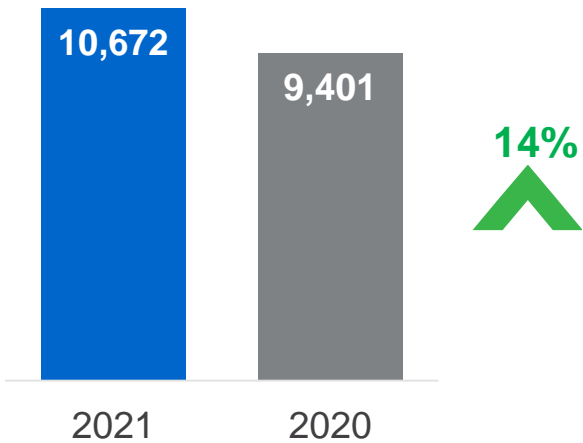


FINANCIAL HIGHLIGHTS

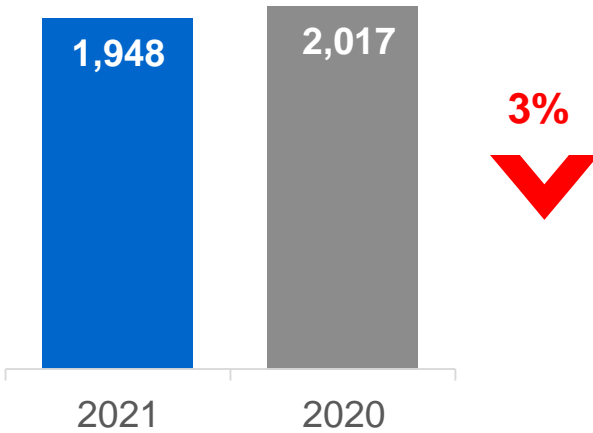


Robust Financial Results Despite Difficult Environment

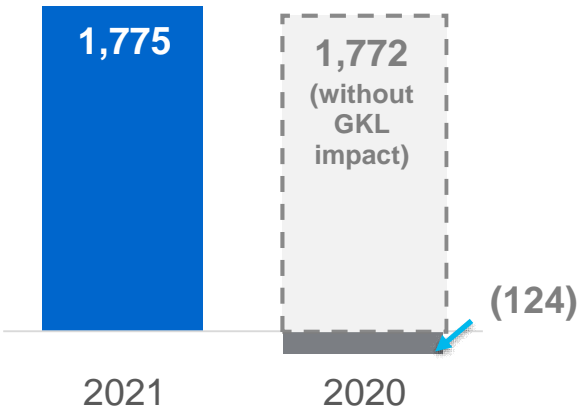
Revenue



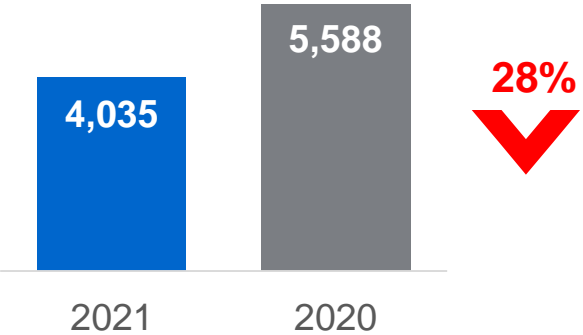
Operating Profit



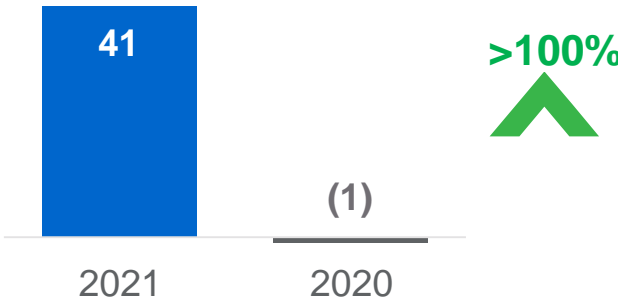
Profit/(Loss) Before Tax



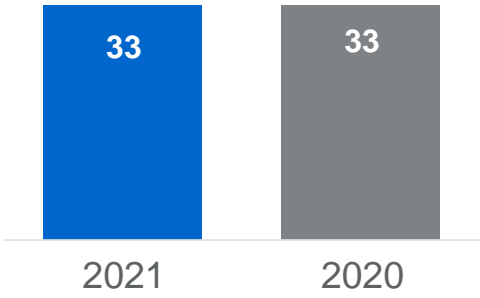
Cash Flows from Operating Activities



Earnings/(Loss) Per Share (Sen)

