

# 1HFY2016 Financial Results & Updates



# *Sustaining Our Values*



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*our people  
our success*



# CORPORATE STATEMENT

## MISSION

To Provide  
Sustainable Growth  
and Enhance  
Stakeholders' Value

## VISION

To be the Market Leader  
in our Operating  
Segments domestically  
and to achieve  
20% Operating Profits  
contribution from  
International Business  
by 2019

## SHARED VALUES

### **INTEGRITY**

Respect, Honesty, Ethics.

### **PROFESSIONALISM**

Accountability, Teamwork,  
Communication.

### **HEALTH, SAFETY & ENVIRONMENT**

Healthy/Balanced Lifestyle,  
Safety, Environment.

### **EXCELLENCE**

Quality, Deliverance, Rewards.



# ABOUT DELEUM

## Overview

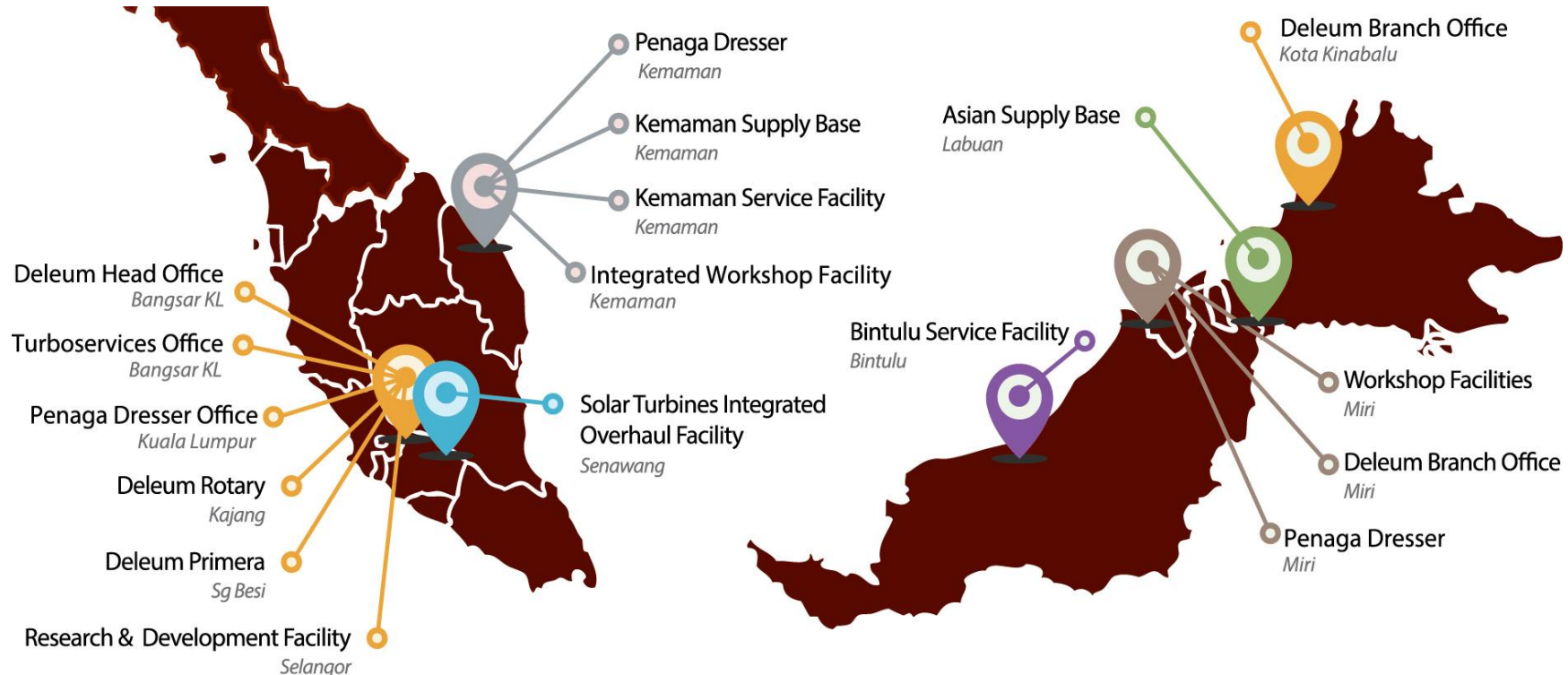
- Established in 1982
- Listed on the Main Market of Bursa Malaysia in 2007
- PETRONAS Licensed Service Provider

