



# Quarterly IR Updates

## FY 2023 Financial Results & Updates

14 February 2024



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# AGENDA

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- 01 Industry Challenges & Market Outlook**
  - 02 Business Highlights
  - 03 Ongoing Projects
  - 04 Financials
  - 05 ESG
  - 06 Strategic Focus

## High-cost environment persisted and expected to remain

The geo-political tensions due to the prolonged Russia-Ukraine and recent Middle East conflicts, US-China rivalry as well as global economic uncertainties have resulted in the following industry challenges and market outlook:



**Prolonged global  
supply chain disruption**



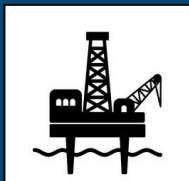
**Global inflationary pressures  
and volatile commodity prices**



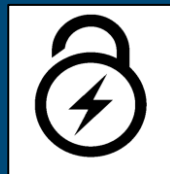
**Weakening Ringgit against  
US Dollar**

## Conventional and renewable energy business activities are picking up in parallel

Post-pandemic energy consumption is expected to continue to increase in 2024 with fossil fuels maintaining dominance amidst soaring demand for renewables. Global renewable energy consumption will continue its momentum with a combination of solar and wind energy.



Prospective higher global upstream CAPEX spending YoY



Rising importance and emphasis on global energy security



Increased significance and spending on renewable energy

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# Recorded healthy revenue and achieved positive project progress amidst prevailing challenges



## STRATEGY

- Seized opportunities in both domestic and international markets
- Embraced energy transition by establishing track record in offshore wind and decarbonisation spaces
- Improved contracting strategies with clients through alliance concept, reimbursable or cost-plus basis to mitigate supply chain issues



## HEAVY ENGINEERING BUSINESS

- Awarded with EPCI of 5 WHPs, 5 subsea pipelines & host tie-ins works for JDA Field Development Project (Phase 6) from Carigali-PTTEPI Operating Company Sdn Bhd (CPOC)
- Successful CPP Jacket and CPP Topside sail-away of Kasawari Gas Development Project in March and August 2023 respectively
- Successful CPP Jacket sail-away of Jerun Development Project in June 2023
- Secured Subcontract of the 1<sup>st</sup> offshore substation (OSS) high voltage direct current (HVDC) platform consisting of topside and jacket for Ijmuiden ver Alpha Project from Petrofac International (UAE) LLC



## MARINE BUSINESS

- Completed repair and maintenance of 71 vessels of various categories including 12 LNG carriers



## FINANCIALS

- Recorded:
  - Revenue of RM3.3 billion – Doubled the FY 2022's revenue
  - Operating loss of RM467.7 million

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Progress is at 88.19% as of December 2023