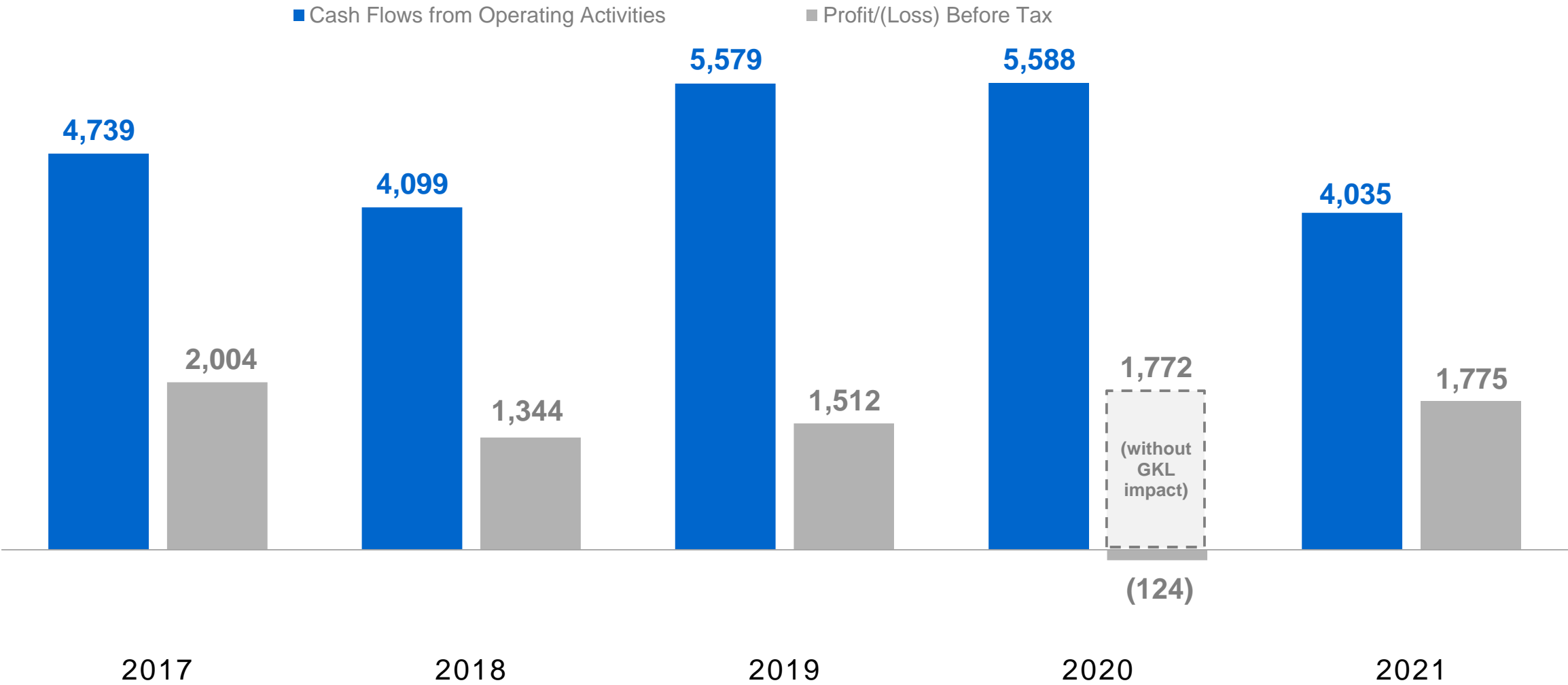


Dividends Per Share (Sen)





