

ANALYST BRIEFING
Q4 2024 Financial Results
21 February 2025

DISCLAIMER

This Presentation is not intended to form the basis of any investment decision with respect to MISC Berhad (MISC) and shall not form the basis of or be relied upon in connection with any contract or commitment whatsoever.

No representation or warranty, express or implied, is or will be made by MISC in relation to the accuracy and completeness of the information made available and any liability therefore is expressly disclaimed.

Although MISC believes that the expectations of its management as reflected by forward-looking statements contained in this Presentation are reasonable based on information currently available to it, no assurances can be given that such expectations will materialize as these are dependent on risks, uncertainties and other factors which in many cases are beyond MISC's control.

This Presentation and its contents are strictly confidential and must not be reproduced or disclosed without the prior written consent of MISC.

Q4 2024 HIGHLIGHTS



Q4 2024 Key Highlights

Navigating short-term challenges, delivering progress with strategic investments for long-term growth



Revenue



Loss After Tax



Profit After Tax*



Adjusted CFO**



Dividend Declared



Environment Pillar

USD 753 Million
12% increase QoQ
18% decrease YoY

USD 91 Million
>100% decrease QoQ
>100% decrease YoY

USD 71 Million
15% decrease QoQ
53% decrease YoY

USD 460 Million
59% increase QoQ
6% increase YoY

USD 118 Million
37% increase QoQ
6% decrease YoY

5.25 gCO₂e/ton-nm in GHG intensity
<1% increase in emission QoQ
12% reduction in emission YoY



FPSO Marechal Duque de Caxias achieved First Oil & Final Acceptance



Completed the acquisition of SBM's 49% equity in **FPSO Kikeh** and divestment of MISC's 49% equity in **FPSO Espirito Santo**



Signed long-term TCP with **PETRONAS LNG Sdn Bhd** for two newbuild LNG Carriers



MOU with **Gentari Hydrogen Sdn. Bhd.** to develop integrated shipping and floating solutions for clean ammonia

Note: QoQ represents Q4 2024 against Q3 2024
YoY represents Q4 2024 against Q4 2023

* Excluding one-off impairment provisions
** Adjusted Cash Flow from Operations

A Look Back at 2024

Delivering consistent returns to our shareholders



Excellence, Awards & Other Recognitions



MISC Group won seven awards for safety excellence at MSOSH 2024



MISC won Silver Award in Sustainable Ecosystems (Large Companies) at The Star ESG Awards 2023



MISC received Industry Excellence Award under Transportation & Logistics and Malaysia's Top 25 Overall Excellence Award



Eagle Veracruz and Eagle Ventura were awarded Green Ship status



AET were awarded the Tanker Operator of the Year Award



AET won two awards for Best Sustainability-Linked Financing under the categories of Best in Sustainable Finance Deals and Best Deals by Country (Singapore)



AET won Islamic Finance Deal of the Year - Singapore for its USD 100 million sustainability-linked Islamic revolving credit facility with Maybank



AET awarded with Jones F. Devlin Safety Award for 47 vessels and Environmental Achievement Award for 49 vessels

[Open]

Key Achievements in 2024

Our ongoing #deliveringProgress journey



AET delivered a third VLCC, *Eagle Veracruz* to Shell



Signed long-term Time Charter Parties (TCP) with QatarEnergy for three newbuild LNG Carriers



AET signed TCP with PETCO Trading Labuan Company Ltd for the world's first two ammonia dual-fuel Aframaxes



MHB secured second offshore wind project to build OSS HVDC Platform in support of TenneT's 2GW Programme



MHB signs MoU with HD Hyundai Marine Solution to accelerate Maritime Decarbonisation Efforts



MHB secures Subcontract Award from Uzma for conversion works of a Mobile Offshore Drilling Unit into a Mobile Water Injection Facility



MoU with Singapore Maritime Foundation to nurture future maritime talent through scholarships and internships



MMASB and Maldives State Shipping signed an MoU to enhance maritime education and drive innovation through collaborative research

FINANCIAL PERFORMANCE

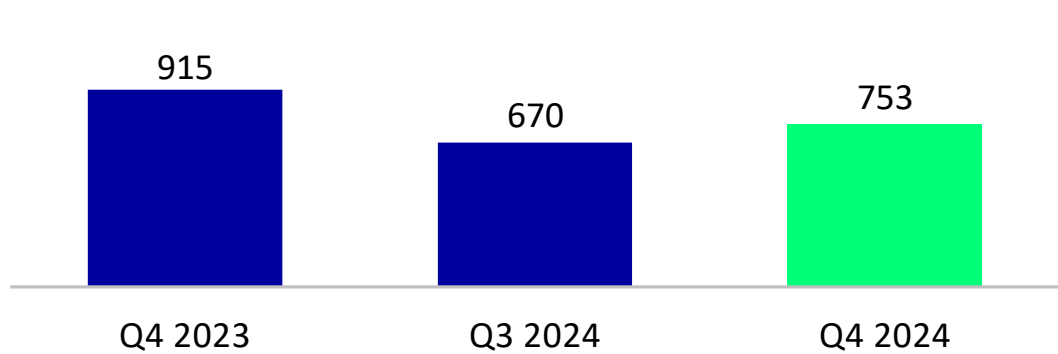


Q4 2024 Financial Highlights



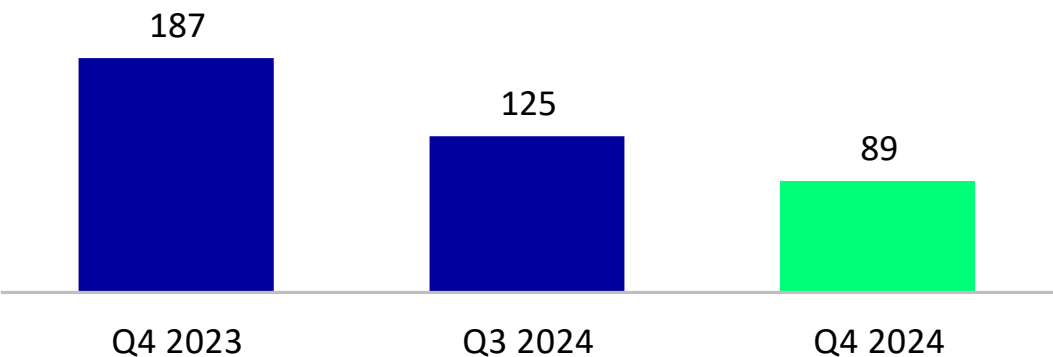
Loss after tax in Q4 2024 vs Q4 2023 was primarily due to lower operating profit and higher impairment provisions

REVENUE



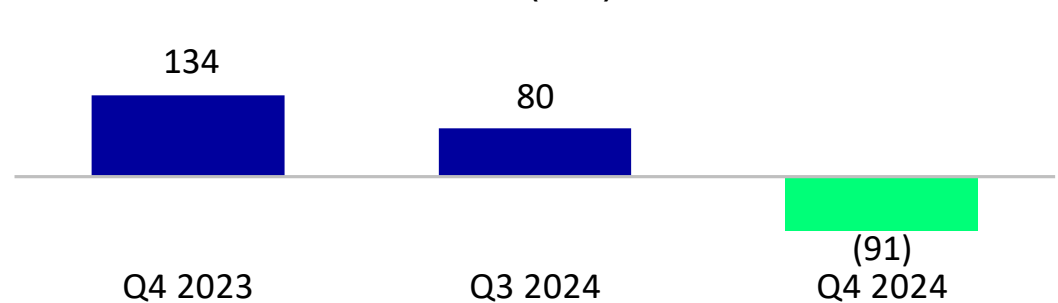
Lower revenue in Q4 2024 against Q4 2023 from lower construction revenue for FPSO MDdC in Offshore Business segment, coupled with lower revenue from on-going Heavy Engineering projects as several projects nearing completion.

OPERATING PROFIT



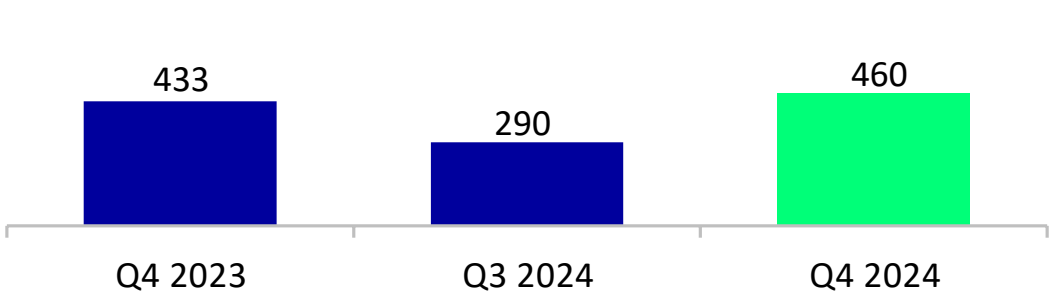
Lower operating profit in Q4 2024 against Q4 2023 attributed by the operating loss in Offshore Business due to lower construction profit for FPSO MDdC as well as higher cost provisions relating to an asset, coupled with higher operating costs in Gas Assets and Solutions segment.

PAT/(LAT)



LAT in Q4 2024 against PAT in Q4 2023 due to by higher impairment provisions and lower operating profit.

CASH FLOWS FROM OPERATIONS**



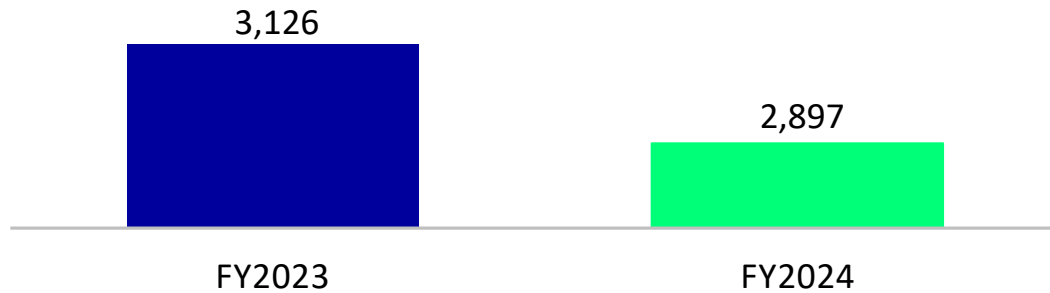
CFFO in Q4 2024 is comparable against Q4 2023.