## Our business

- Evolved from a Product Oriented business to an **Integrated Solutions** provider.
- Focused on 3 core business segments :
  - **Power and Machinery (P&M)**
  - **Oilfield Services**
  - **Integrated Corrosion Solution (ICS)**

## Our competencies

- Recorded 6.58M Free Lost Time Injury (LTI) Man Hours as of 31 July 2016 (since 25 August 2012)
- Staff strength: 845 employees as of 31 December 2015
- First Training Well Facility commissioned at Asian Supply Base in Labuan, Malaysia





## BOARD OF DIRECTORS

*Standing (from left to right)*

1. **Datuk Noor Azian binti Shaari**  
Independent Non-Executive Director
2. **Datuk Ishak bin Imam Abas**  
Independent Non-Executive Director
3. **Datuk Vivekananthan a/l M. V. Nathan**  
Non-Independent Non-Executive Deputy Chairman
4. **Dato' Izham bin Mahmud**  
Non-Independent Non-Executive Chairman
5. **Nan Yusri bin Nan Rahimy**  
Group Managing Director
6. **Datuk Chin Kwai Yoong**  
Independent Non-Executive Director
7. **Datuk Ir (Dr) Abdul Rahim bin Hashim**  
Senior Independent Non-Executive Director

# CORPORATE PROFILE

## DELEUM BERHAD PROFILE

Deleum Berhad (Bursa: Deleum) is an investment holding company and through its subsidiaries, provides a diverse range of supporting specialised products and services for the oil and gas industry, particularly the exploration and production of oil and gas.

FINANCIAL YEAR (RM'000)	FY2014	FY2015
Revenue	657,273	649,398
Gross Profit	157,969	149,176
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	116,861	108,275
Profit before Tax	91,993	71,151
Profit after Tax and Non-Controlling Interest (PAT after NCI)	59,324	45,408

**HISTORICAL PRICE / VOLUME CHART**  
(AS AT 23/08/16)



## MARKET DATA

Current Share Price (as at 23/08/16)	RM1.11
Number of Ordinary Shares	400 million (par value of RM0.50 each)
Market Capitalisation (as at 23/08/16)	RM444.0 million
Shareholders' Equity as at 30 June 2016	RM292.2 million

## Establishment of the Provision of Gas Turbine Services

- *Establishment of Turboservices Sdn. Bhd. – JV with Solar Turbines Inc. for after market sales for gas turbines in 1987*

## Establishment of JV, Malaysian Mud and Chemicals Sdn. Bhd. for Bulking Services at ASB, Labuan in 1987

## Establishment of the Provision of Slickline Services

- *Established Camco (Malaysia) Sdn. Bhd. (CMSB) in partnership with Camco Inc. in 1987*
- *First wireline contract secured in 1989*

## 1980-90's

## Establishment of Cambodia Utilities Pte. Ltd. for Independent Power Production in Cambodia in 1995

## Establishment of Industrial Power Generation services with first project secured in 1997

## Acquisition of the remaining 49% equity interest in CMSB from Schlumberger - now known as Deleum Oilfield Services Sdn. Bhd. in 2001

## Establishment of the Supply of Oilfield Chemicals Services in 2003

## Establishment of Turbine Overhaul Facility - Dedicated Solar Turbines Integrated Services Centre in Senawang

## 2000's

## Deleum Berhad was listed on Main Market of Bursa Malaysia in 2007

## Acquisition of 51% equity interest of Penaga Dresser Sdn. Bhd. via 80% subsidiary Delcom Holdings Sdn. Bhd. in 2008

## Establishment of Maintenance, Overhaul and Repair (MRO) Segment via

- *Acquisition of 100% equity interest of Deleum Rotary Services Sdn. Bhd. in 2010*
- *Acquisition of 60% equity interest of Deleum Primera Sdn. Bhd. in 2012*

