



# ***MAYBULK BERHAD***

(Formerly known as Malaysian Bulk Carriers Berhad)

Registration No. 198801008597 (175953-W)

Incorporated in Malaysia

## ***35<sup>th</sup> Annual General Meeting***

### ***26 June 2024***



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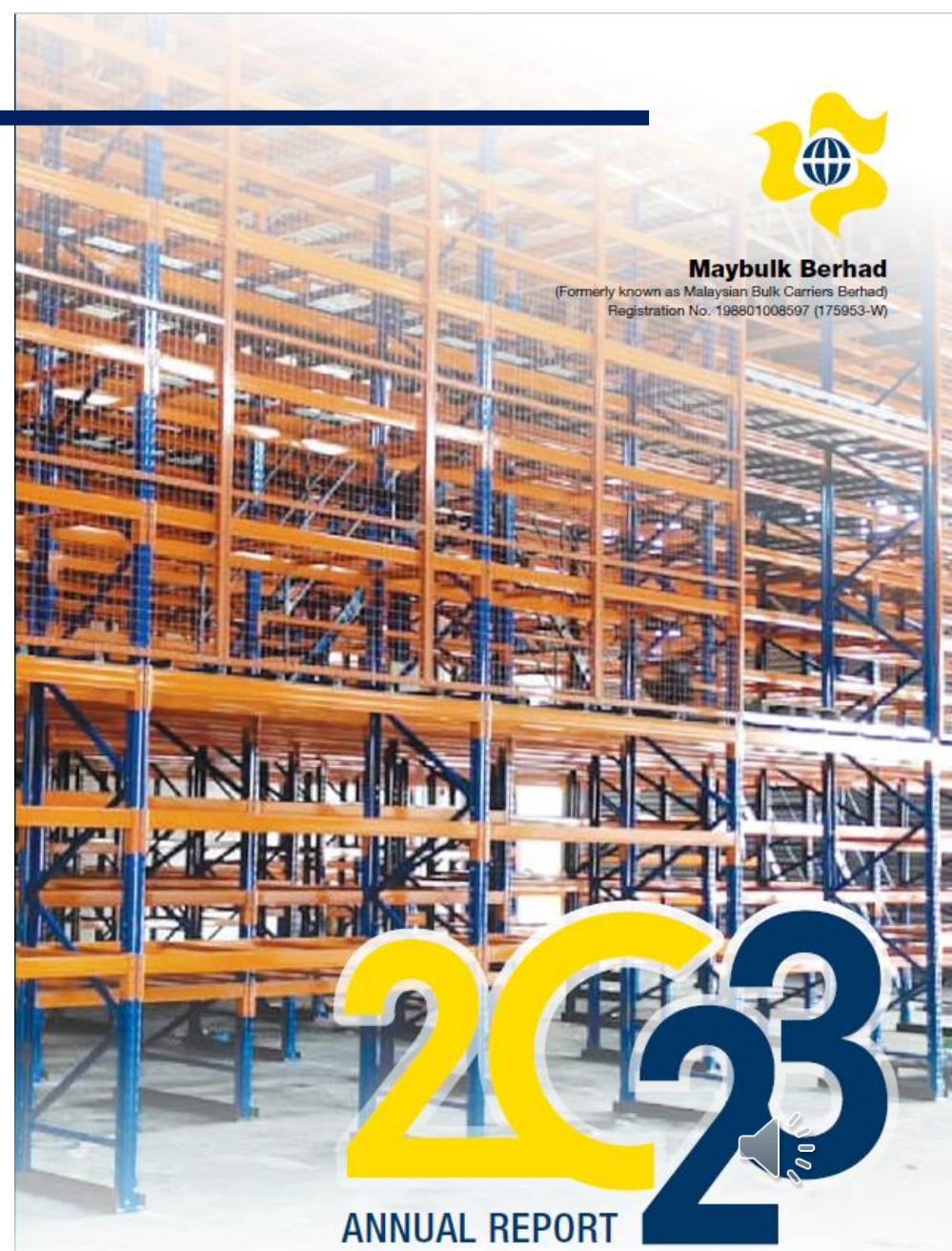
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# Key Financial Highlights FY2023