FY2024 Financial Highlights

Lower profit after tax in FY2024 in line with lower operating profit, coupled with higher impairment provisions

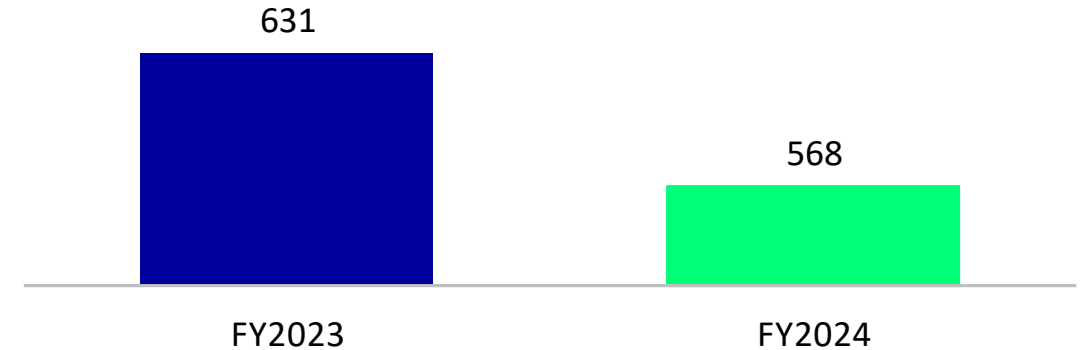


REVENUE



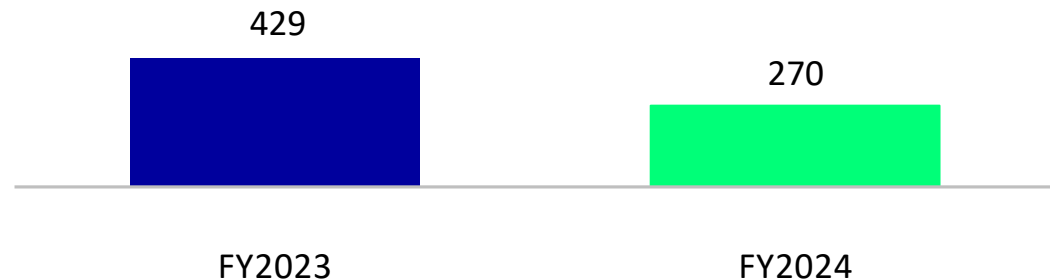
Lower revenue in FY2024 against FY2023 due to lower construction revenue for FPSO MDdC in Offshore Business segment.

OPERATING PROFIT



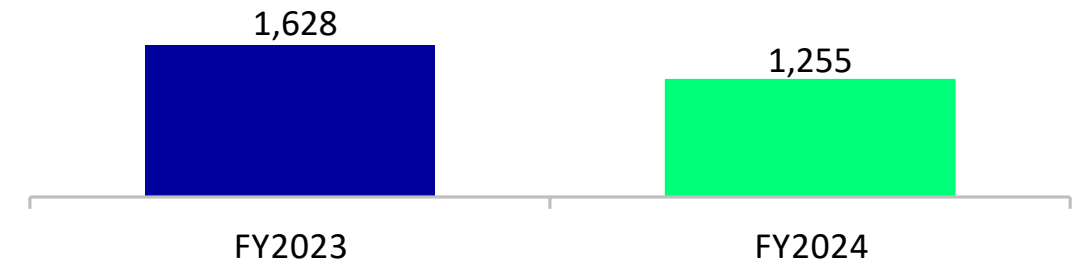
Operating profit decreased from FY2023 due to lower FPSO MDdC construction profit, higher cost provisions in the Offshore Business, and reduced earnings in the Gas Assets and Solutions segment from lesser earning days, lower charter rates, and higher operating costs. This was partially offset by higher margins in Petroleum & Product Shipping, coupled with recognition of cost recovery claims and better cost discipline in Marine & Heavy Engineering.

PAT



Lower PAT in FY2024 as compared to FY2023 in line with lower operating profit, coupled with higher impairment provisions.

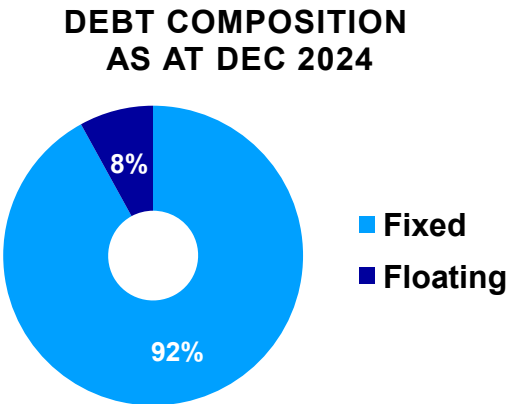
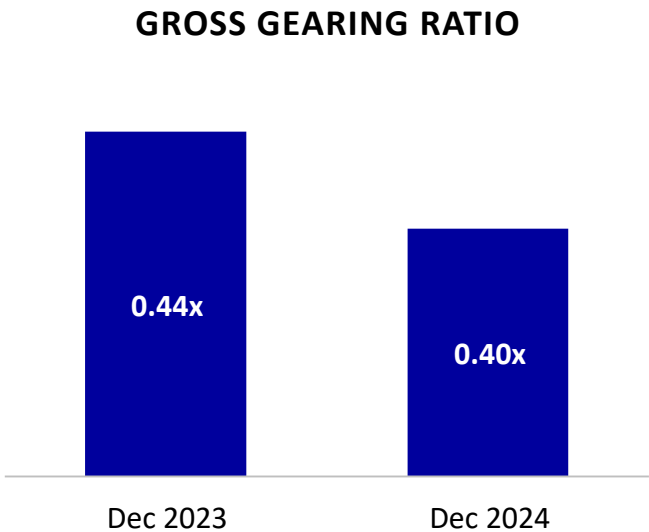
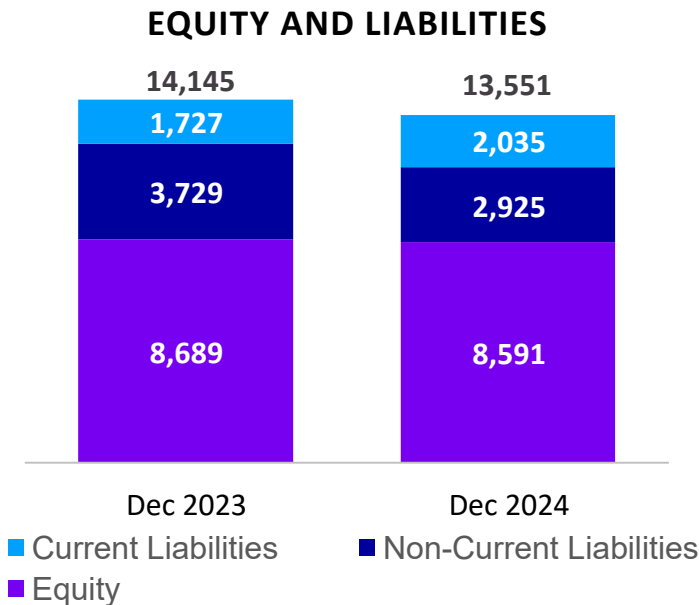
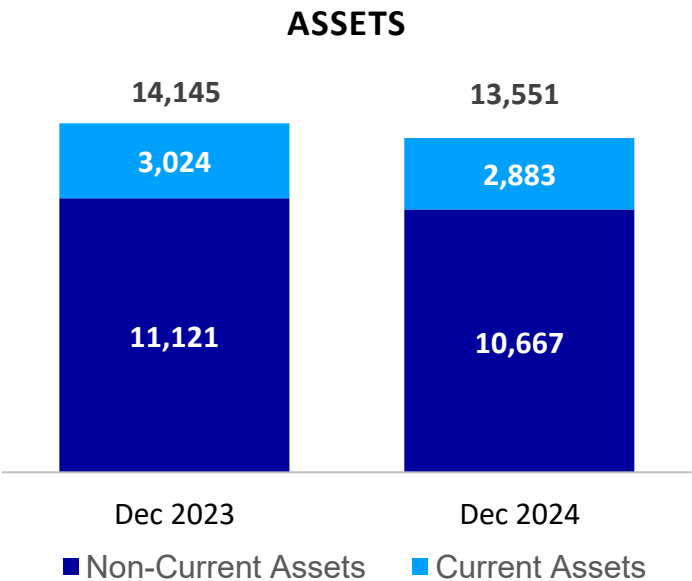
CASH FLOWS FROM OPERATIONS**



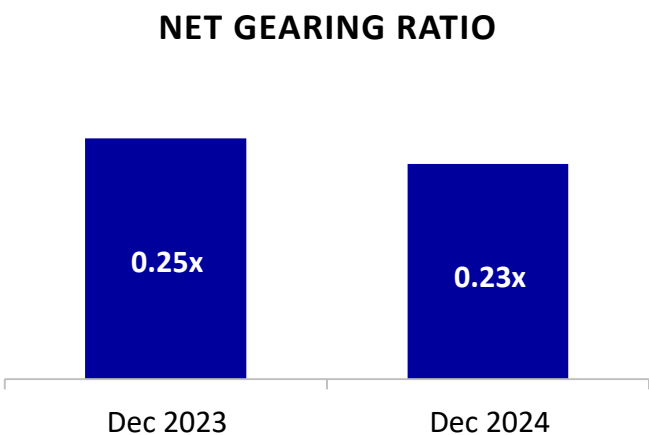
CFFO in FY2024 was lower against FY2023 due to higher payments made to creditors, coupled with the one-off FSU prepayment received from charterer in FY2023.