## 2010's

## Establishment of JV between Deleum Berhad and Solar Turbines International Company (STICO) via STICO participation in Turboservices Overhaul Sdn. Bhd. in 2015

## Restructuring of Integrated Corrosion Solution (ICS) (formerly known as Maintenance, Overhaul and Repair (MRO)) Segment in 2015

## Attainment of OPITO Certification on Competence Management System (OPITO-CMS) by Deleum Oilfield Services Sdn. Bhd.

## 30<sup>th</sup> Anniversary and Corporate Rebranding

## Acquisition of the remaining 20% equity interest in Delcom Holdings Sdn. Bhd. in 2015

# MILESTONES ACCOMPLISHED







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## **BUSINESS ACTIVITIES**

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# CORE BUSINESS SEGMENTS





## Power & Machinery (P&M)

100%

### Deleum Services S/B

Provision of gas turbines packages, maintenance and technical services, combined heat and power plants, and production related equipment and services predominantly for the oil and gas industry.

100%

### Deleum Rotary Services S/B

Servicing, repair and maintenance of transformers, motor, generators, pumps and valves.

74%

### Turboservices S/B<sup>^</sup>

Provision of gas turbine overhaul and technical services and supply of gas turbine parts.

51%

### Penaga Dresser S/B<sup>#</sup>

Supply, repair, maintenance and installation of valves and flow regulators.



## Oilfield Services

100%

### Deleum Oilfield Services S/B

Provision of slickline equipment and services, integrated wellhead maintenance services, drilling equipment and services and other oilfield related products and services.

100%

### Deleum Chemicals S/B

Development and provision of solid deposit removal solutions for enhancement of crude oil production and the supply of oilfield chemicals and services.



## Integrated Corrosion Solution (ICS)

60%

### Deleum Primera S/B

Provision of integrated corrosion and inspection services, blasting technology and services for tanks, vessels, structures and piping.

### Remarks:

\* Dormant subsidiaries, associates and joint venture are excluded from the above business segments.

<sup>^</sup> Partnership with STICO.

<sup>#</sup> Indirect subsidiary of Deleum Berhad via Delcom Holdings Sdn. Bhd, a wholly owned subsidiary of Deleum Services Sdn. Bhd..

# BUSINESS SEGMENTS





# POWER AND MACHINERY

- Provision of Gas Turbine Packages
- Supply of Gas Turbine Parts
- Gas Turbine Overhaul, Maintenance and Technical Services
- Combined Heat and Power Plant
- Provision of Gas Processing Solution
- Supply, Installation, Repair and Maintenance of Valves and Flow Regulators
- Motors, Generators and Transformers Maintenance Services
- Other Production Equipment and Related Services