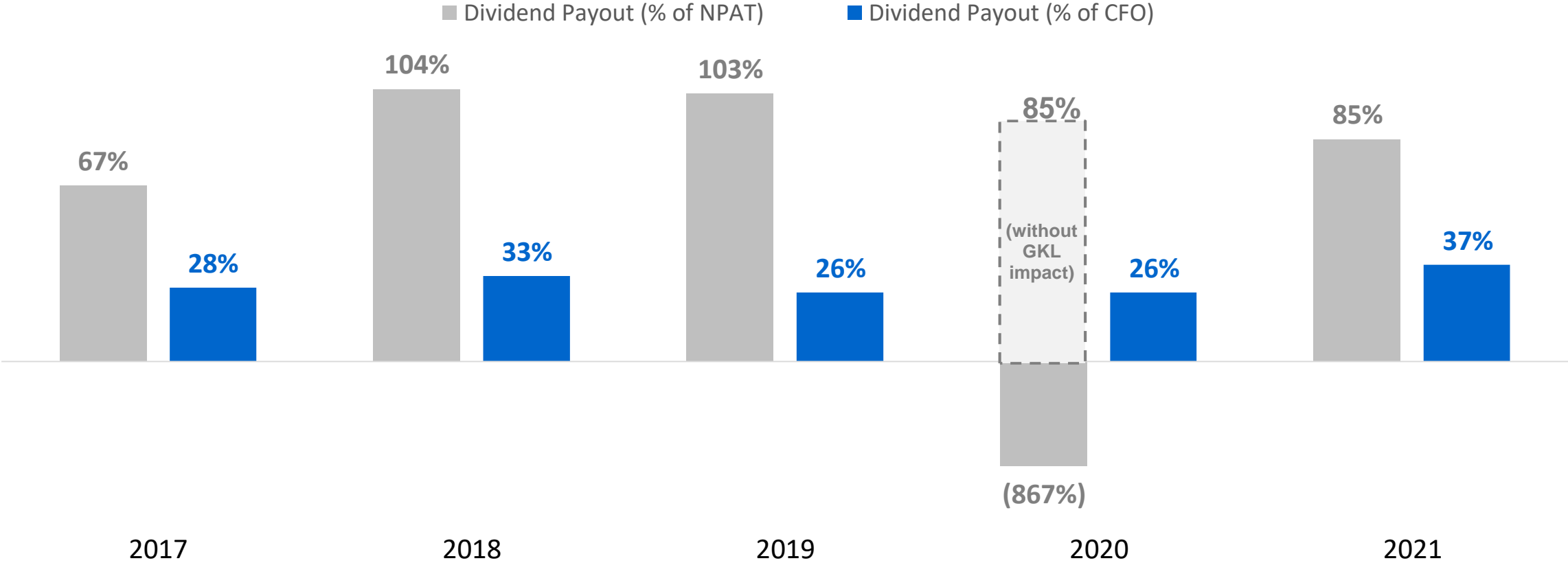
Cash Flows from Operating Activities





Sustainable Dividend

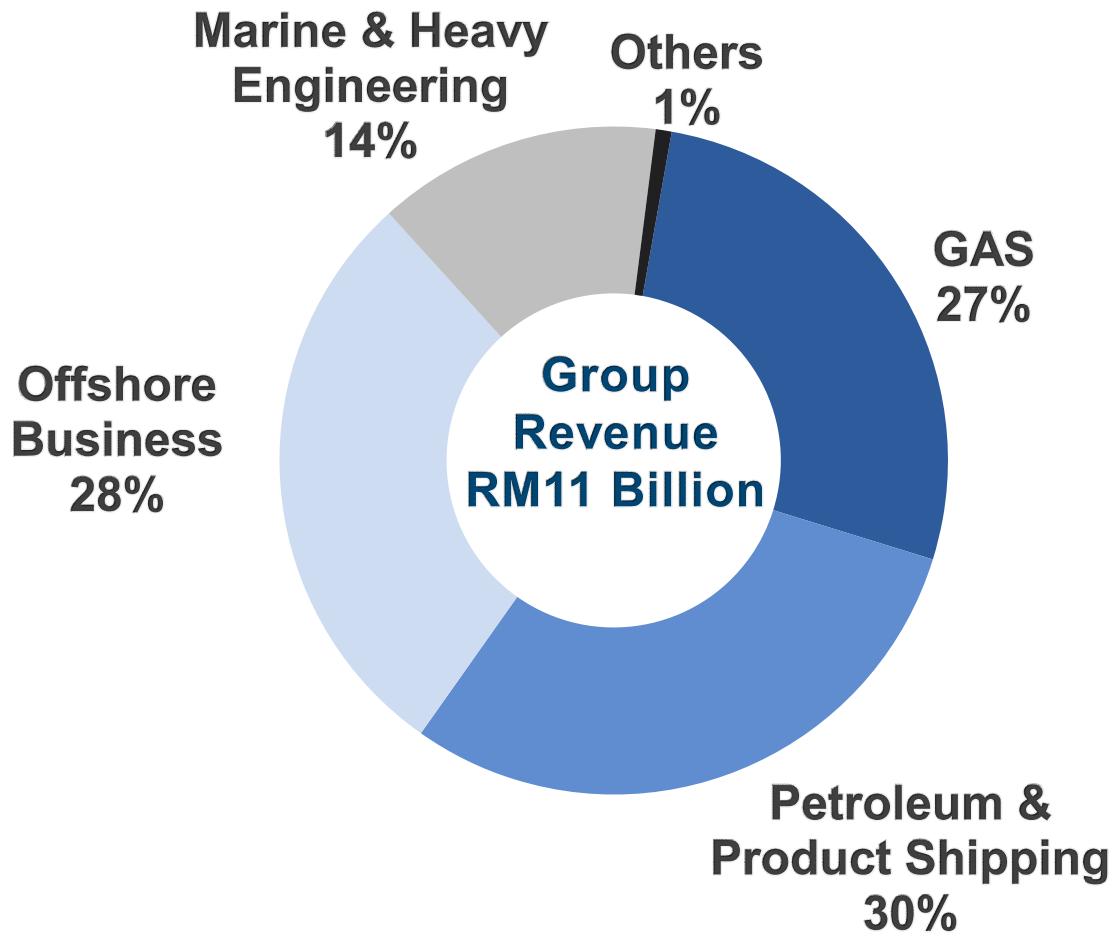
2017	2018	2019	2020	2021
30 sen	30 sen	33 sen	33 sen	33 sen



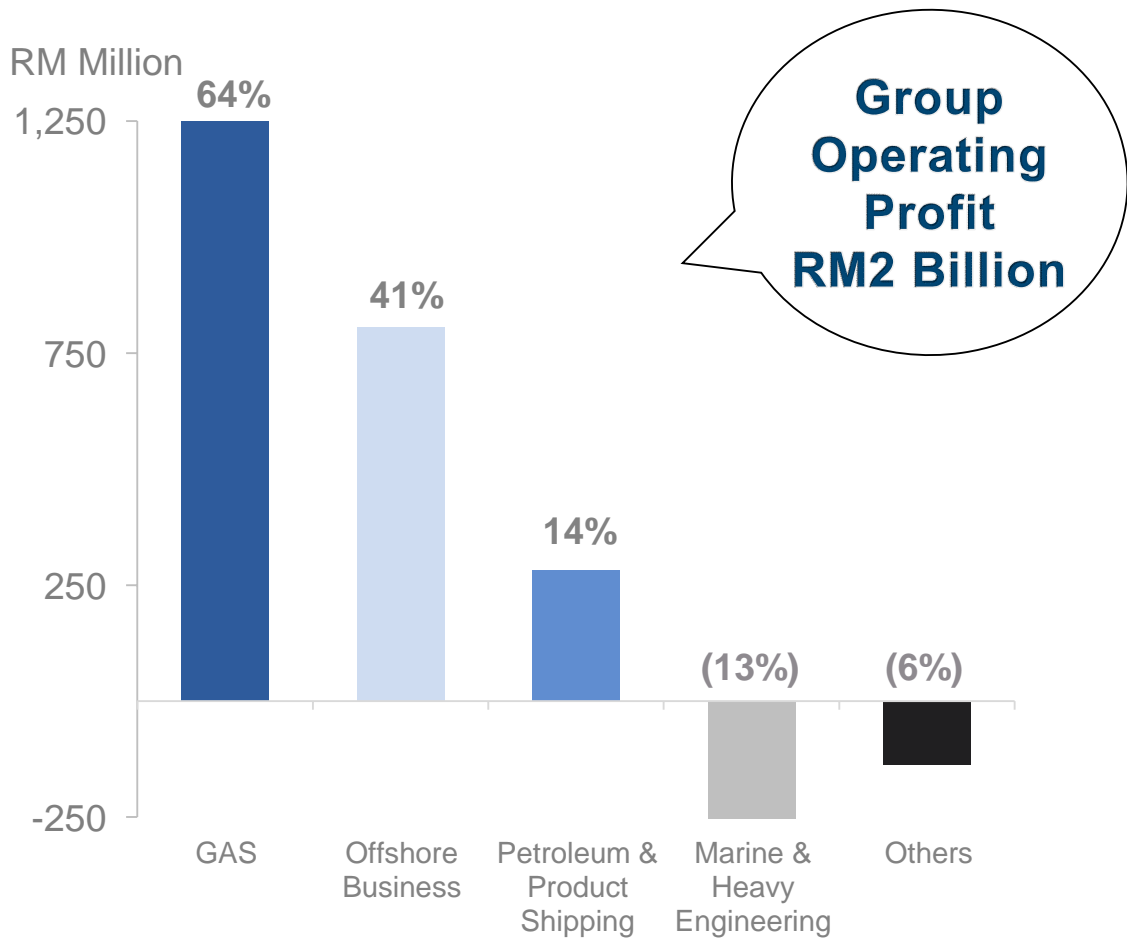


Profits from GAS, Petroleum & Product Shipping and Offshore Business

REVENUE BREAKDOWN



OPERATING PROFIT BREAKDOWN





Mixed Performances Across Industry Segments

Container ships and bulk carriers drive seven-fold surge in MOL profit

Russia's Sovcomflot reveals lower 2021 profit, but stays mum on sanctions

Nordic American Tankers cuts losses in half, pitches tanker recovery

Modec revises 2021 earnings downward... again

Japanese FPSO recognises additional costs associated with Brazil

Keppel's FY 2021 net profit surges to S\$1.02 billion, the highest in 6 years

Nakilat logs new profit record, topping 2020's all-time high

GasLog Partners profit dragged to loss by LNG write down of steamships asset values