Balance Sheet & Gearing

Stable Balance Sheet and prudent risk management

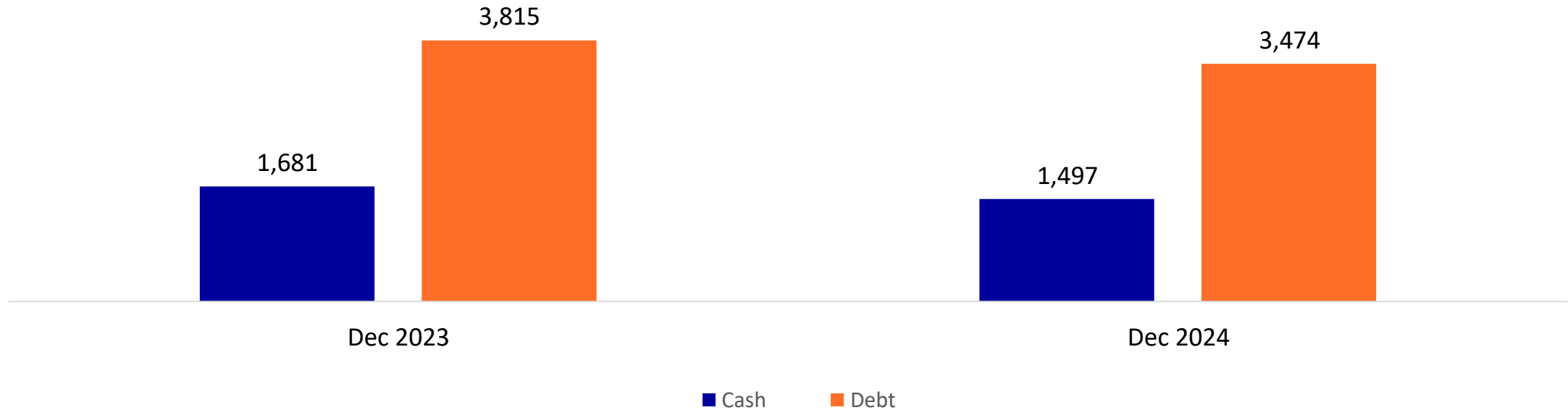


- The Group's balance sheet remains stable while the composition of fixed-rate debt recorded marginal movement compared to December 2023 (90% fixed, 10% floating).
- Gearing ratio reduced in line with lower debt balances due to higher repayments in the year.



Cash and Debt Balances

Lower cash and debt positions



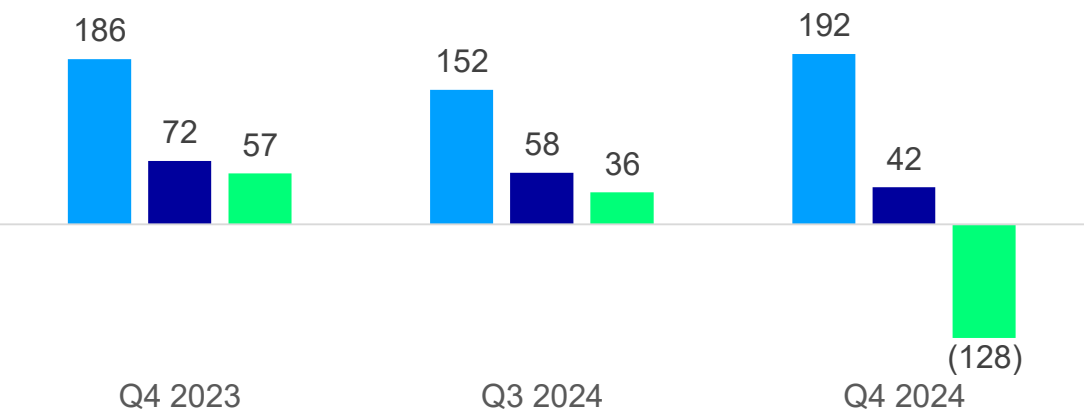
- ❖ Lower cash balances as at December 2024 due to higher payment to creditors, on top of higher net repayments of loan and borrowings, partly offsetting the lower payment of capex in the year.
- ❖ Debt balances as at December 2024 was lower against December 2023 following higher net repayments of loans and borrowings during the year.

Q4 2024 Financial Performance by Business Segments

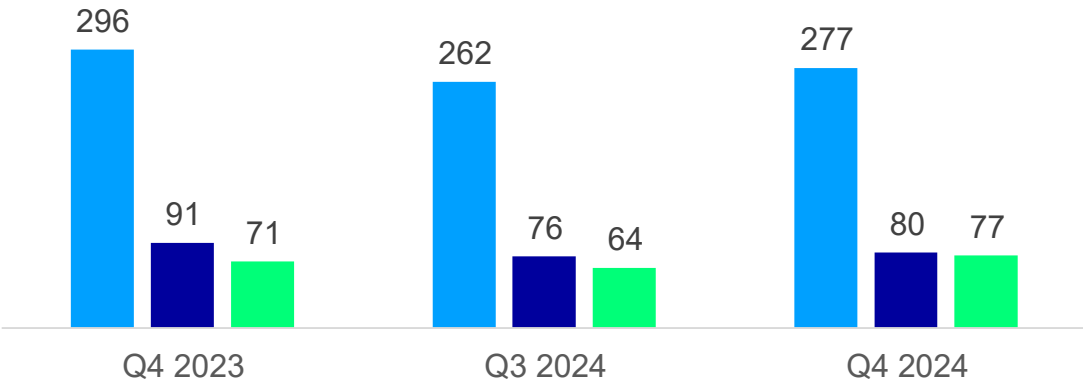
Group loss after tax in Q4 2024 attributable to the operating loss in Offshore Business and impairment provisions in GAS Assets and Solutions segments



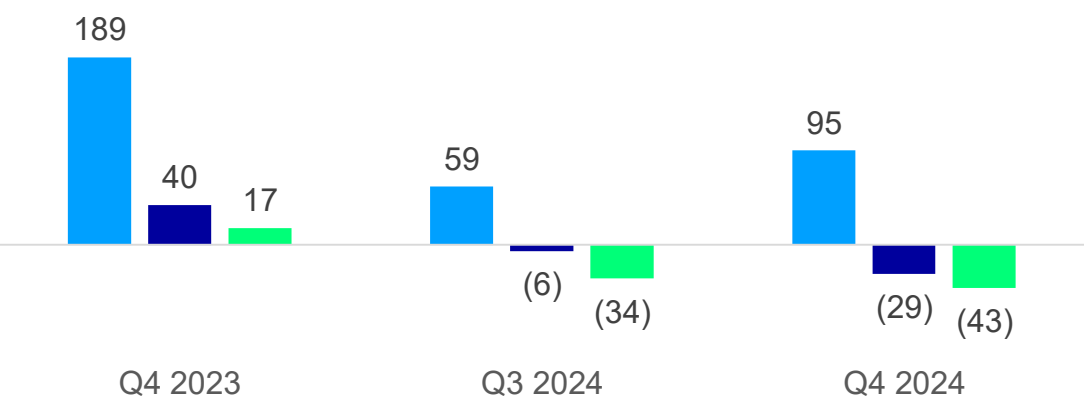
GAS



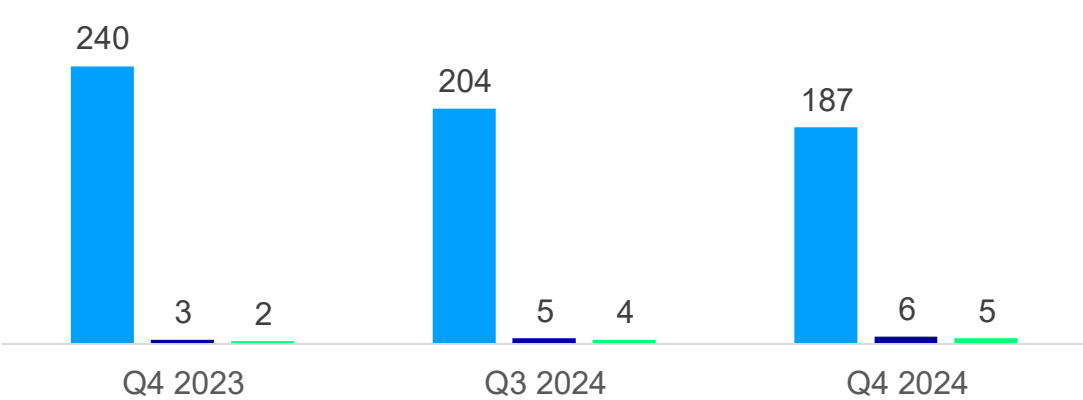
PETROLEUM



OFFSHORE



HEAVY ENGINEERING

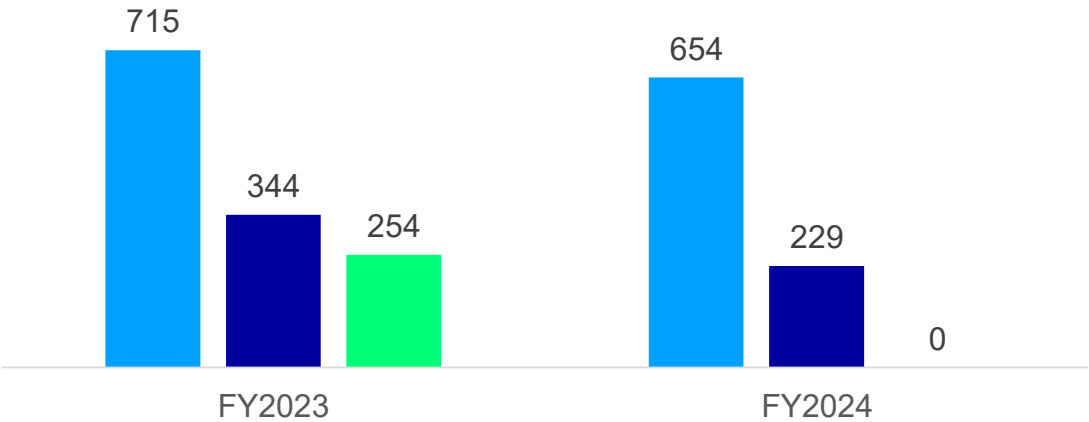


FY2024 Financial Performance by Business Segments

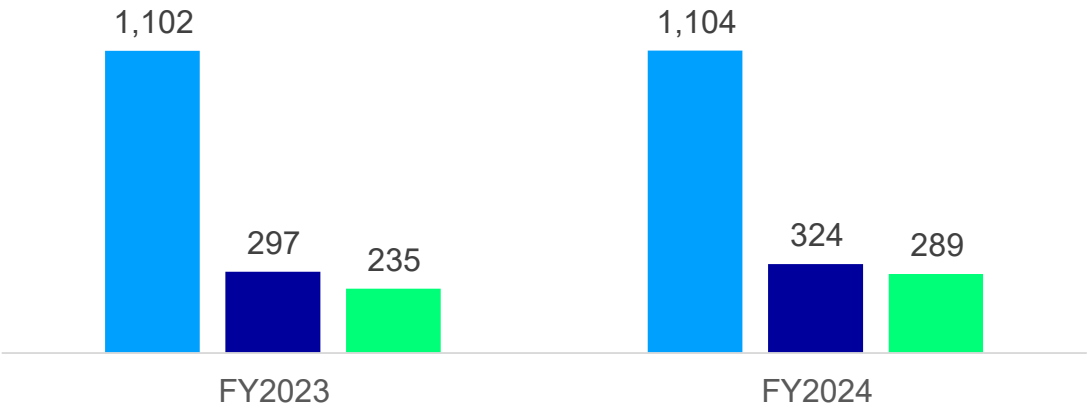
Group profit after tax was lower in FY2024 in line with lower operating profit, further exacerbated by higher impairment provisions in GAS Assets and Solutions segments