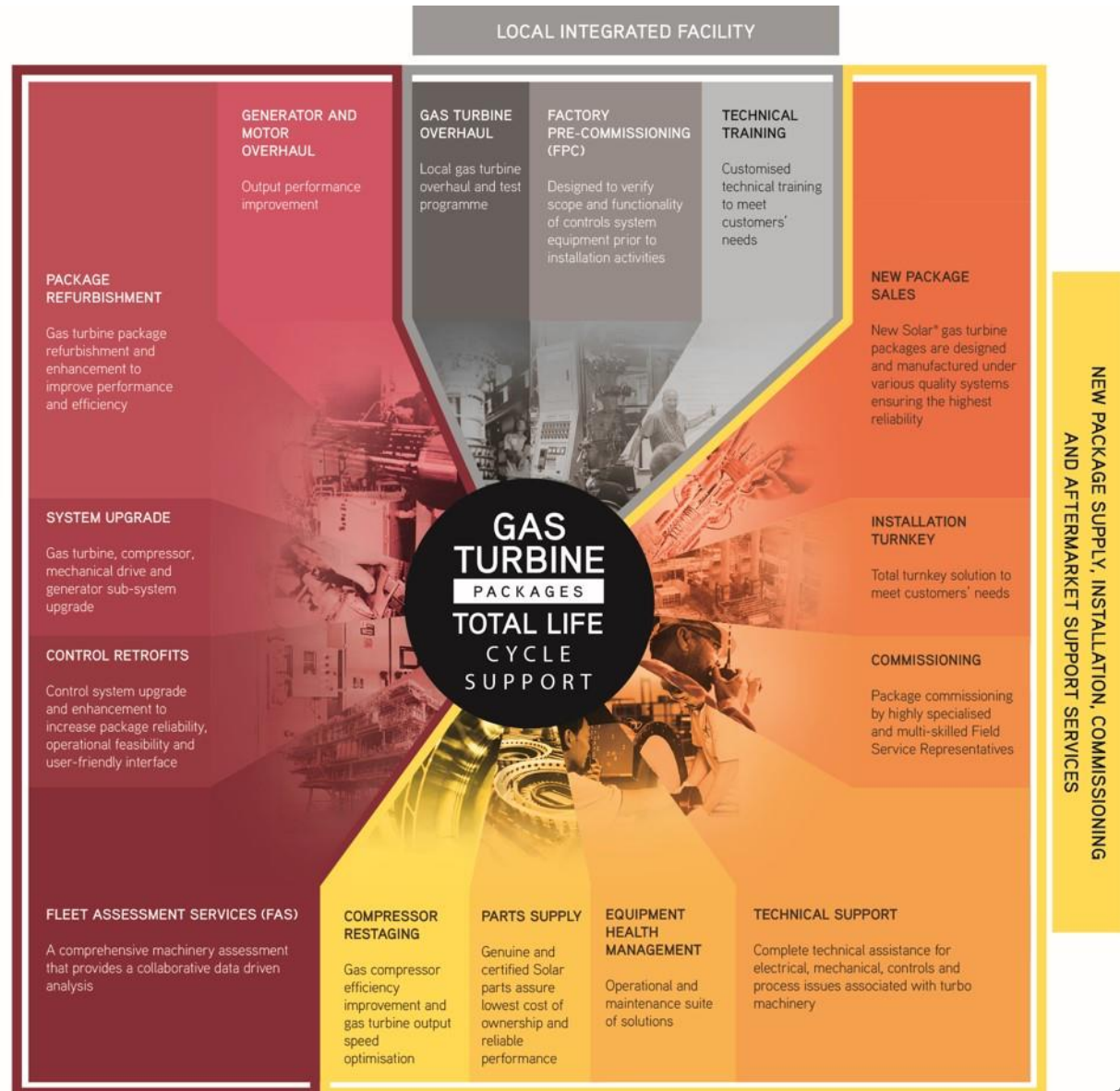
# POWER AND MACHINERY

## Gas Turbine Packages - Total Life Cycle Support

Power and Machinery segment focuses on the provision of:

- Complete life cycle support of gas turbine generators, mechanical drives and compressor packages
- Turnkey solutions for combine heat and power plants
- EPCC for gas turbine installation, refurbishment and upgrades
- Supply, installation and maintenance of Acid Gas Removal Unit (AGRU)
- Supply, installation, repair and maintenance of valves and flow regulators
- Highly insulated pipe-in-pipes for pipeline solution
- Offshore Transportation and Installation (T&I) works

TOTAL INTEGRATED GAS TURBINE REHABILITATION SERVICES





# POWER AND MACHINERY

## Integrated Services Centre

### INTEGRATED SERVICES CENTRE - SENAWANG

- Invested plant and equipment > RM 20 million
- Sitting on 3.5 acres site (30k sq. ft. built-up area)
- Equipped with advanced simulators and training skids
- Capabilities:

**Gas Turbine Overhaul**

**Gas Compressor Overhaul**

**Factory Pre-Commissioning Test for Control Systems Upgrade**

**Classroom and Practical Training**





# POWER AND MACHINERY

## Provision of Maintenance, Repair and Overhaul



### • **DELEUM ROTARY SERVICES**

- acquired in year 2010
- IECEx certified
- supported by highly skilled, experienced and trained personnel to execute workshop activities and field works
- involves in the provision of maintenance, repair and overhaul of generators, transformers, pumps and valves.
- focuses on:
  - Mechanical Equipment Services
  - Specialised Products & Services
  - Electrical Equipment Services
  - Field Services