Company focused on debt repayments and improving breakeven rates as older ships make their presence felt in finances

Sembcorp Posts Net Profit of S\$279 Million, Up 78% in FY2021

Euronav blames Omicron for delayed recovery as annual loss hits \$339m

Maersk delivers biggest-ever profit by a shipping company

Danish liner giant set to repeat 2021's blockbuster profit this year

Bumi Armada FY21 net profit soars to RM574mil, highest since listing

K Line profit soars on robust cargo demand

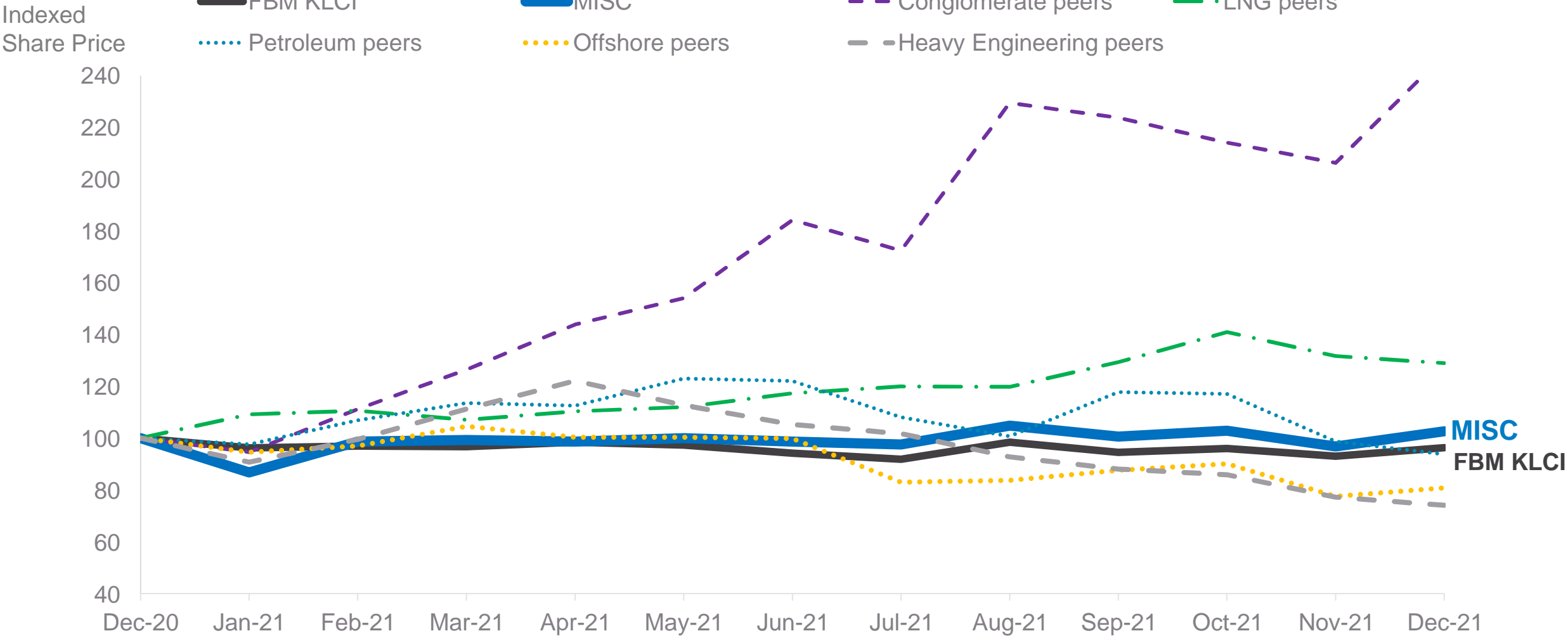


Mixed Performances Across Industry Segments

	REVENUE		NPAT	
	2020 (+/- %)	2021 (+/- %)	2020 (+/- %)	2021 (+/- %)
MISC Berhad	5% ▲	14% ▲	> - 100% ▼	>100% ▲
Conglomerate Peers	- 2% ▼	10% ▲	>100% ▲	>100% ▲
LNG Peers	- 1% ▼	5% ▲	85% ▲	>100% ▲
Petroleum Peers	19% ▲	- 47% ▼	>100% ▲	> - 100% ▼
Offshore Peers	23% ▲	19% ▲	- 50% ▼	81% ▲
Heavy Engineering Peers	- 9% ▼	2% ▲	> - 100% ▼	> - 100% ▼



Steady Share Price Throughout the Year



Note: Index is based on end of the month share price

Source: Bloomberg



CORPORATE MILESTONES AND ACHIEVEMENTS IN 2021



Focused Delivery Across the Value Chain



GAS ASSETS & SOLUTIONS

- Took delivery of remaining 5 VLECs and 2 LNGCs co-owned with JV partners
- Signed an MOU with Wison Group to develop and commercialise LNG-to-Power (L2P) solutions, focusing on floating storage regassification power



PETROLEUM & PRODUCT SHIPPING

- Continued providing greener shipping solutions through securing long-term charter contracts for 3 newbuild LNG dual-fuel VLCCs; one of the world's first dual-fuel VLCCs
- Winner of the Singapore Registry of Ships (SRS) Ship Owner of the Year Award 2021 for commitment and contribution to the maritime ecosystem



OFFSHORE BUSINESS

- Secured contract extensions for 4 assets – *FPSO Kikeh*, *FPSO Ruby II*, *FSO Puteri Dulang* and *FPSO Bunga Kertas*
- Obtained Malaysian Society for Occupational Health & Safety (MSOSH) Gold Class 1 Award for *FSO Orkid*



MARINE & HEAVY ENGINEERING

- Secured EPCIC contract SK408W Jerun Development Project
- Largest rooftop solar installation in a single compound within Malaysia
- Marine segment secured 43 new clients, 9 of which are new gas-related clients



Focused Delivery Across the Value Chain (cont'd)