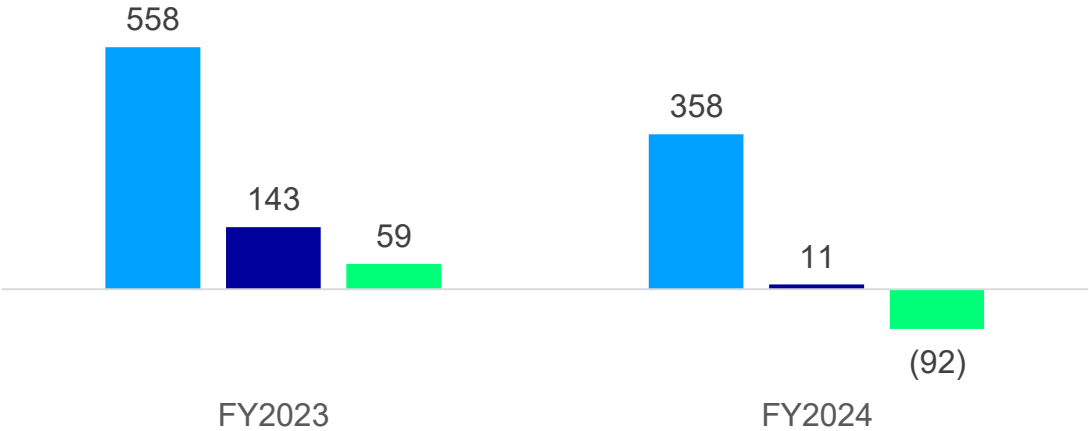
GAS



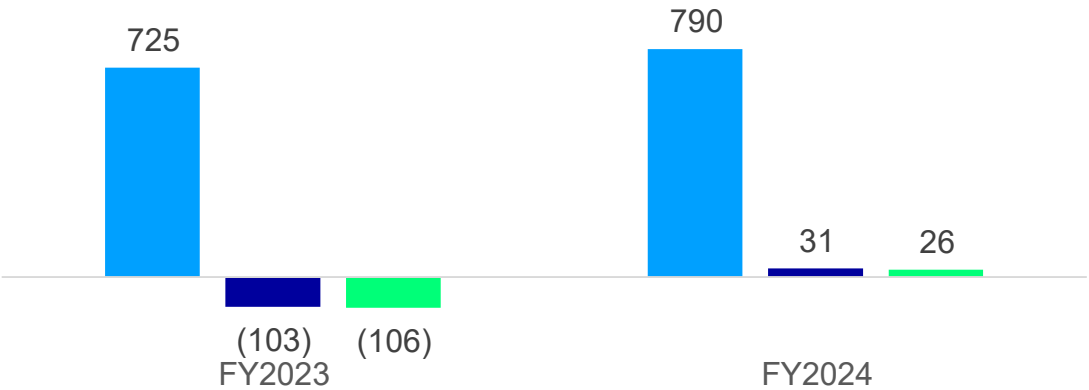
PETROLEUM



OFFSHORE



HEAVY ENGINEERING

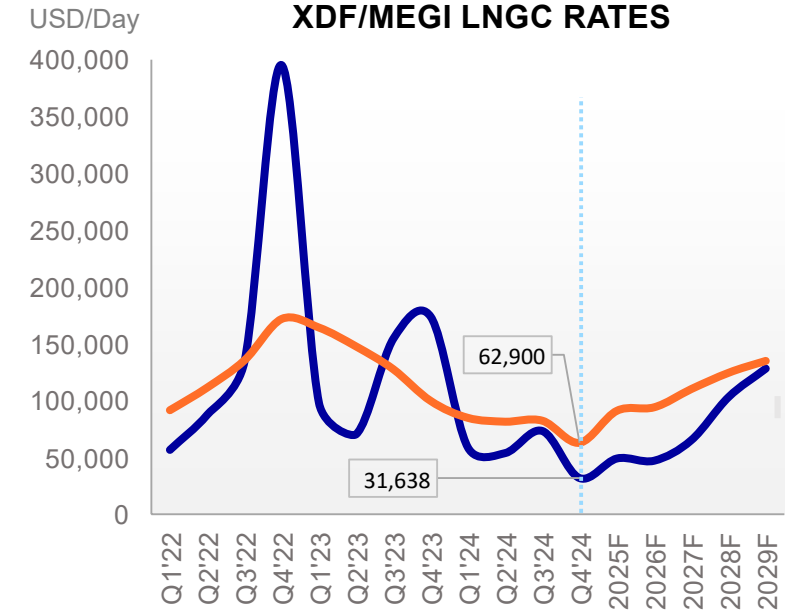
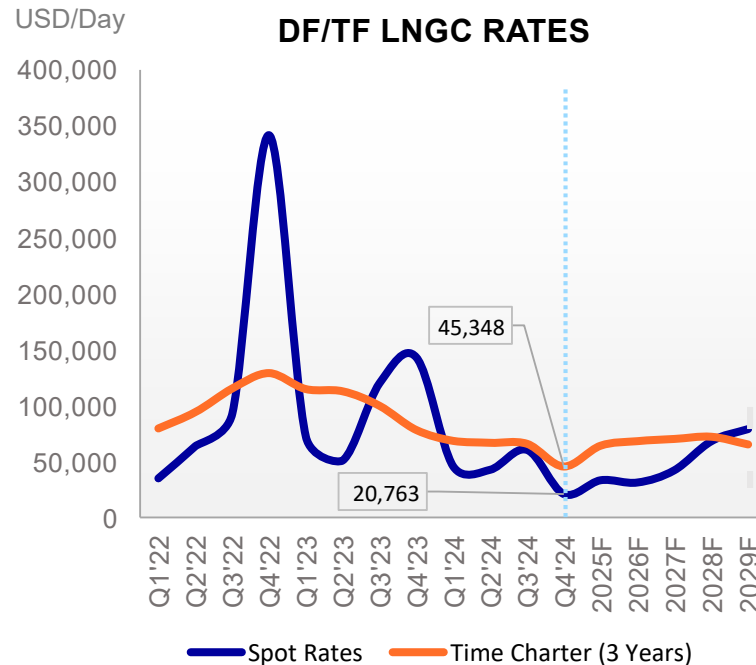
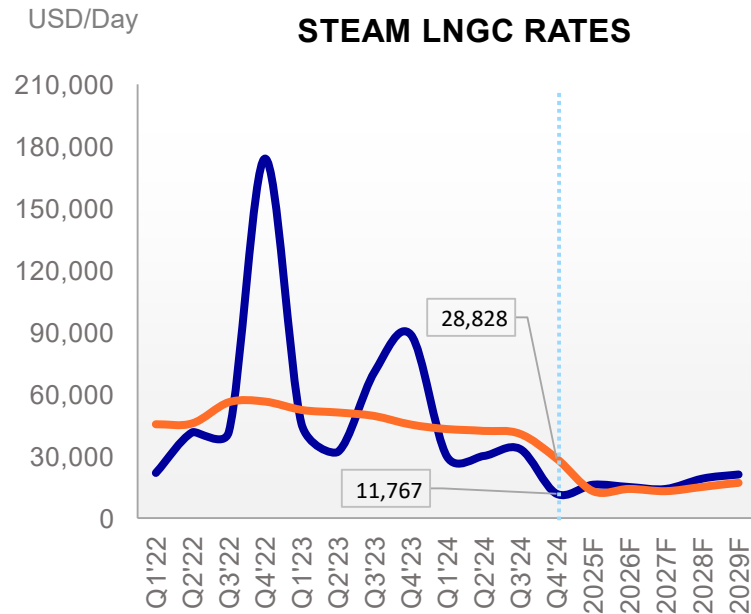


MARKET ENVIRONMENT



LNG Shipping

Prospects expected to remain soft in 2025 with recovery expected post-2026 as LNG supply increases