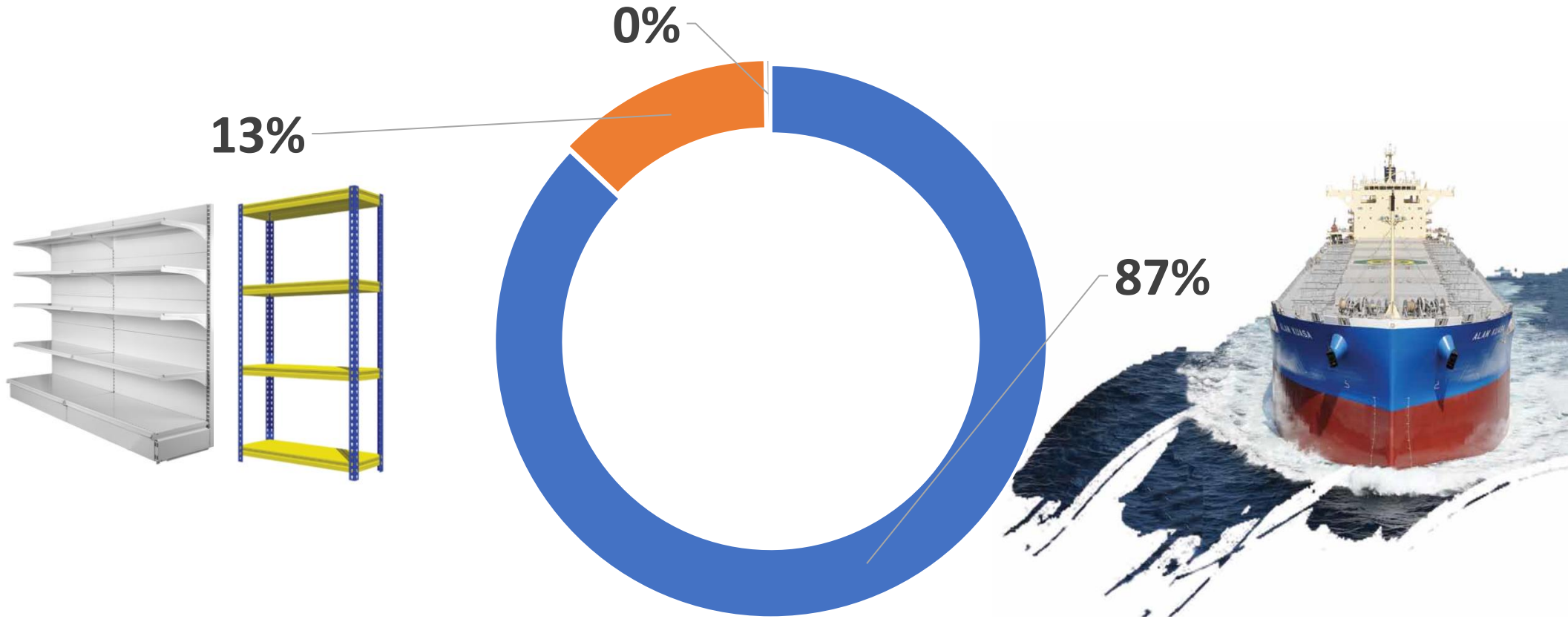


Financial Results (RM'Million)	FY2023	FY2022	Change
Revenue	128.2	154.8	(17.2%)
Operating Profit	27.2	47.7	(43.0%)
Profit before exceptional items	17.5	41.4	(57.7%)
Exceptional Items	35.3	51.9	(32.0%)
• <i>Gain on disposal of property, plant and equipment</i>	25.3	49.9	
• <i>Gain on liquidation of subsidiaries</i>	10.0	2.0	
Profit before taxation	52.8	93.3	(43.4%)
Profit for the year	49.6	93.2	(46.8%)





## Segment Profit - FY2023



■ Shipping Bulkers

■ Shelving & Storage Solution

■ Investment Holdings & Others



# Key Financial Highlights FY2023 - Cont'd



Shipping Bulkers Business contributed lower revenue of RM71.350 million (FY2022: RM154.465 million) and lower gross profit of RM17.309 million (FY2022: RM48.627 million).

Lower revenue is attributable to lower hire days in FY2023 due to a smaller fleet size and a 19% decrease in average charter rates compared to FY2022. The Group had returned both chartered in vessels, Alam Suria and Alam Sayang and disposed of Alam Kekal in FY2023.

The FY2023 result included a gain on disposal of vessel of RM25.342 million arising from the disposal of Alam Kekal. In FY2022, the gain on disposal of vessel of RM50.058 million was in respect of disposal of Alam Kukuh.