INTEGRATED MARINE SERVICES

- Transition to an agency-based business model and becoming a full-fledged third party shipmanager
- Awarded Gold Merit Award under Logistics and Transportations Sectors by MSOSH
- Signed Neptune Declaration on Seafarer Wellbeing and Crew Change to demonstrate commitment to seafarer wellbeing during COVID-19



PORT MANAGEMENT & MARITIME SERVICES

- Awarded Occupational Safety and Health Gold Merit Award by MSOSH
- Recognised as a member of the Principal Committee and Offshore Expert Group in the Oil Companies International Marine Forum (OCIMF)



MARITIME EDUCATION & TRAINING

- Conducted Malaysia's first hybrid Standards of Training, Certification and Watchkeeping for Seafarers (STCW) courses
- Awarded Occupational Safety and Health Gold Merit Award under Educational Sectors, Petroleum, Gas, Petrochemical and Allied Sectors by MSOSH



Industry Recognition for Our Achievements

AWARDS & RECOGNITIONS

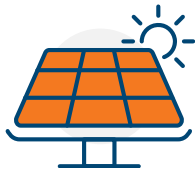


SUSTAINABLE BUSINESS AWARDS (SBA) MALAYSIA

Winner of:

- Waste Productivity & Materiality
- Climate Change & Emissions
- Land Use & Biodiversity

Significant Achievement award recognition for Stakeholder Management



LARGEST ROOFTOP SOLAR INSTALLATION IN A SINGLE COMPOUND WITHIN MALAYSIA

MHB yard, Pasir Gudang



CHAMBER OF SHIPPING OF AMERICA (CSA)

- Jones F. Devlin Award for Safety for 48 vessels
- Environmental Achievement Award for 50 vessels



SINGAPORE INTERNATIONAL MARITIME AWARDS (IMA)

Singapore Registry of Ships (SRS)
Ship Owner of the Year
Award won by AET



GREEN AWARD FOUNDATION

Certification awarded to AET for Eagle Bintulu



MSOSH OCCUPATIONAL SAFETY AND HEALTH AWARDS

- Four Gold Merit awards
- One Gold Class 1 awards



DOW JONES SUSTAINABILITY EMERGING MARKETS INDEX

Inaugural inclusion
(The only Malaysian transportation sector company listed)



FTSE4GOOD BURSA MALAYSIA INDEX

8 consecutive years

CONSTITUENT OF

SIGNATORY OF



THE NEPTUNE DECLARATION ON SEAFARER WELLBEING & CREW CHANGE

MISC Berhad, AET & Eaglestar



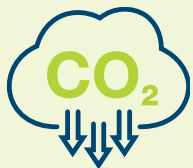
BRITISH MALAYSIAN CHAMBER OF COMMERCE (BMCC) CLIMATE ACTION PLEDGE

MISC Group



Successfully Combining Commercial Viability and ESG Priorities

ENVIRONMENT¹



15% reduction of GHG intensity compared to 2008

- ✓ High-spec LNG dual-fuel vessels
- ✓ The Castor Initiative - Deep-sea Ammonia-fueled zero-carbon emission vessels by 2024
- ✓ No Major Spills since 2013
- ✓ Strongly supporting economic, environmental and social charter principles

SOCIAL

Recognized Health & Safety Standards



Gold Merit Awards

Diverse & Inclusive Work Environment

Female Board Members

33%

Female Employees (Onshore)

25%

Diverse Nationalities

47

Community Investment



Marine Biodiversity Conservation Programmes



GOVERNANCE

Sustainability Framework

- ✓ 5 Sustainability Pillars – Financial & Non-Financial (ESG) Strategic Priorities
- ✓ Supports 11 of 17 UN Sustainable Development Goals

Robust Code of Conduct & Business Ethics and Standards

- ✓ Code of Conduct & Business Ethics, Anti Bribery & Corruption Manual, Whistleblowing & No Gift Policy
- ✓ Procedures to ensure absence of modern slavery
- ✓ Responsible Supply Chain

Strong Sustainability Ratings



SUSTAINALYTICS

18.8 Low Risk



Achieved

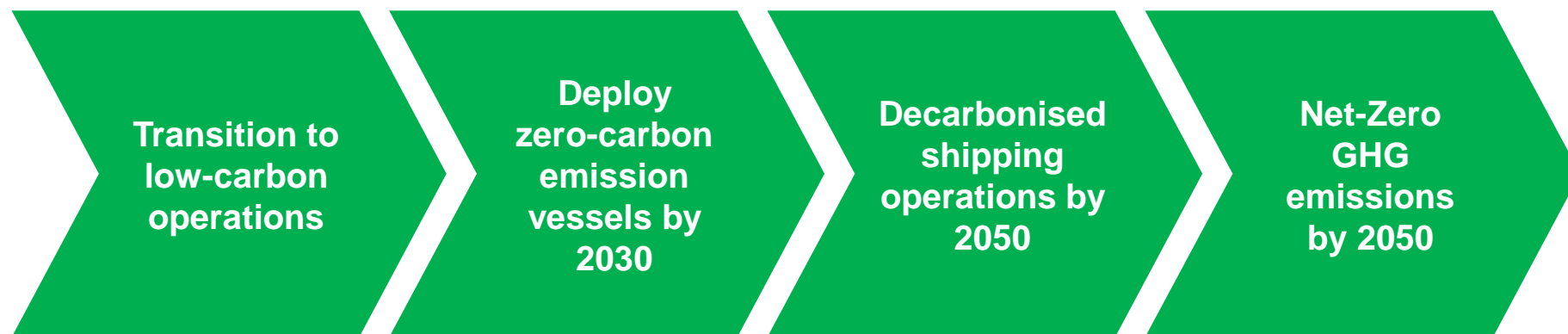
FULL SCORE

In FTSE4Good Bursa Malaysia
(Governance Theme)
3 Consecutive Years



Net-Zero GHG Commitment

MISC Group is committed to achieving net-zero GHG emissions by 2050



Our Pathway Towards Decarbonisation

- Converting our fleet and ensuring newbuilds are zero-carbon emissions from 2030 or sooner if possible
- Retrofitting carbon removal technologies on low methane slip, LNG dual-fuel vessels
- Use of renewable energy on our vessels, offshore assets and land operations
- Deploying digital energy-efficient technologies and increasing operational efficiencies