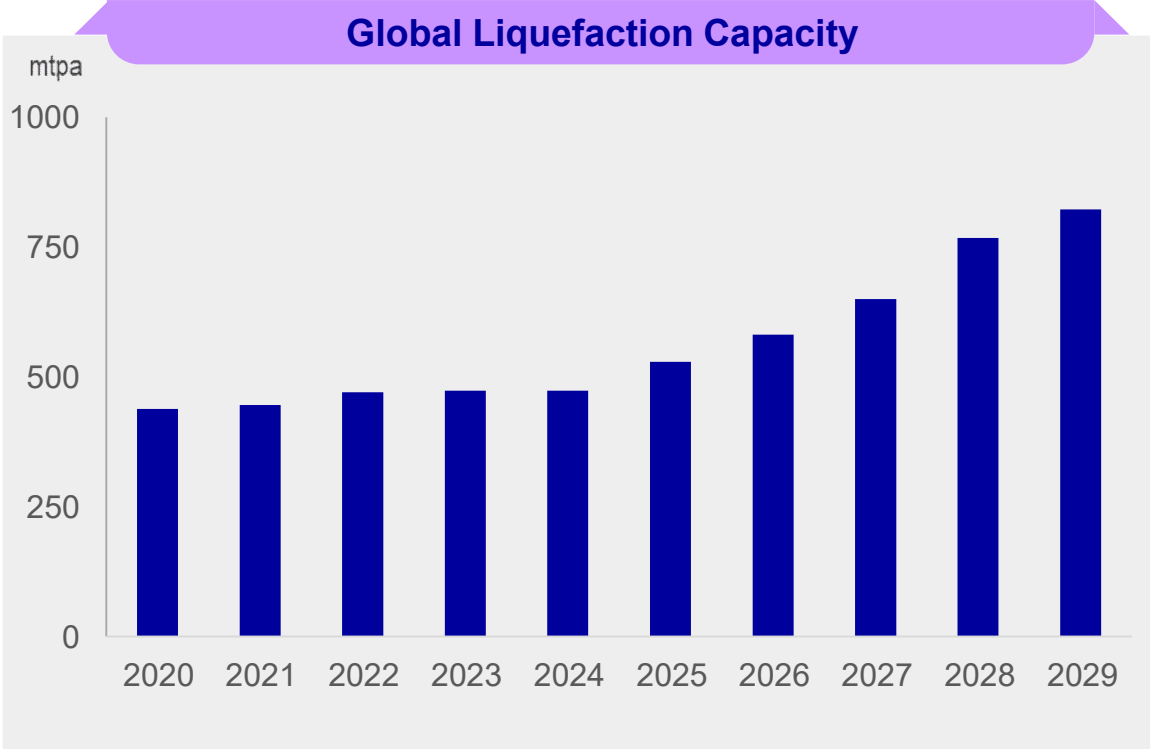
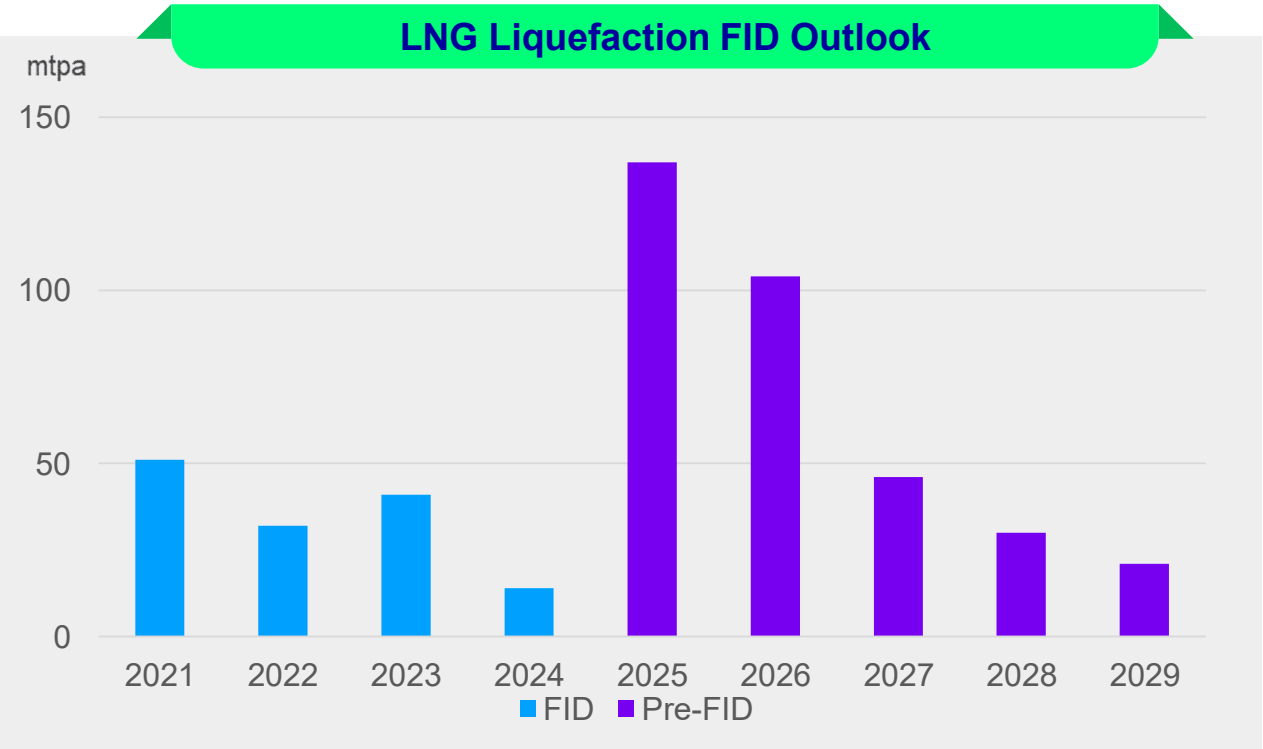


Source: Clarksons and Drewry

- LNG Carrier (LNGC) spot rates declined further in Q4 2024 mainly due to high vessel availability arising from strong LNGC newbuild deliveries.
- The prospects for LNG shipping market is expected to remain soft in 2025 driven by the continued influx of new vessels and delays in additional supply from new LNG liquefaction projects.
- The outlook for LNGC with steam turbines is expected to decline, while spot rates for DF/TF and XDF/MEGI carriers are anticipated to increase going forward.

LNG Shipping

Project FID outlook remains positive despite some deceleration in 2024

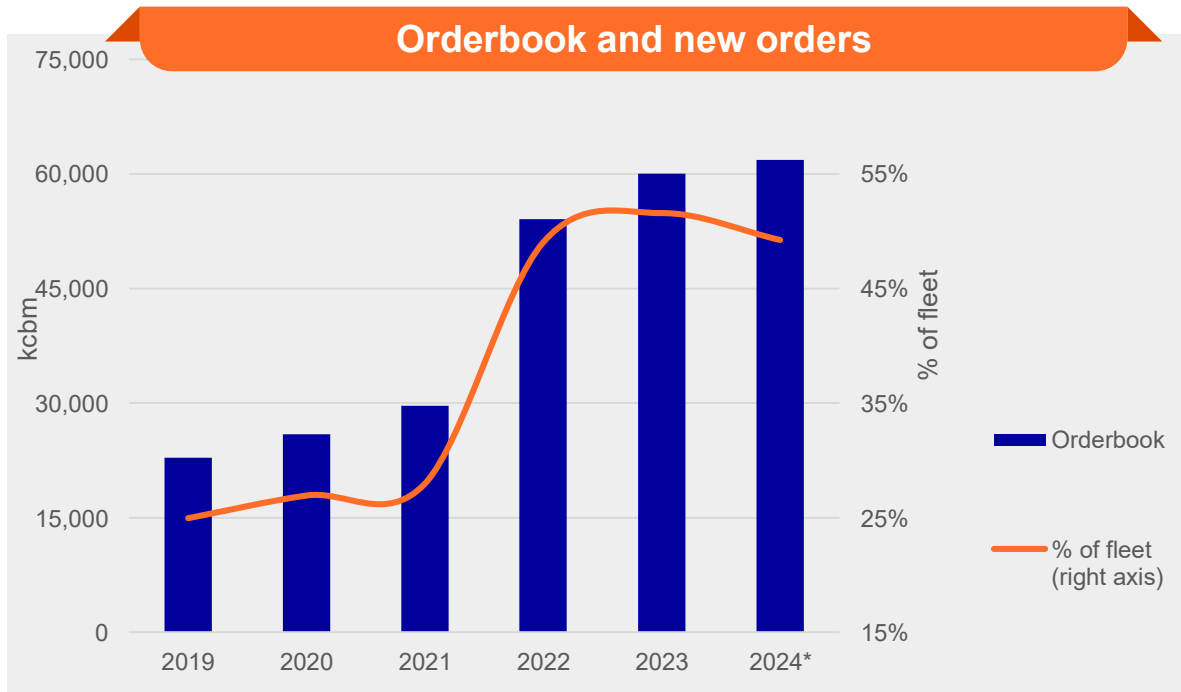


Source: Drewry

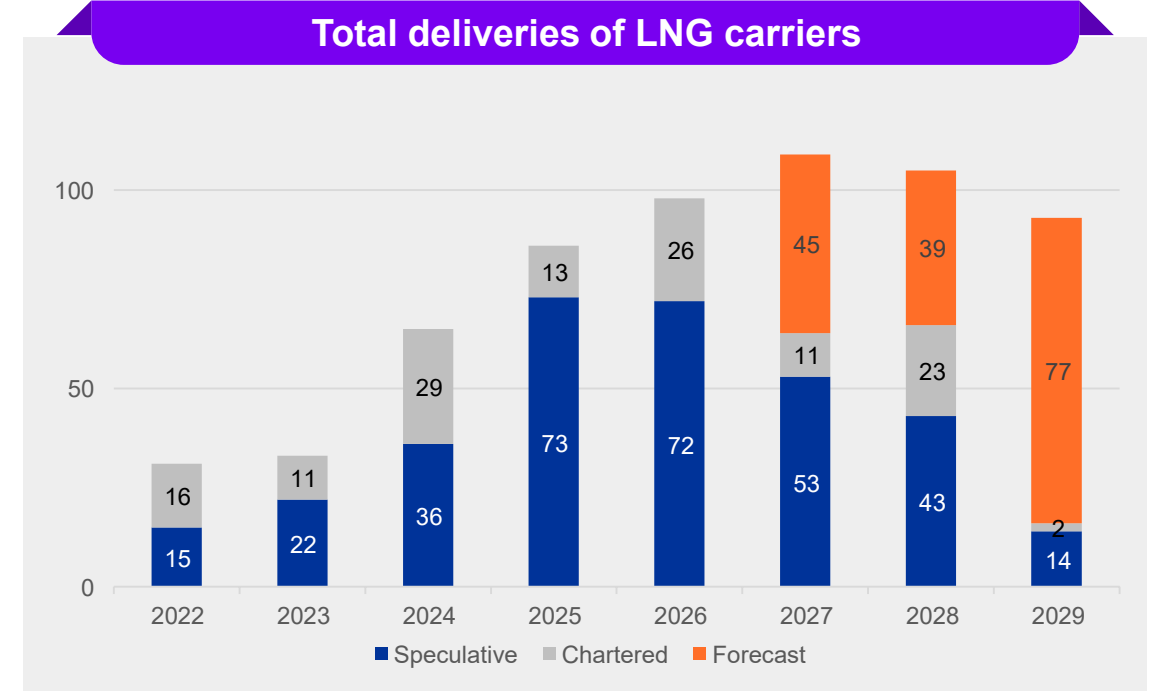
- The pace of Final Investment Decisions (FIDs) has decelerated in 2024 primarily due to the temporary pause by the US government on licensing of LNG projects.
- The outlook for FIDs during the forecast period remains positive over the next two years as Trump’s manifestation to lift the ongoing pause on US LNG export permits will provide additional support.
- The global liquefaction capacity is expected to grow at a CAGR of 11.7% between 2024 and 2029, supported by rising vessel deliveries and upcoming liquefaction capacities.