The segment reported a profit before tax of RM43.473 million in FY 2023, a decrease of RM51.796 million compared to RM95.269 million in FY2022.







## Our Fleet

	As at 31 March 2023	As at 31 March 2024	Remarks
<b>Owned vessels</b>			
	Alam Kuasa	Alam Kuasa	Chartered out till 2031
	Alam Kekal		Sold in October 2023
<b>Chartered-in vessels</b>			
	Alam Sayang		Redelivered on 5/5/2023



# Key Financial Highlights FY2023 - Cont'd



In January 2023, the Group expanded its operations into the shelving and storage solutions industry through the acquisition of a new subsidiary, EMT Systems Sdn. Bhd. (“EMTS”) for RM70 million.

EMTS is engaged in supply, design, consult and installation work of racking and shelving products. A goodwill of RM60.2 million was recorded.

In 2023, EMTS achieved a revenue of RM56.860 million and a gross profit of RM10.950 million, with a gross profit margin of 19%.

After deducting other operating expenses, administration expenses, and finance costs, the profit before tax amounted to RM8.443 million.



# Consolidated Financial Position @31/12/2023



Financial Captions (RM'Million)	FY2023	FY2022*	Change
Total Assets	536.9	639.3	(16.0%)
• <i>Intangible assets</i>	60.3	0.0	NA
• <i>Property, plant &amp; equipment</i>	119.7	230.8	(48.1%)
• <i>Investment properties</i>	5.5	0.0	NA
• <i>Receivables and other current assets</i>	31.6	7.4	327.0%
• <i>Deposits, cash and cash equivalent</i>	311.2	379.3	(18.0%)
Total Liabilities	14.6	152.2	(90.4%)
• <i>Lease liabilities</i>	0.6	33.1	(98.2%)
• <i>Dividend payable</i>	0.0	100.0	(100.0%)

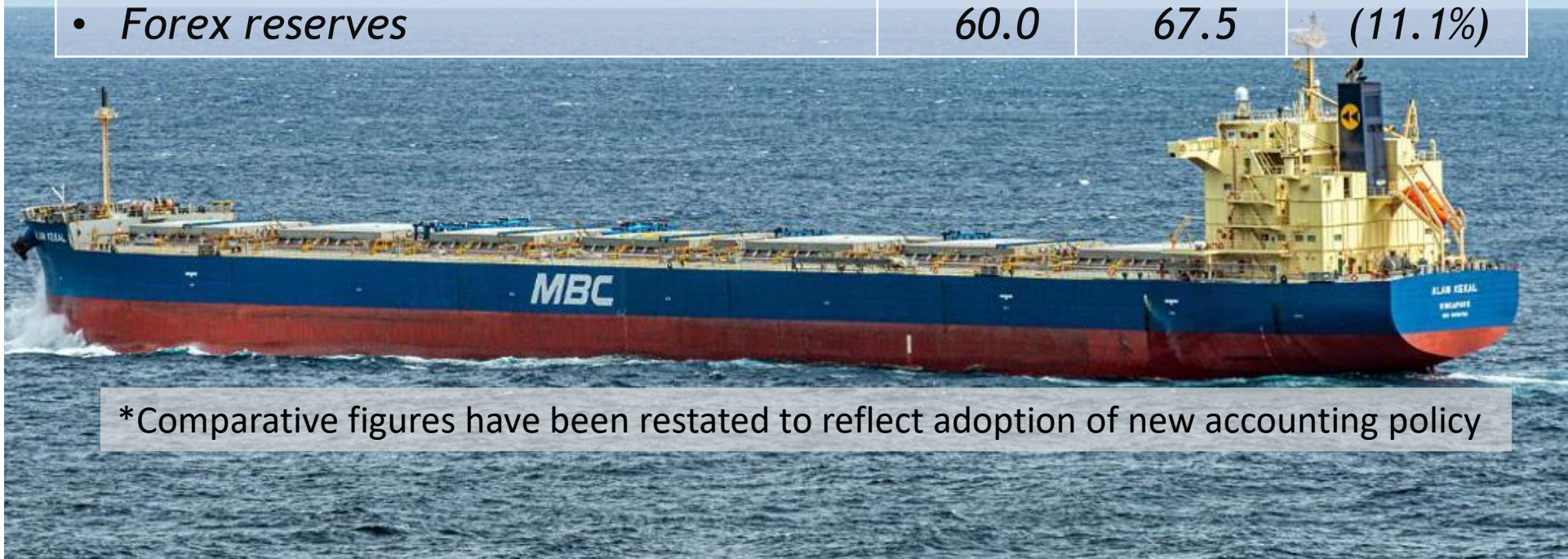




# Consolidated Financial Position @31/12/2023 - cont'd



Financial Captions (RM'Million)	FY2023	FY2022*	Change
Shareholders' equity	522.3	487.1	7.2%
• <i>Share capital</i>	63.8	338.8	(81.2%)
• <i>Retained earnings</i>	398.6	80.8	393.3%
• <i>Forex reserves</i>	60.0	67.5	(11.1%)