MISC 2050

MISC 2050

FUTURE MADE POSSIBLE

Strategic roadmap to reimagine the economic and social role of MISC come the year 2050

To identify new business opportunities and build new income streams to be added to our business portfolio mix by capitalising on energy transition opportunities



Opportunity Area – Pillar 1

Renewable Energy Value Chain



Opportunity Area – Pillar 2

Waste-to-Value Chain

We will leverage on our capabilities and focus our ideas within:

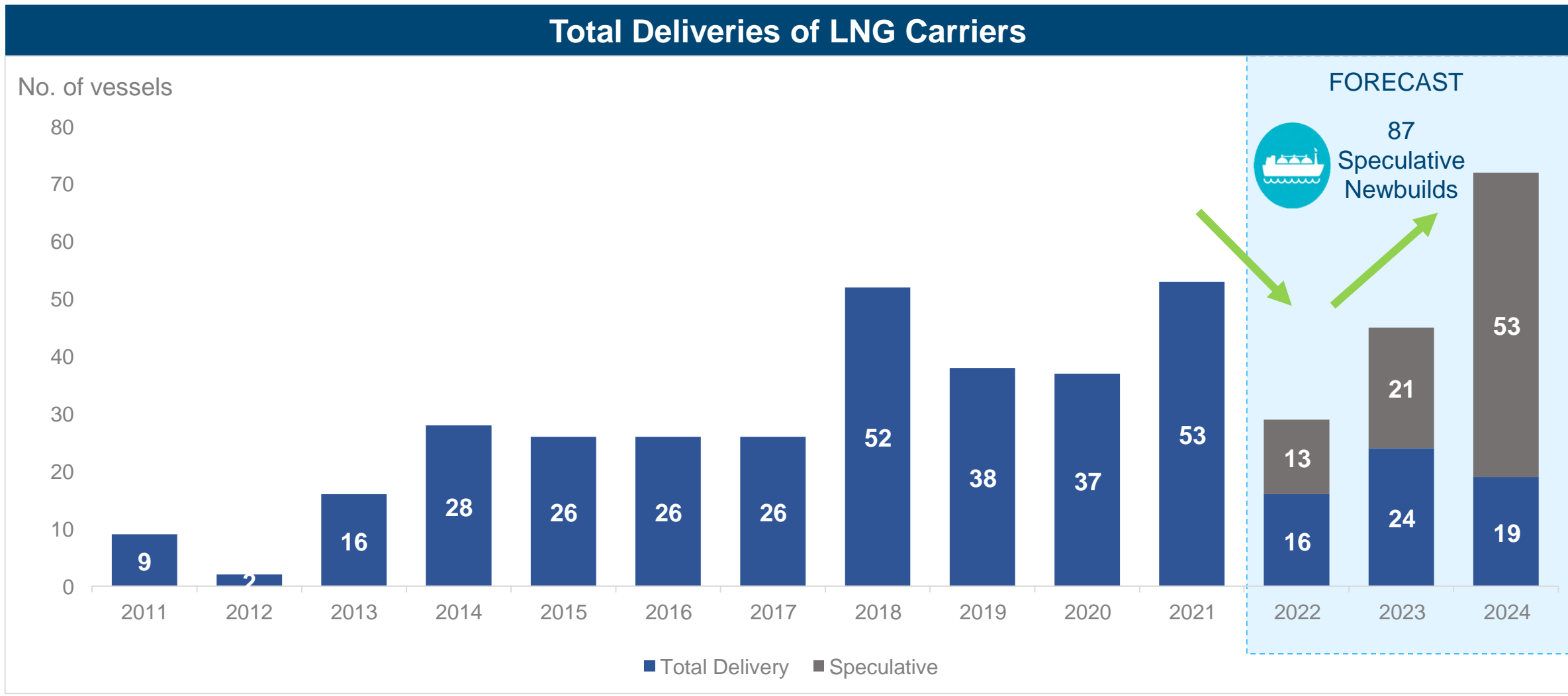
- maritime-based and asset leasing business model
- repurposing existing maritime assets in the industry
- expanding our present skill sets by reskilling and retooling our people



