

17 March 2026

Keyfield International Multiple Charters in the Bag

By Lim Sin Kiat, CFA / limsk@kenanga.com.my

KEYFIELD announced a mix of charter wins for FY26 consisting of 7 AWBs and 1 AHTS, with contract durations spanning two months to a year. Based on back of the envelope calculations, we arrive at c.RM99,180/day DCR for AWBs and RM45,000/day for AHTS. We maintain our forecasts, TP of RM1.75 pegged to 11x FY27F PER to factor in longer term anticipation of upstream spending improvement but note that FY26F earnings remain modest, and **OUTPERFORM** call.

KEYFIELD announced that it has secured various charter contracts involving seven units of AWBs and one AHTS. The duration of contract secured ranges from two months to one year with 1-month to 1-year extensions. The contracts are valued at RM162m for firm and RM84m for extensions. Among the AWB jobs, five is in Malaysia, two is in Middle East (one AHTS and one AWB) and one in Thailand while the majority of the charters will commence in 1HFY26.

While the DCR is not announced, based on an average charter duration of seven months (two months to a year range), we arrive at a AWB DCR of RM99,180/day minimum for the AWBs and RM45,000/day DCR for AHTS. The DCRs may vary depending on the AHTS' actual charter duration. This is largely inline with our forecast as we assume RM100,000/day DCR for its whole fleet for FY26.

Outlook. Looking ahead, the outlook remains cautious amid the ongoing impasse between Petronas and PETROS and overall softer demand for OSVs. Nevertheless, we take note of the persistently tight vessel supply across both the AWB and AHTS segments, underscoring a chronic global underinvestment in newbuilds. Meanwhile, KEYFIELD's strategic move to diversify its geographical exposure to the Middle East should help lift overall vessel utilisation in FY26 (closer to 70%) given the absence of seasonal monsoon disruptions, although day rates in this region are typically lower than in Malaysia. Nevertheless, from FY27 onwards, an elevated crude price trend could lead to potential upside in DCRs and utilisations if upstream capex recovers eventually.

Forecast. Maintained as we deemed the win as within expectations and we assume average utilisation of 70%.

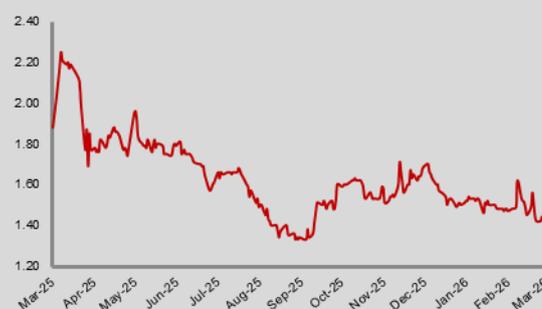
Valuations. We held our TP at RM1.75 pegged to 11x FY27F PER to price in more upside potential in DCRs from FY27 onwards due to improved crude oil prices, though we are cognizant of the fact that DCR rates usually lag crude price movements by several months to a year.

Investment case. We like KEYFIELD due to: (i) its timing in purchase for a large number of its vessels where valuation was at the bottom during Covid-19, (ii) its capability to go beyond 40% in its dividend payout ratio which could lead to a higher-than-expected dividend yield. Maintain **OUTPERFORM**.

OUTPERFORM ↔

Price: **RM1.39**
Target Price: **RM1.75** ↔

Share Price Performance



KLCI 1,696.56
YTD KLCI chg 1.0%
YTD stock price chg -7.2%

Stock Information

Shariah Compliant	Yes
Bloomberg Ticker	KEYFIELD MK Equity
Market Cap (RM m)	1,121.7
Shares outstanding	807.0
52-week range (H)	2.27
52-week range (L)	1.28
3-mth avg. daily vol.	445,599
Free Float	26%
Beta	1.7

Major Shareholders

Lavin Group Sdn Bhd	27.0%
Dato Kee Chit Huei & Spouse	27.0%
Mohd Erwan	6.0%

Summary Earnings Table

FY Dec (RM m)	2025A	2026F	2027F
Revenue	430.5	371.0	382.8
EBIT	195.7	174.5	188.2
PBT	183.7	163.6	177.3
Net Profit (NP)	142.6	122.0	132.3
Core NP (CNP)	113.5	122.0	132.3
Consensus (CNP)	-	136.0	147.0
Earnings Revision (%)	-	-	-
Core EPS (sen)	13.7	14.7	16.0
EPS Growth (%)	-50.8	7.6	8.2
DPS (sen)	11.0	8.1	8.8
BV/Share (RM)	0.9	1.0	1.1
PER (x)	10.1	9.4	8.7
PBV (x)	1.5	1.4	1.3
Net-Gearing (x)	0.0	0.0	-0.1
Div. Yield (%)	7.9	5.8	6.3