LNG Shipping

Surge in newbuilding orders amid strong LNG demand



Note: *as on 31 December 2024

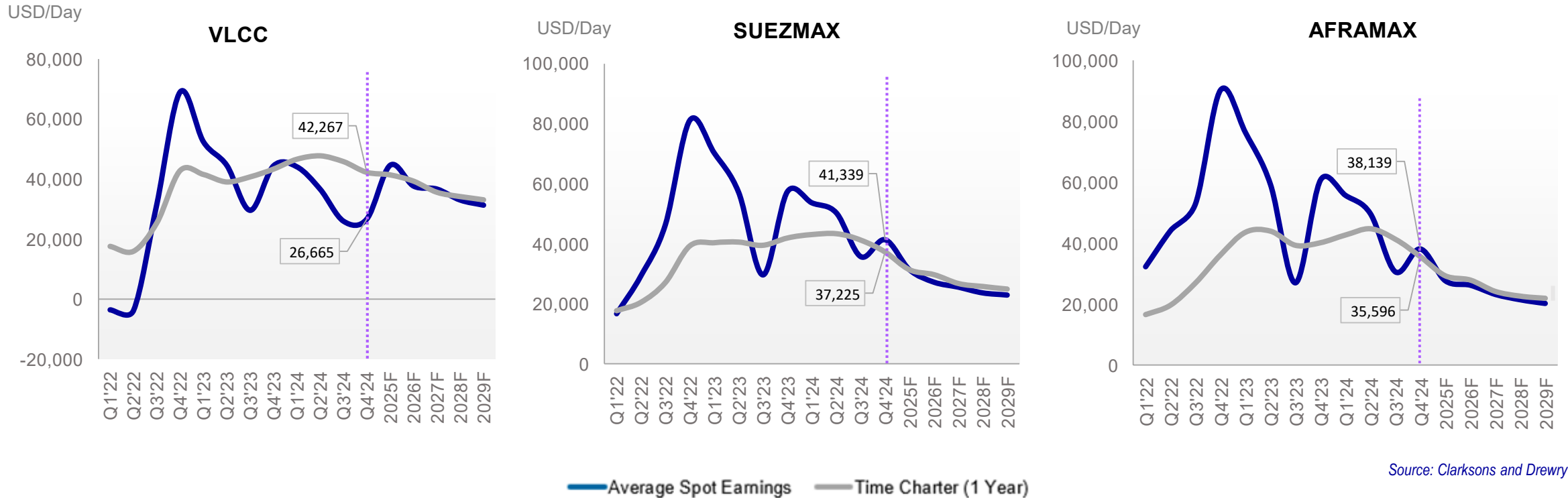


Source: Drewry and Woodmac

- As more planned liquefaction projects are expected to reach FID, newbuilding orders are expected to remain robust from 2025 and year onwards.
- High deliveries of new LNGCs are expected in the next two years. Despite this, delivery slippages are anticipated due to tight shipyard capacity and high vessel demand from the projects delayed, which will flow deliveries to subsequent years.

Petroleum Shipping

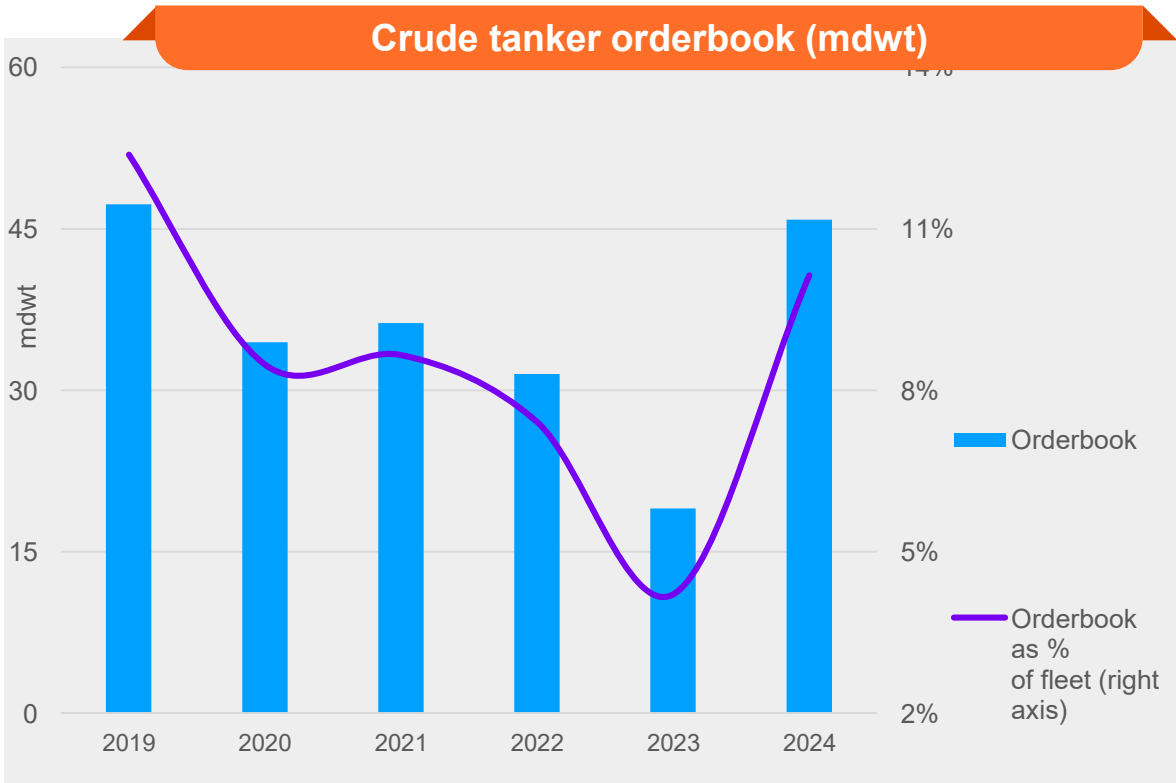
Average tanker rates remain positive driven by increase in tonne-mile demand



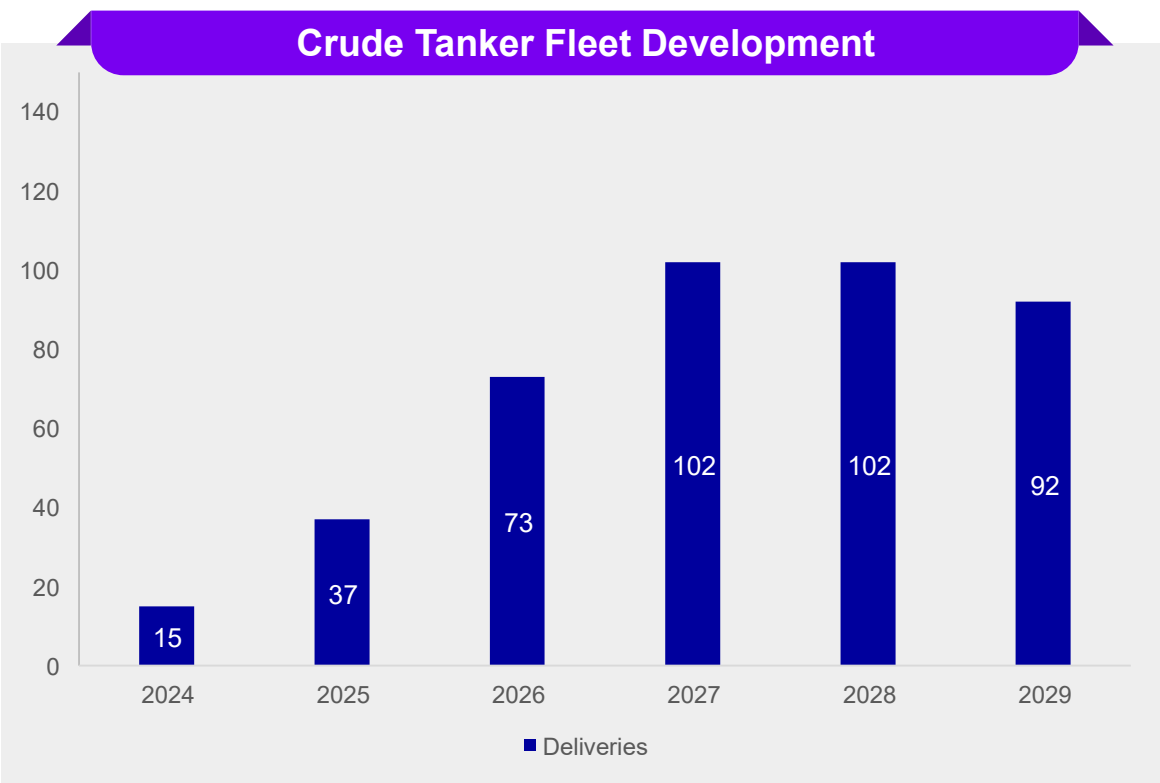
- Despite seeing a quarter-on-quarter improvement, spot rates for crude tankers in Q4 2024 remained subdued compared to the first half of the year due to softer oil demand, particularly from China and ongoing OPEC+ output curbs.
- Notwithstanding this, the overall tanker market outlook remains positive, supported by high tonne-mile demand from continuous vessel rerouting and from long-haul Atlantic-Asia trade, as well as minimal fleet expansion.