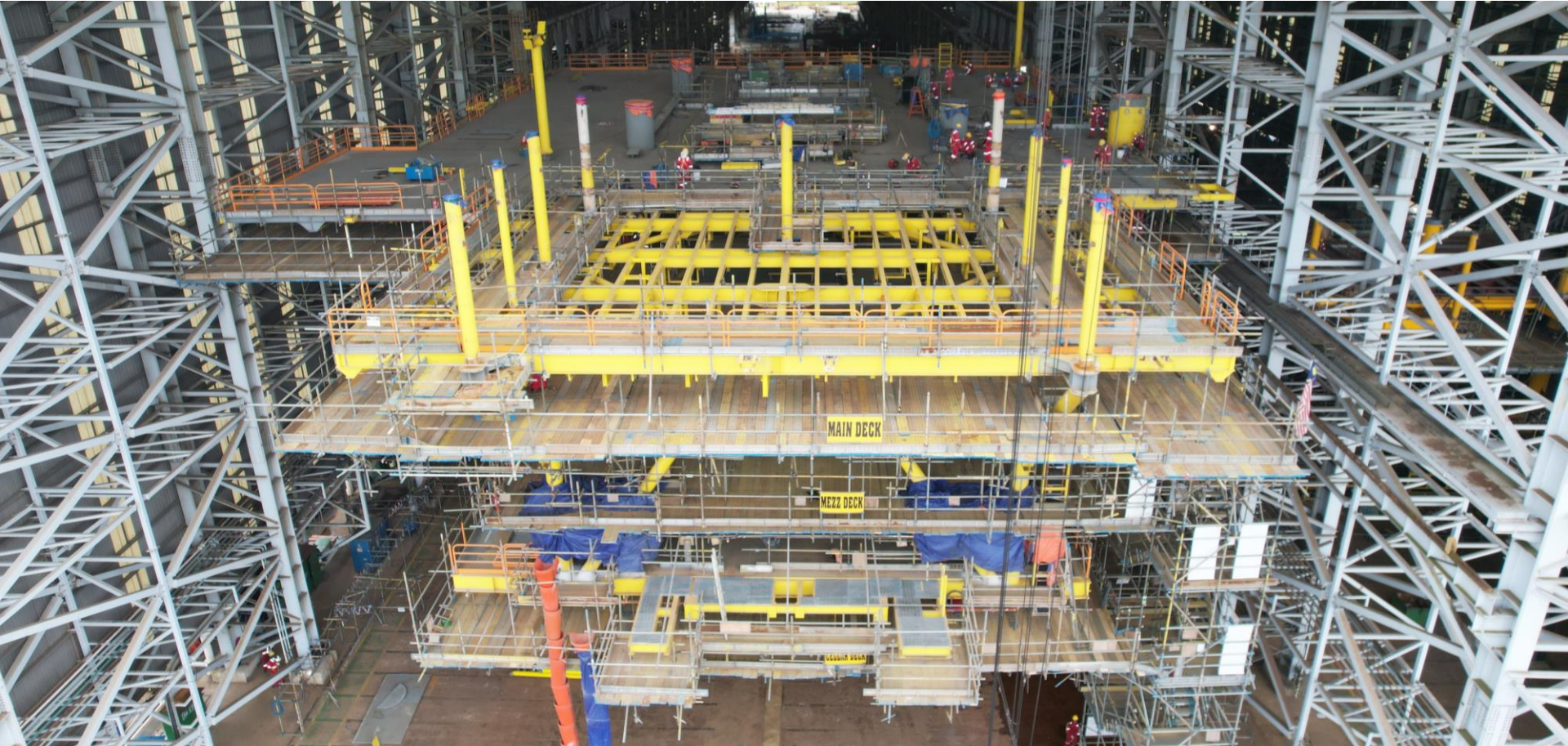
# EPCIC Jerun Development Project





Progress is at 77.41% as of December 2023

# Rosmari-Marjoram Project





Progress is at 28.82% as of December 2023

# Kasawari Carbon Capture & Storage (CCS) Project





Progress is at 21.09% as of December 2023

# Joint Development Area (JDA) Field Development (Phase 6) Project



## Notable marine repair projects delivered



### SERI CEMARA

Client	: Eaglestar Shipmanagement (L) Pte. Ltd.
Type of vessel	: LNG Carrier
Deadweight	: 84,291 tonnage
Job scope	: Dry-docking and Repair
Delivery date	: 4 May 2023



### SERI CAMAR

Client	: Eaglestar Shipmanagement (L) Pte. Ltd.
Type of vessel	: LNG Carrier
Deadweight	: 82,963 tonnage
Job scope	: Dry-docking and Repair
Delivery date	: 24 March 2023

## Notable marine repair projects delivered



### SEAPEAK YAMAL

Client	: Seapeak LLC
Type of vessel	: LNG Carrier
Deadweight	: 91,549 tonnage
Job scope	: Dry-docking and Repair
Delivery date	: 8 November 2023



### BW BATANGAS

Client	: BW Fleet Management AS
Type of vessel	: LNG FSRU
Deadweight	: 89,556 tonnage
Job scope	: Technical Modification
Delivery date	: 4 June 2023

## Notable marine repair projects delivered



### KMARIN DIAMOND

Client	: KMARIN Ocean Services Corporation
Type of vessel	: LNG Carrier
Deadweight	: 84,553 tonnage
Job scope	: Dry-docking repair and BWTS Installation
Delivery date	: 6 October 2023



### BW IMO

Client	: BW Fleet Management AS
Type of vessel	: LNG Carrier
Deadweight	: 83,684 tonnage
Job scope	: Dry-docking repair and BWTS Installation
Delivery date	: 5 July 2023

## Notable marine repair projects delivered



### MT GOLD PEARL

Client	: Viet My Petrol Transportation Company Limited
Type of vessel	: Oil Tanker
Deadweight	: 318,669 tonnage
Job scope	: Dry-docking and Repair
Delivery date	: 23 August 2023