\*Comparative figures have been restated to reflect adoption of new accounting policy





Intangible assets increased by RM60 million. This represents goodwill on acquisition of EMT System Sdn Bhd (“EMTS”) in FY2023.

Reduction in property, plant and equipment is mainly due to disposal of Alam Kekal in FY2023.

Receivable balances increased due to incorporation of EMTS receivables in the consolidated accounts.

Cash balances reduced by RM68.1 million due to a number of factors - payment of dividends of RM115 million, net payment for purchase of EMTS amounted to RM63.4 million and proceeds from sale of Alam Kekal of RM133 million.







Reduction in share capital is caused by the Capital Reduction Exercise carried out in FY2023 whereby RM275 million share capital was set off against accumulated losses.

The Group adopted a new accounting policy in FY2023 which allow the Group to reverse foreign currency translation reserves associated with non-current assets when such asset is disposed, monetised or written off and to reverse cumulative foreign currency reserve associated with monetary assets when such monetary assets is paid out as dividend.

The new accounting policy was applied retrospectively and a prior year adjustment of RM76.3 million has been made to the opening retained profit for FY2023.





In FY2023, the Group paid the following dividends:

1. A single-tier special dividend of 6.5 sen per share declared in FY2022, totalling **RM65 million**
2. A single-tier special dividend of 3.5 sen per share declared in FY2022, totalling **RM35 million**
3. A single-tier special dividend of 1.5 sen per share declared on 30/10/2023, totalling **RM15 million**. The dividend was paid on 4/12/2023





# Key Events - Acquisition of EMTS



On 18 January 2023, the Group entered into Share Sale Agreement to acquire 100% equity interest in EMT Systems Sdn Bhd (“EMTS”) for a cash consideration of RM70 million.

The acquisition was completed on 30 January 2023. A goodwill on consolidation of RM60.2 million was recorded.

Contributions from EMTS in FY2023 is as follows:

	2023 RM'000
Revenue	56,860
Gross Profit	10,950
Other operating income, net	326
Administration expenses	(2,667)
Finance costs	(166)
Profit before tax	8,343
Taxation	(2,122)
<b>Profit after tax</b>	<b>6,321</b>

# Key Events - Capital Reduction Exercise



On 16 May 2023, the Group proposed to undertake a Capital Reduction Exercise. This was approved by shareholders on 15 June 2023 and completed on 18 August 2023.

Pursuant to the Capital Reduction Exercise, the share capital of the Company was reduced from RM338.791 million to RM63.791 million.

The difference of RM275 million was set off against accumulated losses with excess treated as retained earnings.





# Key Events - Prior Year Adjustments



	Impact of prior year adjustments			As restated RM'000
	As previously reported RM'000	Adjustments (a) RM'000	Adjustments (b) RM'000	
<b>Statements of Financial Position</b>				
<b>Equity attributable to equity holders of the Company</b>				
<b>Group</b>				
<b>At 1 January 2022:</b>				
Foreign currency translation reserve	118,881	(14,137)	–	104,744
Retained earnings	11,302	14,137	–	25,439
<hr/>				
<b>At 31 December 2022:</b>				
Foreign currency translation reserve	129,641	(62,130)	–	67,511
Retained earnings	18,620	62,130	–	80,750
<hr/>				
<b>Company</b>				
<b>At 1 January 2022:</b>				
Foreign currency translation reserve	409,643	(10,232)	(33,609)	365,802
(Accumulated losses)	(308,290)	10,232	33,609	(264,449)
<hr/>				
<b>At 31 December 2022:</b>				
Foreign currency translation reserve	384,009	(61,380)	(11,081)	311,548
(Accumulated losses)	(215,228)	61,380	11,081	(142,767)
<hr/>				
<b>Statements of Profit or Loss and Other Comprehensive Income</b>				
<b>Company</b>				
<b>For the financial year ended</b>				
<b>31 December 2022:</b>				
Gain on liquidation/disposal of subsidiaries	117,021	–	11,081	128,102
Profit for the year	149,221	–	11,081	160,302
Other comprehensive income/(loss):	18,207	–	(11,081)	7,126

(a) Being realisation of foreign currency translation reserve upon declaration of dividends.