Petroleum Shipping

Crude tanker orderbook is expected grow in line with increasing tonnage demand



Note: Data as at Q4 2024

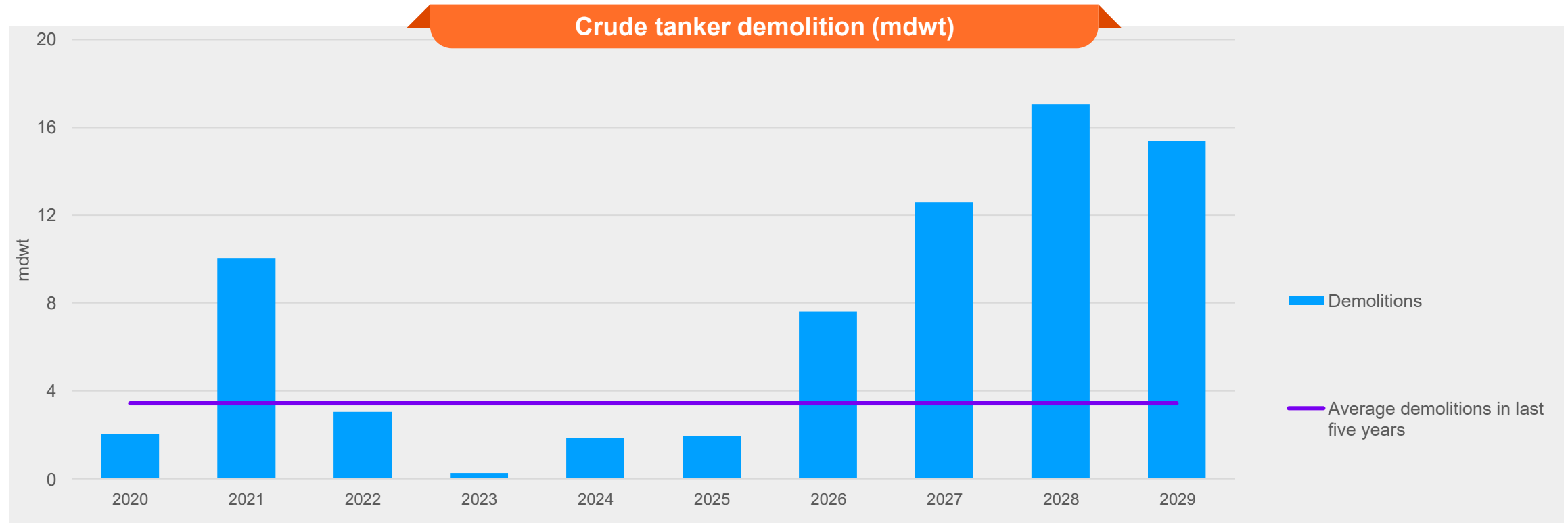


Source: Drewry

- The overall orderbook for crude tankers is expected to grow in the forecast period as the requirement for replacements to meet increasing tonnage demand, will encourage shipowners to invest in more new orders.
- The petroleum tanker segment is projected to receive 406 new deliveries through 2029 to meet rising tonne-mile demand and to replace the ageing global fleet, growing at 1% CAGR through 2029.

Petroleum Shipping

Demolitions to remain low in 2025

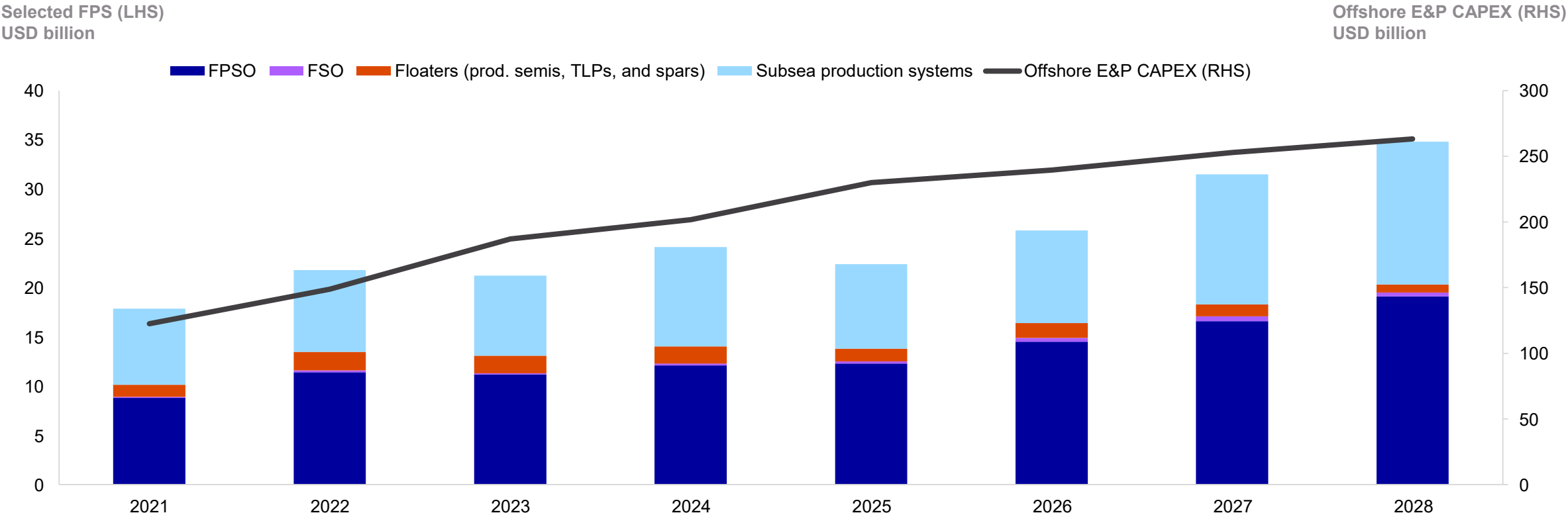


Source: Drewry

- Demolitions remain weak in 2025 as spot rates remain positive and older vessels are expected to continue in operation.
- Additionally, the lack of replacement tonnage will slow down demolitions over the next two years but will revive from 2026.

Offshore

Continued stable growth in upstream CAPEX investment anticipated from 2025 onward

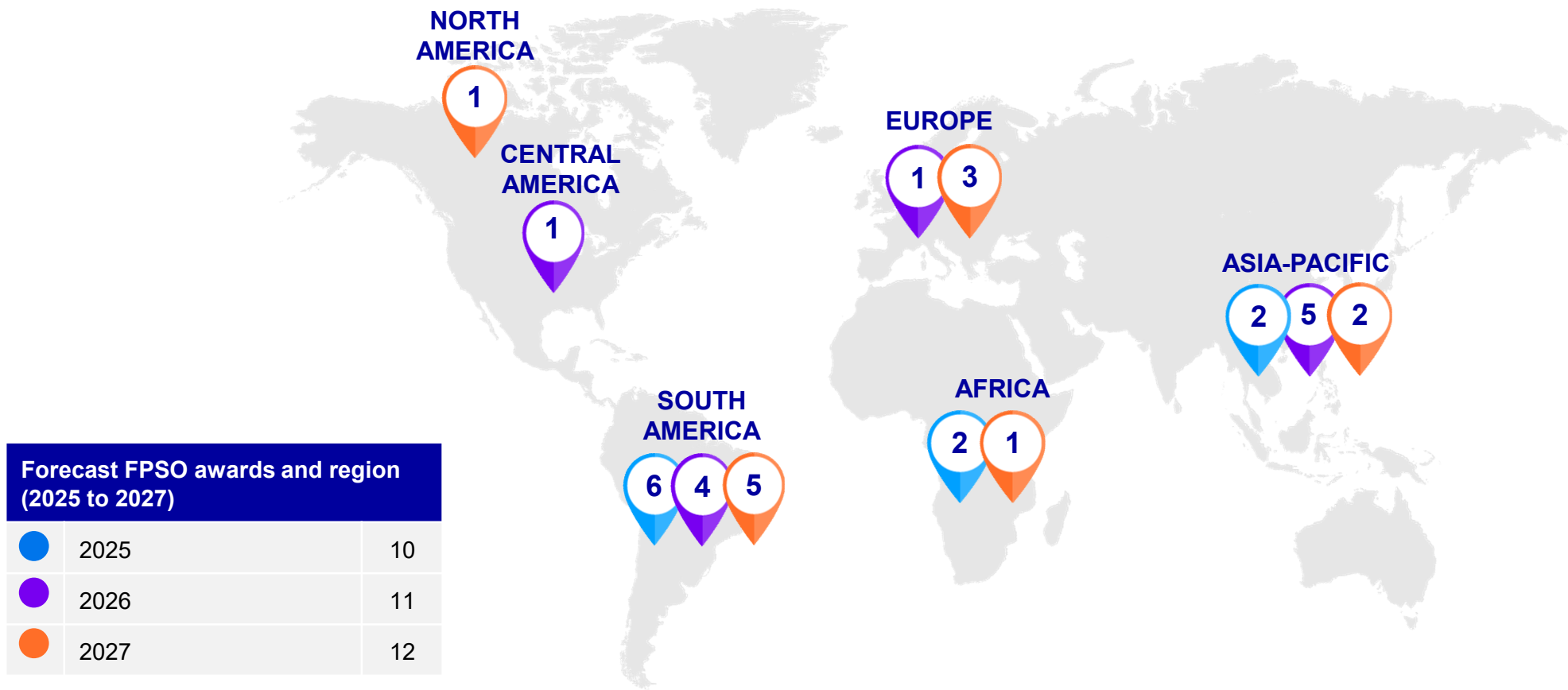


Source: S&P Global

- There is a significant upward trend in global offshore E&P spending, driven by the industry’s ongoing commitment to explore and develop new offshore resources despite inherent challenges and higher costs.
- This upward trend reflects a recovery and substantial growth in the global FPSO market in the upcoming years, potentially leading to a higher number of FPSO awards particularly from South America, Africa and Asia-Pacific.