### ROLIN

Client	: Viet My Petrol Transportation Company Limited
Type of vessel	: Crude oil tanker (VLCC)
Deadweight	: 308,829 tonnage
Job scope	: Cargo Hold Treatment
Delivery date	: 26 November 2023



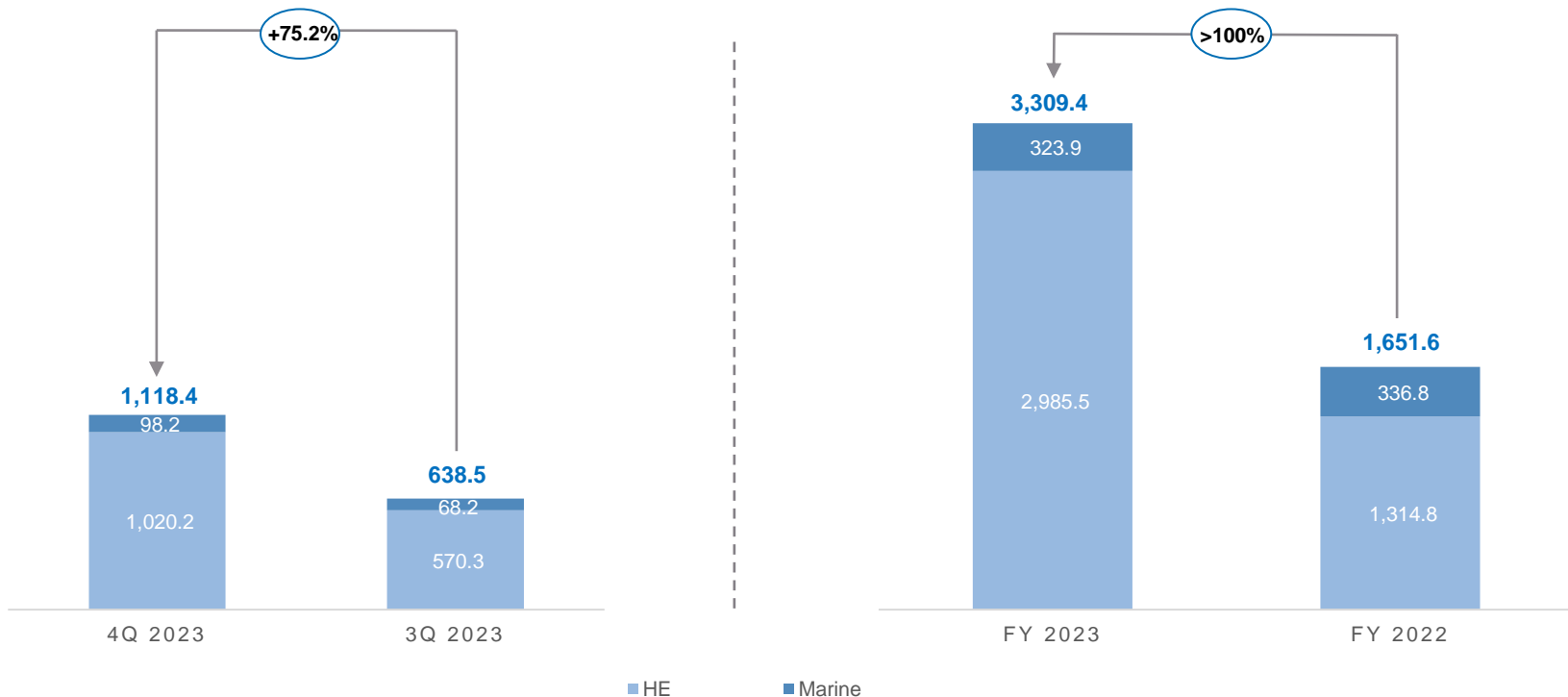
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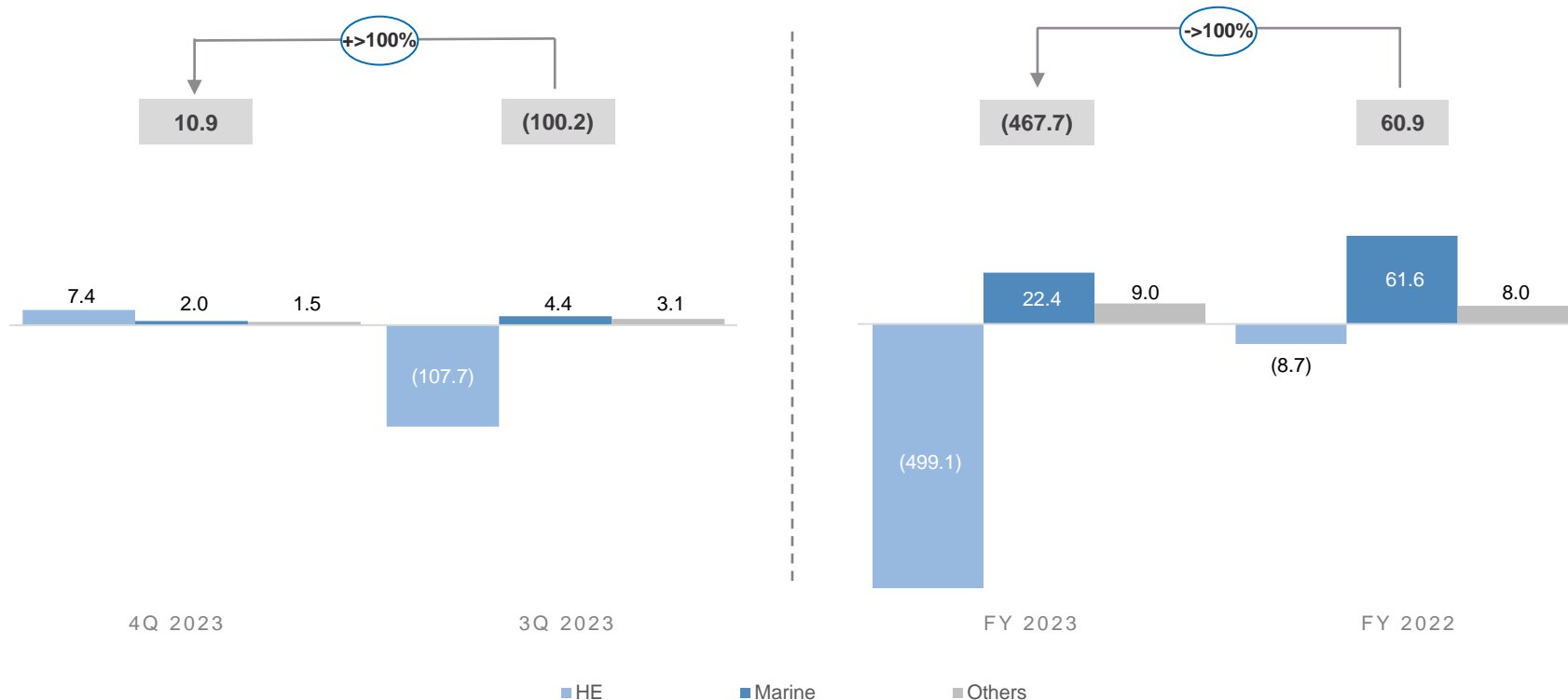
# Revenue more than doubled from previous year to RM3.3 billion