(b) Being realisation of foreign currency translation reserve upon disposal of or redemption of its investment in subsidiaries.

The functional currency of Maybank is in USD whilst the reporting currency is in Ringgit.

In FY2023, the group adopted an accounting policy to reverse cumulative foreign currency translation reserve:

- associated with non-current assets when such assets is disposed, monetised or written off
- associated with monetary assets when such monetary assets is paid out as dividend

Prior to the revision, such reserves is kept in foreign currency translation reserve accounts which is not distributable.



# Key Events - Disposal of Alam Kekal



On 31 July 2023, Shareholders mandated the Group to dispose of Alam Kekal to non-related party for cash consideration at a price not lower 90% of market value as determined independent valuer.

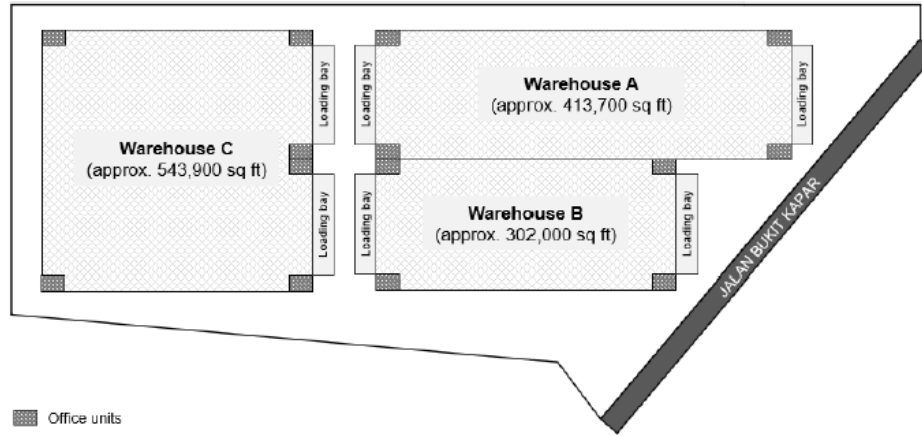
On 5 September 2023, the Group entered into a Memorandum of Acquisition with a non-related party to dispose of Alam Kekal for a cash consideration of JPY4.430 billion (RM140.062 million). The disposal was completed on 16 October 2023.

Utilisation of disposal proceeds received is as follows:

Purpose	Proposed Utilisation RM' Mil	Actual Utilisation RM'Mil	Balance RM'Mil
i) Future business expansion	122.5	(94.0)	28.5
ii) Working capital	12.3	(12.3)	-
iii) Estimated expenses for the disposal of Alam Kekal	2.8	(2.8)	-
Total	137.6	(109.1)	28.5



# Key Events - Development Project in Kapar



On 29 August 2023, the Group announced multiple proposals, including:

1. Proposed acquisition of an industrial land in Kapar by MBC Logistic Hub Sdn Bhd (“MBCLH”) for a total consideration of RM165 million;
2. Proposed joint venture with Golden Valley Ventures Sdn Bhd, a related party where Dato Goh has substantial financial interest, to invest in MBCLH on a 60:40 basis; and
3. Proposed diversification into industrial property business

Shareholders approved these proposals on 6 December 2023. The condition precedent for the proposed acquisition and proposed joint venture were fulfilled on 8 January 2024.

Up to the date of this meeting, the Group has paid RM156.75 million for the acquisition of the land.

The Group will finance the acquisition and the subsequent development costs via internally generated funds and borrowings.

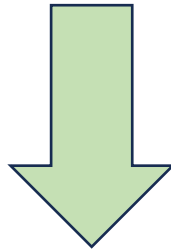




# Key Events - Change of Name



**MALAYSIAN BULK CARRIERS BERHAD**



**MAYBULK BERHAD**

On 29 August 2023, the Group announced proposal to change the name of the Company from Malaysian Bulk Carriers Berhad to Maybulk Berhad.

Shareholders approved the proposal on 6 December 2023.

The name of the Company was officially changed on 13 December 2023.