Offshore

Upcoming greenfield FPSO projects are concentrated in the South America, Africa and Asia-Pacific regions



Source: S&P Global

- The outlook for newbuild FPSO awards remains strong over the next three years, with operators focus on securing large FPSOs in South America, Africa and Asia-Pacific regions.

APPENDICES



Adjusted Cash Flow from Operations (“CFO”)

	Q4 2023 USD Mil	Q3 2024 USD Mil	Q4 2024 USD Mil
CFO per Statutory Financial Reporting	295	247	366
Add/(Less):			
MFRS 16 lease payments*	(2)	(7)	(3)
Offshore construction work-in-progress**	126	31	23
Others and forex	15	19	74
Adjusted CFO	433	290	460

* MISC considers all lease or charter-in of vessels and other assets as operating activities. For financial reporting purposes, payment of lease liabilities are classified in the cash flow from financing activities.

** **For financial reporting purposes**, the payments relating to construction/conversion activities for Offshore turnkey projects are **required to be classified in the cash flow from operating activities**. As at 31 December 2024, the YTD payment was USD269.4 million.

However, **MISC considers the payments as Capital Expenditure (“CAPEX”) payments**, and **internally classifies them as an outflow from investing activities in measuring its performance and allocation of resources**.

Fleet Information as of 31 December 2024



	Vessel Type	Total Vessel Operated	Owned	Chartered-In	Average Age (years)		Contracted Newbuilds/ Conversions
					MISC	Industry	
GAS	LNG	27	26	1	16.0	11.0	19*
	FSU	2	2	--	13.0	--	1
	VLEC	6	6	--	4.0	--	-
	LBV	1	--	1	4.0	--	-
Subtotal		36	34	2	--	--	20*
Petroleum	VLCC	13	13	--	8.1	12.5	-
	Suezmax	6	6	--	10.6	12.9	-
	Aframax	20	18	2	11.4	14.6	2
	LR2	2	2	--	7.5	10.9	-
	DPST	17	17	--	5.4	9.7	-
Subtotal		58	56	2	--	--	2
GRAND TOTAL		94	90	4	--	--	22
Offshore	FPSO/FSO/SS	12**	13	--	12.3	--	-

Note:

* contracted vessels include 12 vessels awarded by QatarEnergy, 25% owned by MISC, NYK, K-Line and CLNG through the joint venture.

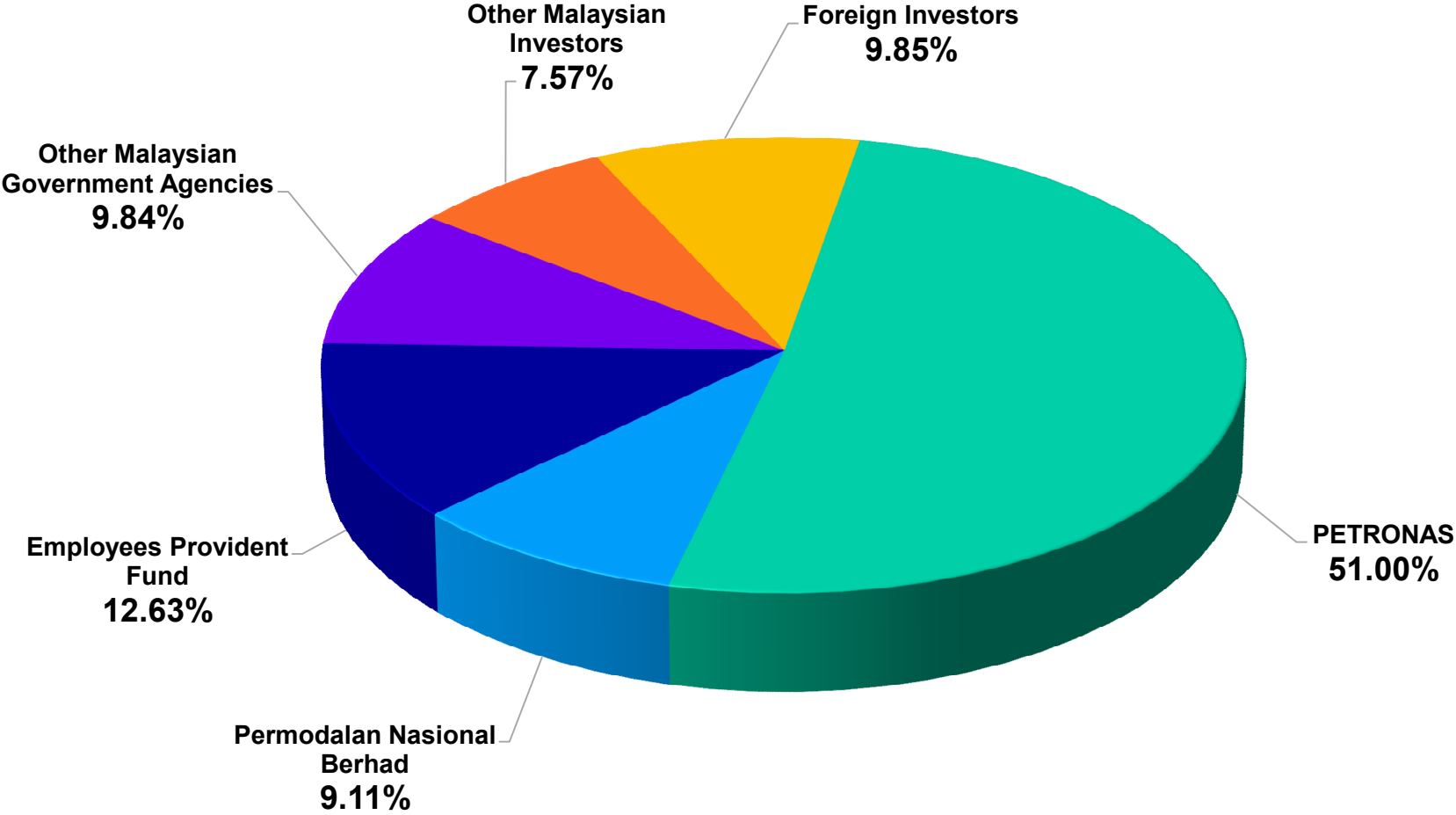
** FPSO Bunga Kertas is currently under refurbishment.

Schedule of Future Deliveries as of 31 December 2024



	GAS		Petroleum
	LNG Carriers	FSU	Aframaxes
2025	4	1	-
2026	12	-	-
2027	3	-	2
Total	19	1	2

Shareholders' Profile as of 31 December 2024

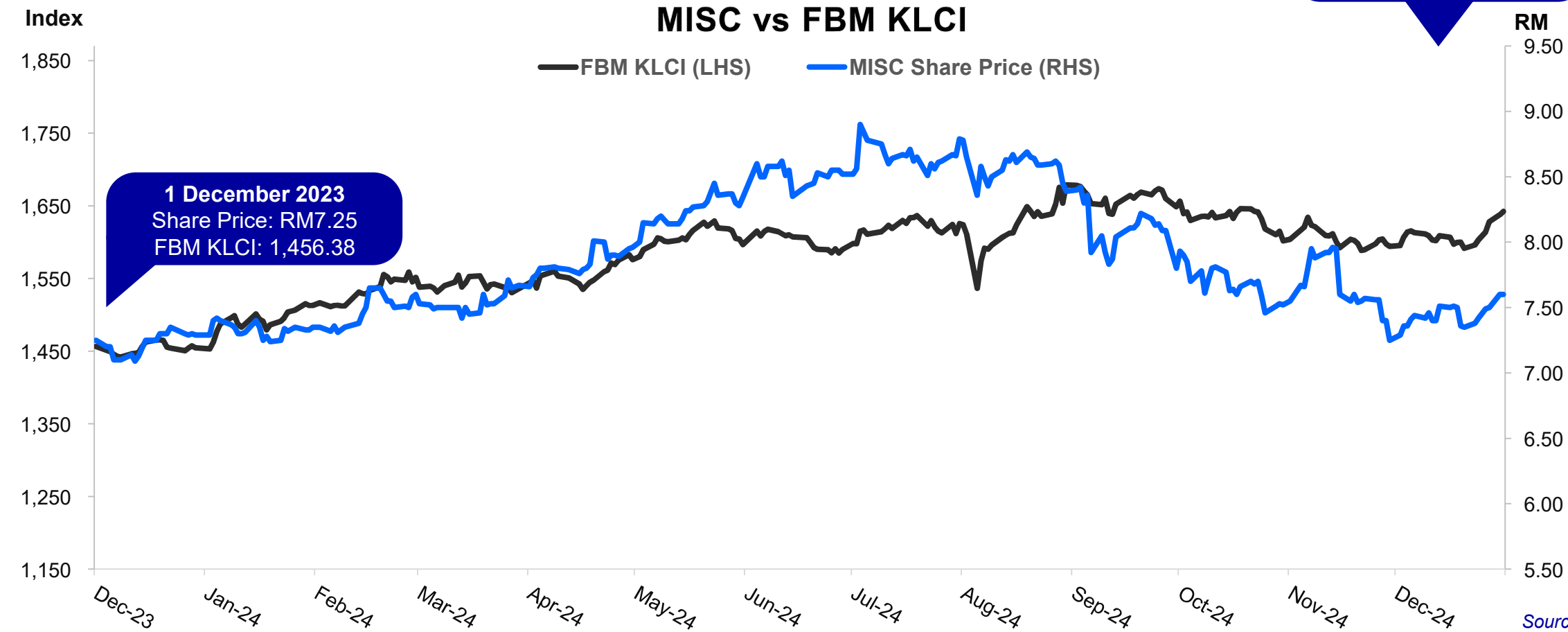




MISC One Year Share Price Performance

Share Price	RM
3-months average	7.60
6-months average	8.03
12-months average	7.87
High for the year (3 July 24)	8.90
Low for the year (12 December 23)	7.09

31 December 2024
Share Price: RM7.60
FBM KLCI: 1,642.33



Q&A SESSION

THANK YOU