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Peer Table Comparison

Name	Rating	Last Price (RM)	Target Price (RM)	Upside	Market Cap (RM m)	Shariah Compliant	Current FYE	Core EPS (sen)		Core EPS Growth		PER (x) - Core Earnings		PBV (x)	ROE	Net Div. (sen)	Net Div Yld
								1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.
Stocks Under Coverage																	
BUMI ARMADA BHD	OP	0.340	0.410	20.6%	2,015.5	Y	12/2026	4.7	4.5	-14.8%	-3.7%	7.3	7.6	0.4	6.1%	95.0	279.4%
DAYANG ENTERPRISE HLDGS BHD	MP	1.79	2.45	36.9%	2,072.4	Y	12/2026	16.1	18.8	7.8%	17.0%	11.1	9.5	1.1	9.8%	11.0	6.1%
DIALOG GROUP BHD	OP	1.92	2.28	18.8%	10,834.0	Y	06/2026	10.4	11.4	31.4%	9.7%	18.4	16.8	1.8	9.9%	5.0	2.6%
LIANSON FLEET GROUP BHG	OP	1.92	2.40	25.0%	2,240.0	Y	12/2026	20.6	27.3	142.4%	32.3%	9.3	7.0	1.2	13.2%	400.0	208.3%
KEYFIELD INTERNATIONAL	MP	1.39	1.75	25.9%	1,121.7	Y	12/2026	14.7	16.0	7.5%	8.4%	9.4	8.7	1.4	15.1%	8.0	5.8%
MISC BHD	OP	8.33	8.60	3.2%	37,183.0	Y	12/2026	47.3	49.5	-0.4%	4.6%	17.6	16.8	1.1	6.2%	36.0	4.3%
PETRONAS CHEMICALS GROUP	OP	4.58	4.90	7.0%	36,640.0	Y	12/2026	4.0	4.1	-48.7%	0.6%	113.3	112.7	1.0	0.9%	2.0	0.4%
PETRONAS DAGANGAN BHD	MP	21.90	21.20	-3.2%	21,756.6	Y	12/2026	116.9	116.5	5.7%	-0.4%	18.7	18.8	3.5	19.1%	94.0	4.3%
UZMA BHD	OP	0.420	0.600	42.9%	250.0	Y	06/2026	14.8	15.9	6.9%	7.5%	2.8	2.6	0.2	8.5%	0.0	0.0%
VELESTO ENERGY BHD	MP	0.325	0.320	-1.5%	2,670.1	Y	12/2026	2.2	2.6	3.7%	18.1%	14.8	12.5	1.1	7.5%	2.0	6.2%
WASCO BHD	OP	0.960	1.45	51.0%	743.3	Y	12/2026	1.8	2.0	-15.7%	6.4%	52.1	49.0	5.6	11.3%	6.0	6.3%
YINSON HOLDINGS BHD	OP	2.40	2.84	18.3%	7,013.7	N	01/2026	16.6	20.4	20.3%	22.3%	14.4	11.8	1.4	10.1%	6.0	2.5%
SECTOR AGGREGATE					124,540.4							21.3	20.0	1.6	9.8%		43.9%

Source: Kenanga Research

Stock ESG Ratings:

	Criterion	Rating				
GENERAL	Earnings Sustainability & Quality	★	★			
	Community Investment	★	★			
	Workers Safety & Wellbeing	★	★	★		
	Corporate Governance	★	★			
	Anti-Corruption Policy	★	★	★		
	Emissions Management	★	★	★		
SPECIFIC	Transition to Low-Carbon Future	★	★	★	★	
	Conservation & Biodiversity	★	★	★		
	Effluent/Waste Management	★	★	★		
	Water Management	★	★	★		
	Supply Chain Management	★	★			
	Energy Efficiency	★	★	★		
OVERALL		★	★	★		

☆ denotes half-star
 ★ -10% discount to TP
 ★★ -5% discount to TP
 ★★★ TP unchanged
 ★★★★ +5% premium to TP
 ★★★★★ +10% premium to TP

Stock Ratings are defined as follows:

Stock Recommendations

OUTPERFORM : A particular stock’s Expected Total Return is MORE than 10%
 MARKET PERFORM : A particular stock’s Expected Total Return is WITHIN the range of -5% to 10%
 UNDERPERFORM : A particular stock’s Expected Total Return is LESS than -5%

Sector Recommendations***

OVERWEIGHT : A particular sector’s Expected Total Return is MORE than 10%
 NEUTRAL : A particular sector’s Expected Total Return is WITHIN the range of -5% to 10%
 UNDERWEIGHT : A particular sector’s Expected Total Return is LESS than -5%

*****Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.**

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KENANGA INVESTMENT BANK BERHAD (15678-H)
 Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
 Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my