RM million



# Full-year operating loss mainly attributed to the additional cost provisions from revised schedule and price escalation

RM million



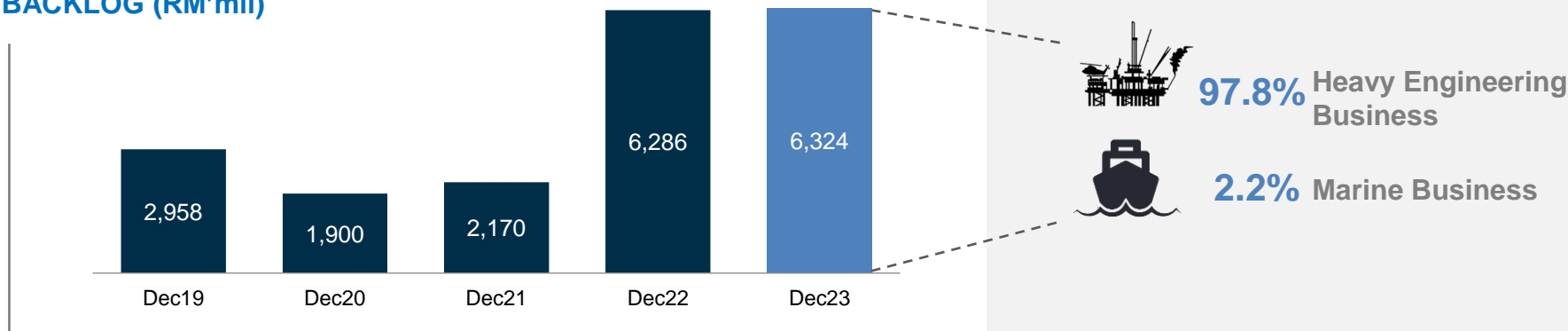
## Financial position still intact

	Total Assets	
<i>RM million</i>	31 December 2023	31 December 2022
Non-Current Assets	1,797.9	1,788.7
Receivables	1,291.0	748.0
Cash & Bank	557.6	797.0
Inventories	2.8	2.7
Tax recoverable	0.0	21.7
<b>TOTAL</b>	<b>3,649.3</b>	<b>3,358.1</b>

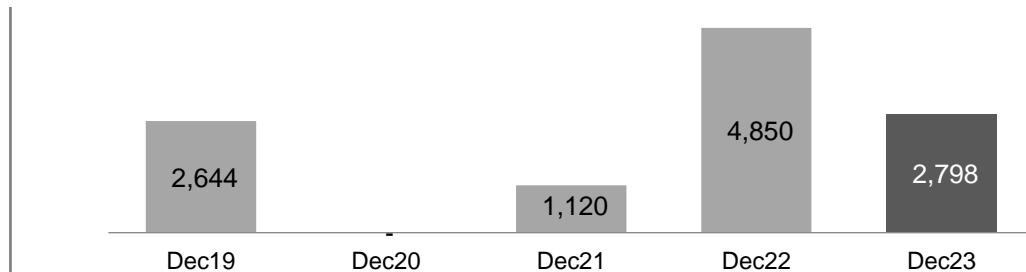
	Total Liabilities & Equities	
<i>RM million</i>	31 December 2023	31 December 2022
Total Equity	1,267.3	1,769.5
Borrowing	367.0	335.2
Lease Liabilities	8.0	5.7
Derivatives	26.0	6.4
Payables	1,981.0	1,241.3
<b>TOTAL</b>	<b>3,649.3</b>	<b>3,358.1</b>

# Robust backlog will sustain us until 2027

## BACKLOG (RM'mil)



## NEW ORDER INTAKE (RM'mil)



Note: New Order Intake excludes Marine Business segment and call-out contract

New Order Intake 2022 – 2023 includes:

- **FEED CCS Kasawari project**, awarded in Q1 2022
- **Rosmari-Marjoram gas project**, awarded in Q3 2022
- **EPCIC Alliance for Kasawari CCS project**, awarded in Q4 2022
- **EPCI** of 5 WHPs, 5 subsea pipelines & host tie-ins works for **JDA Field Development Project (Phase 6)**, awarded in Q1 2023
- Subcontract of the 1<sup>st</sup> **OSS HVDC platform** consisting of topside and jacket for **Ijmuiden ver Alpha Project**, awarded in Q4 2023

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# Unwavering commitment to ESG reflected in our achievements



## Environment



## Social



## Governance

### Our Commitment

- **20%** Direct Manhour Emission Intensity **Reduction** by 2030 from 2016
- **>95%** Scheduled Waste **Recycling Rate**

- Health and Safety Culture
- Talent Excellence
- Diversity & Inclusion awareness

- **Zero** tolerance policy against all forms of **bribery** and **corruption**
- Responsible Supply Chain Programme

### Our Achievement

**7.8%** ↓ direct manhour emission intensity reduced



**1,000** trees

planted in MMHE West Yard for the Yard in the Garden project

**99.8%** recycling rate for scheduled waste

**4,454,094** man-hours without LTI



**RM3.8** million invested in training and development programmes



**97%** employees attended the first phase of Diversity & Inclusion awareness programme

**ZER(0)** incidents of corruption

No major cybersecurity incidents or data breach recorded



**93%** of total spending in MYR spent on local suppliers





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# Continued pursuit of project delivery excellence and high quality orderbook with balanced portfolio

## Heavy Engineering Tenderbook

Approximately RM6 to RM7 billion



### Strategic Focus

Achieve project delivery excellence



Focus on high quality order book for businesses



Balance between traditional Oil & Gas and Renewable Energy opportunities





A MEMBER OF MISC GROUP

**THANK YOU**