# Key Subsequent Events - Proposed Share Buy Back



On 27 March 2024, the Group announced its proposal to undertake:

1. To seek shareholders' mandate to purchase its own shares for an aggregate amount of up to 10% of its issued share capital
2. To seek shareholders' approval to exempt Dato' Goh Cheng Huat, a Director and Major Shareholder of the Company and his person(s)-acting-in-concert from the obligation to undertake a mandatory general offer for all the remaining shares of the Company not already owned by them arising from the purchase by the Company of its own shares

An Extraordinary General Meeting will be held to consider these proposals subsequent to this Annual General Meeting.



# Outlook for FY2024



## Shipping Operations

Lower revenue anticipated as the Group has only 1 vessel left.

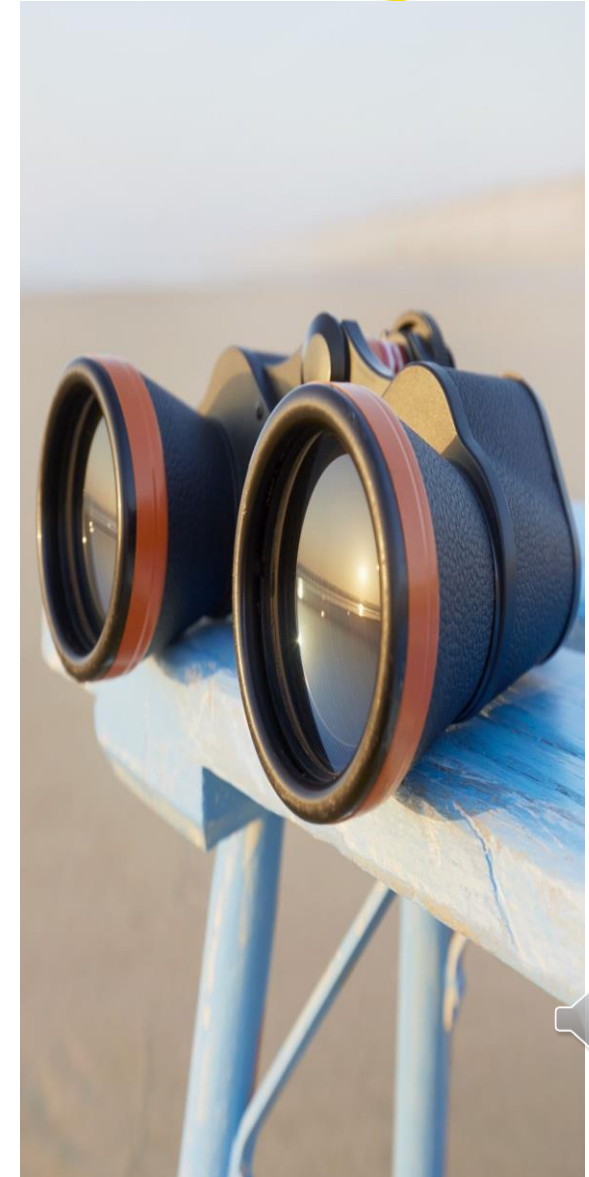
In 1H2024, Alam Kuasa is due for dry docking and scheduled maintenance.

## Shelving and Storage Solutions

The Group anticipate demand for industrial shelving and storage solution to remain strong. The Group will also focus on gondola shelving products for growth.

## Warehousing

No revenue is expected in FY2024. Expenses relating to loan documentation and pre-operating cost will be expensed off in FY2024.







## **Fluctuations in USD exchange rate**

- ✓ The functional currency of the Group is USD whereas the reporting currency is in RM. Fluctuations in exchange rate between USD and RM will have an impact on the net assets of the Group

## **Credit risks**

- ✓ Arising from selling of products in credit

## **Fluctuations in interest rate**

- ✓ Returns from cash placed with financial institutions will depend on market interest rate
- ✓ Interest on borrowings incurred to finance development project

## **Regulatory risks**

- ✓ The vessels ply international routes and hence will need to comply with global and applicable regional maritime regulations
- ✓ Occupational safety and health concerns

## **Environmental and sustainability risks**

- ✓ Our vessels need to comply with recommendations by International Maritime Organisations
- ✓ Ensuring the new warehouse qualify as green building

## **Joint venture risks**

- ✓ Ensure successful venture with joint venture partner to develop land in Kapar





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***END OF PRESENTATION***