EXPECTATIONS FOR 2022



Lower Deliveries of LNG Newbuilds in 2022

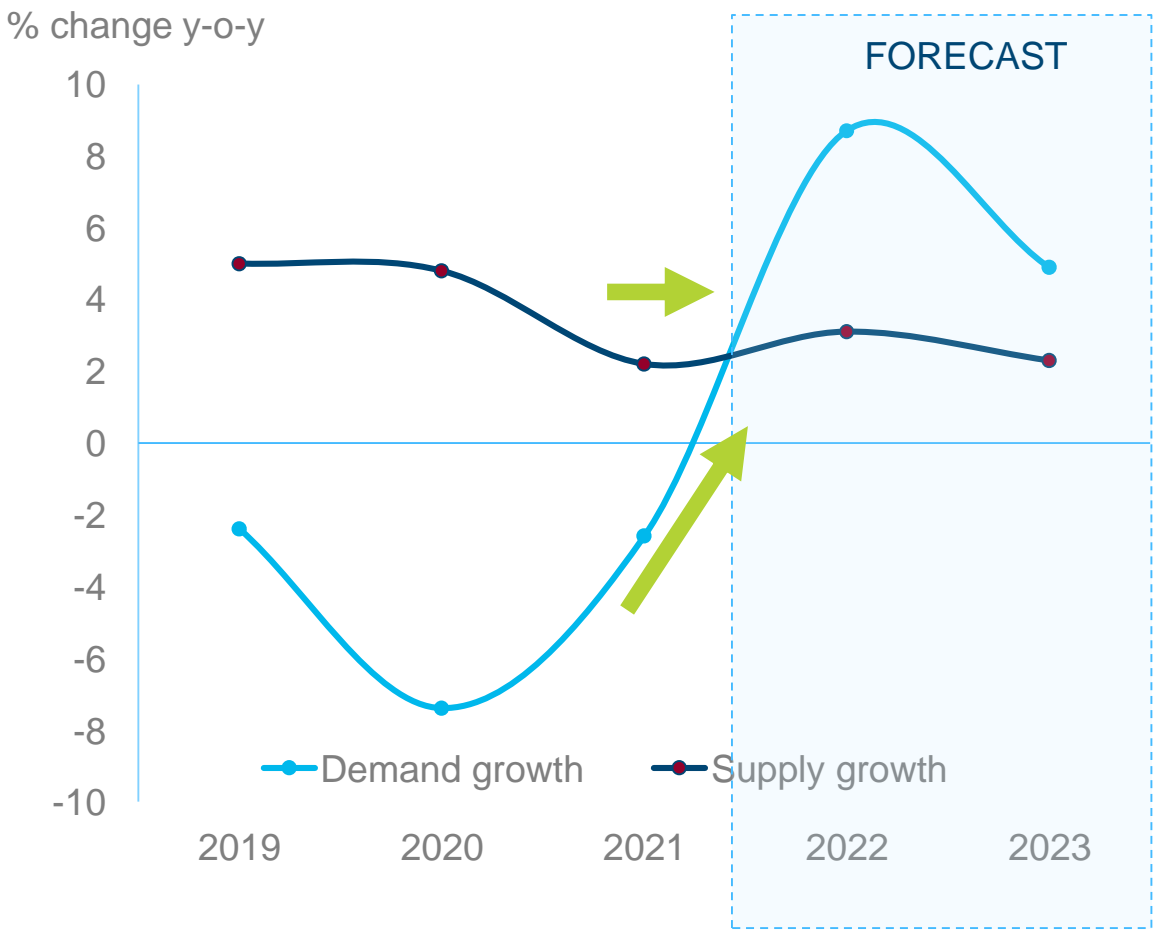


Source: LNG Shipping Database, Wood Mackenzie



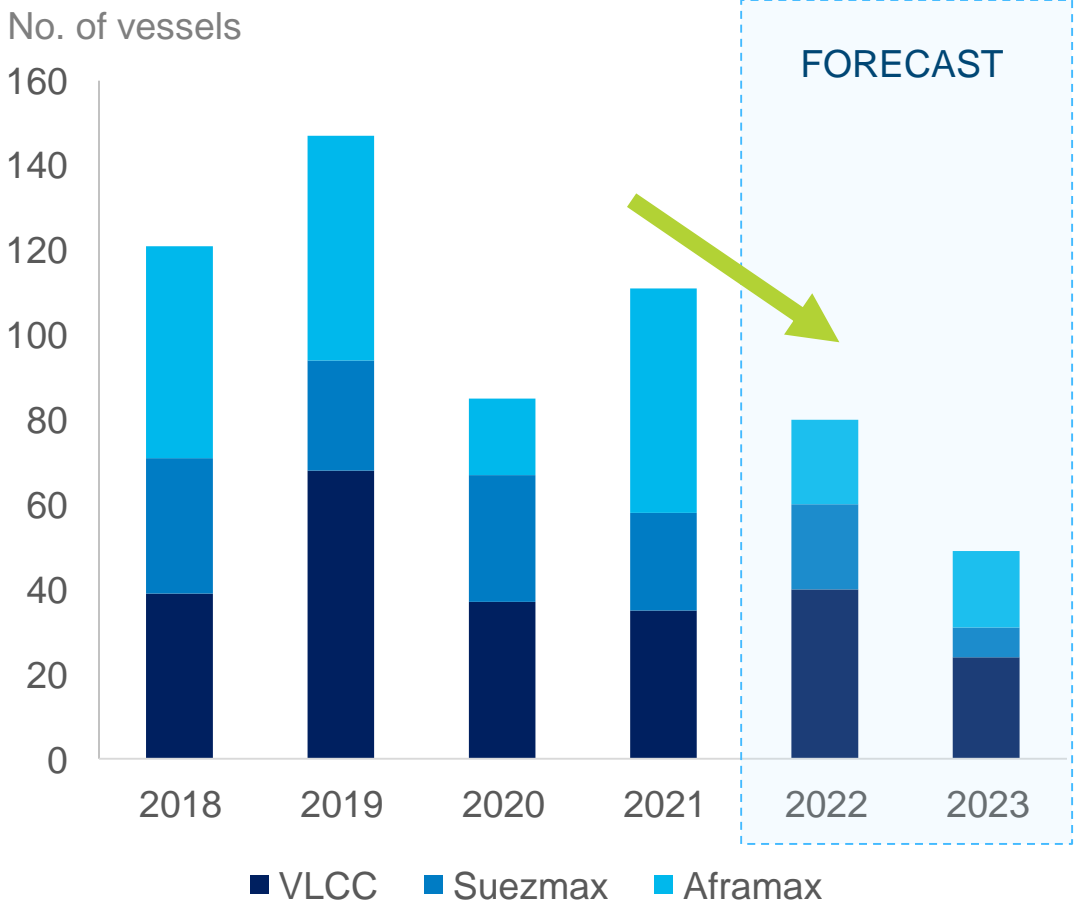
Petroleum Fleet Growth to Remain Subdued in 2022