# POWER AND MACHINERY

## Valves and Flow Regulators Services



- **PENAGA DRESSER** is the sole agent of Dresser's products on control valves, regulators and safety relief valves for Malaysia market. It also provides Total Valve Management and supporting activities.
- The services offered by **PENAGA DRESSER** include:
  - Service support for control valves, regulators and safety relief valves, actuators and related instruments
  - Diagnostic services using Electronic Valve Testing (EVT) methodology
  - Control valves modification, upgrading and refurbishment
  - Training on control valves servicing, assembly and smart products (i.e. Positioners and Digital Level Transmitters)



# OILFIELD SERVICES

- Provision of Slickline Equipment and Services
- Integrated Wellhead Maintenance
- Asset Integrated Solutions (A.I.S)
- Drilling & Completion Services
- Drilling & Production Facilities
- Integrated Chemical Solutions
- Integrated Pipeline Cleaning
- Integrated Tank Cleaning
- Integrated Flow Assurance Services
- Integrated Process Equipment Cleaning
- Integrated Chemically Enhanced Production (IOR)



# OILFIELD SERVICES

## Slickline Services & Integrated Wellhead Maintenance

### SLICKLINE SERVICES

Slickline Routine & Non-Routine Activities

Slickline Perforation

Slickline Fishing

Memory Production Logging Tools (MPLT)

Multi-finger Imaging Tools (MIT)

Multiple Array Production Suite (MAPS)

Hydraulic Mast Rental

Gas Lift Valves

Sub-surface Safety Valve Maintenance

### INTEGRATED WELLHEAD MAINTENANCE

Total Wellhead Maintenance Management

Corrective Maintenance

Preventive Maintenance

Data and Well History Management

Extended maintenance services up to header ball valves

Critical Spare Parts Management

Crews are trained and certified on all trees

Failure Analysis Report

Echometer Services

Annulus Fluid Top Up

# OILFIELD SERVICES

## Asset Integrated Solutions (A.I.S)

- Well stimulation packages i.e. pumping services, mini coil tubing and chemical services
- Diversified package delivery i.e. stimulation vessel, lift-boat etc.
- Flow assurance services for stimulation i.e. scale, corrosion, wax, emulsion control and mitigation
- Hydraulic Pulse Generator

**WELL  
STIMULATION**

**WELL  
ENHANCEMENT**

**ASSET  
INTEGRATED  
SOLUTIONS  
(A.I.S)**

**EARLY  
PRODUCTION  
FACILITY**

**IDLE WELL  
REACTIVATION**

- Early Production System (EPS) package
- EPS System together with a floater or relocatable platform
- A complete process and production packages

- Leveraging on our own slickline units, well-intervention services, perforating services and chemical services
- Near wellbore damage remediation
- Through Tubing Gravel Pack
- Water shut-off
- Water injection scheme
- Water injection module

- Reactivation of non-flowing wells; producers and injectors all encompassing
- History, problem and investigations i.e. well analysis, new technology applications and testing, and lab services
- Well intervention services (i.e. perforation, Pipe Recovery, P&A, plug and packer setting services etc.)
- Near wellbore damage remediation
- Sand monitoring and control services



# OILFIELD SERVICES

## Training Well Facility



## COMPETENCIES MANAGEMENT

### DEVELOPMENT OF TRAINING WELL FACILITY

- **DELEUM OILFIELD SERVICES** had successfully commissioned the first Training Well Facility at Asian Supply Base in Labuan, Malaysia.
- Serves as a training platform providing simulated work environment.
- Made available also to external parties for training, testing and etc.
- Group's commitments:
  - To ensure workforce's competency and safety
  - To provide quality service to all customers



# OILFIELD SERVICES

## Integrated Chemical Solutions

- **DELEUM CHEMICALS** is a research oriented company which provides solution to challenging and demanding chemical solutions in oil and gas industry. It forms strategic alliances with reputable suppliers and technical partners to package superior solution to customers.
- Entered into **Joint Commercialisation Agreement** with PETRONAS Technology Ventures Sdn. Bhd. to jointly undertake commercialisation activities of SolidClenz™ on 3 November 2011.