Tanker Demand and Supply Growth in %



Source: Clarksons

Tanker Deliveries by Segment

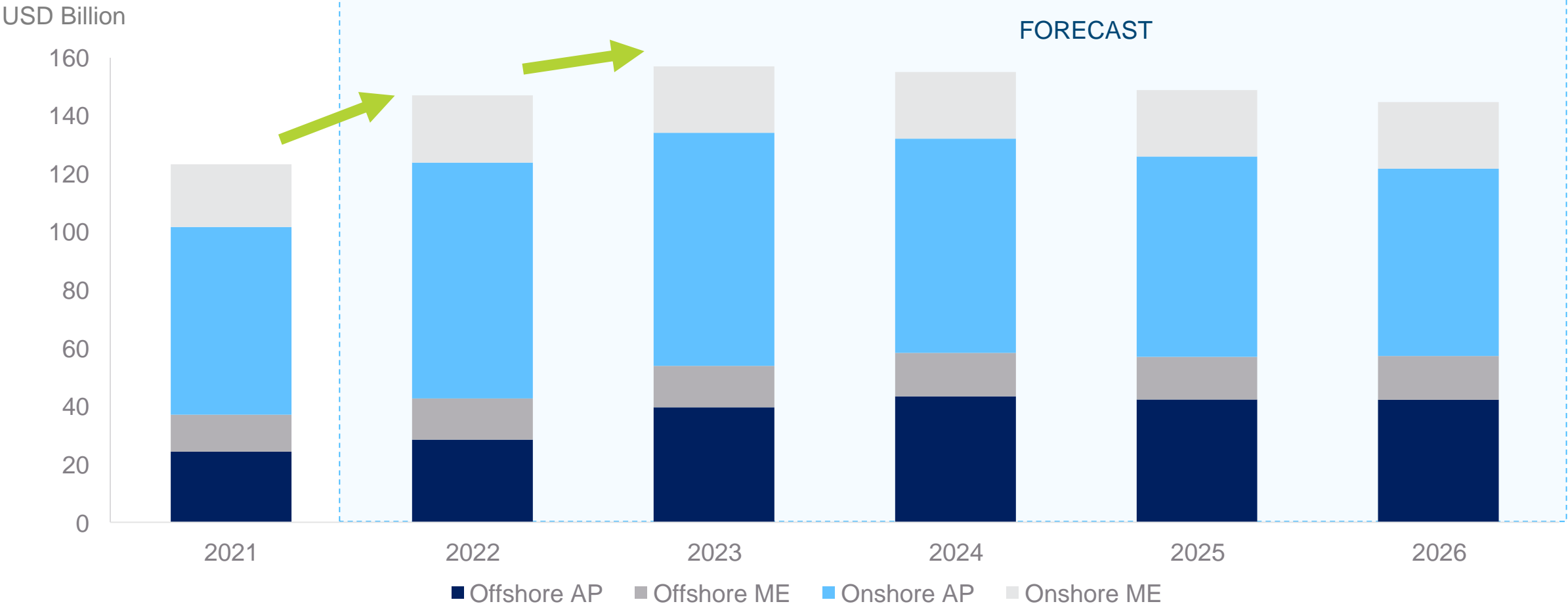


Source: Clarksons / Drewry



Upstream CAPEX Spending to Continue Rising in 2022

Asia Pacific (AP) and Middle East (ME) E&P CAPEX Spending

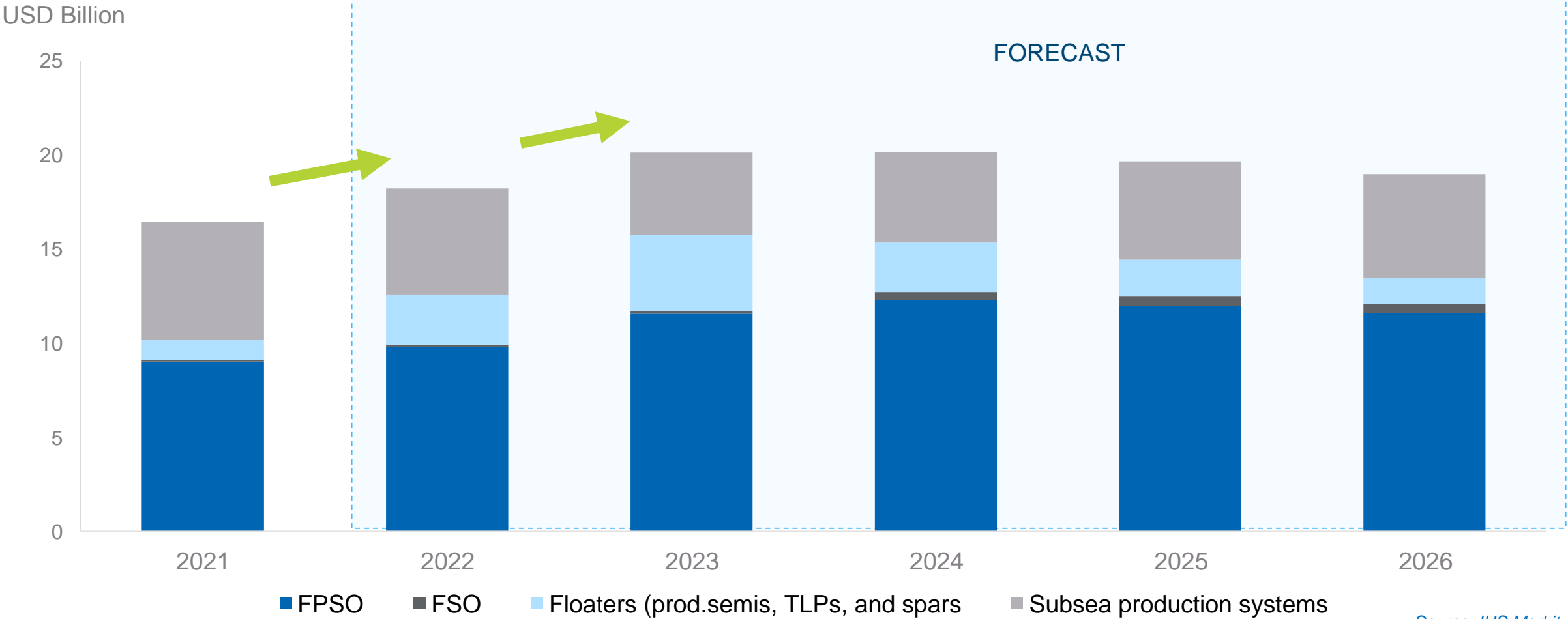


Source: IHS Markit



FPS Awards to Remain High in Line with Increasing Oil Prices

Floating Production System (FPS) Awards



Source: IHS Markit



Priorities for 2022

- Focused execution of the construction/conversion of the Mero 3 project which is facing pressure from cost escalation and delay due to the problematic global supply chain
- Ensure the successful delivery of 6 DPSTs into service and therefore growing the list of cash generating assets of the Group
- Launch of MISC's corporate bond programme and subsequent issue
- Accelerate the commercialization success of 3 maritime-based digital start ups by the MISC Group
- Implementation of various internal transformation programmes that form the digital backbone of the Group

THANK YOU

eaglestar

mms



www.misc.com.my

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