- SolidClenz™ has been selected as a finalist in the category of Best Production Chemicals Award in World Oil Awards 2014.
- Highlights:
  - Accredited with ISO14001:2004 Environmental Management Systems certification
  - More than 1.5 million barrels accelerated oil produced with value creation of more than USD 100 million
  - Top 7 finalist for The Institution of Chemical Engineers (IChemE) Awards 2014

### SPECIALTY CHEMICALS\*

<b>SolidClenz™</b>	Thermo-chemical solution to remove wax deposits
<b>DEL-CLEAN™</b>	Specialty formulation to dissolve and disperse complex inorganic deposits
<b>Antifoulant GP-HX®</b>	Specialty formulation to remove foulant from thermo-siphon equipment
<b>DEL-SOL™</b>	Specialty formulation to dissolve and disperse naphthenate deposits
<b>Flow Surf®</b>	Specialty formulation to separate sludge, rag, muck and emulsion
<b>LIQUID FILTER®</b>	Specialty polymer formulation for water shut-off and profile modification
<b>SCALESTIM®</b>	Squeeze treatment for prevention of scale
<b>SAND-LIFT®</b>	Specialty formulation to remove sand from tubing
<b>SCALE-FREE™</b>	Specialty formulation to remove pipeline scale
<b>DEL-PERSE™</b>	Specialty formulation for wax inhibitor / PPD / dissolver
<b>DEL-MUL™</b>	Specialty formulation to break tough emulsion
<b>DEL-SOL AD</b>	Specialty formulation to dissolve and disperse asphaltene deposits

\* As of date of printing

# OILFIELD SERVICES

## Integrated Chemical Solutions

- Organic deposit treatment
- Naphthenates treatment
- Scale treatment
- Removal of wellbore dirt
- Water shut-off and profile modification
- Pressure pumping and nitrogen lifting
- Sand consolidation, fine migration control
- Zonal isolation
- Well integrity

### Production Enhancement Solutions

### Flow Assurance

- Scale squeeze treatment
- Production and performance chemicals for water injectors and oil producers
- Integrated tank cleaning
- On-line/offline cleaning (separators, heat exchangers, boilers)
- Tracer study, cleaning of flowline & pipelines, hazard containment
- Specialty formulation for CEOR schemes
- H<sub>2</sub>S monitoring, remediation and integrated management

### Consultancy, R&D and Special Projects

- Consultancy services on crude oil production, flow assurance and water handling
- Development of Novel product to address production & flow assurance issues
- Water desalination, treatment and injection projects
- Surfactant and polymer formulation for CEOR.
- Specialty formulation to manage side effects of EOR scheme.



# INTEGRATED CORROSION SOLUTION (ICS)

- Surface Preparation Services
- Passive Fire Protection Services
- Pipeline Field Joint Coating
- Coating Removal by Controlled Induction Heating (RPR Technology)
- Composite Repairs
- Hot and Cold Insulation Work  
*(using conventional method and Aspen Aerogel)*
- Pipe Spool Fabrication and Replacement
- Minor Fabrication and Structural Piping  
*(including onsite welding and cutting)*
- Corrosion Prevention for Riser Maintenance



# INTEGRATED CORROSION SOLUTION

## Deleum Primera

- **DELEUM PRIMERA** involves in the provision of services in the integrated corrosion, inspection and mitigation for the oil and gas industry.
- **DELEUM PRIMERA** is the sole distributor of Sponge-Jet products for surface preparation works in Malaysia, Indonesia, Singapore, Brunei, Turkmenistan and Iraq.



### SPONGE-JET Technology

- Low blast-related dust, excellent profiling and cleaning capabilities
- Enhanced surface contaminant removal and retention
- Exponential waste reduction
- High productivity
- Improved work safety
- Dramatically reduced

# INTEGRATED CORROSION SOLUTION

## Deleum Primera

- **DELEUM PRIMERA** has also ventured in Rust and Paint Removal (RPR) Technology, a paint and coatings removal technology by controlled induction heating.



Ship/Marine



Storage Tanks



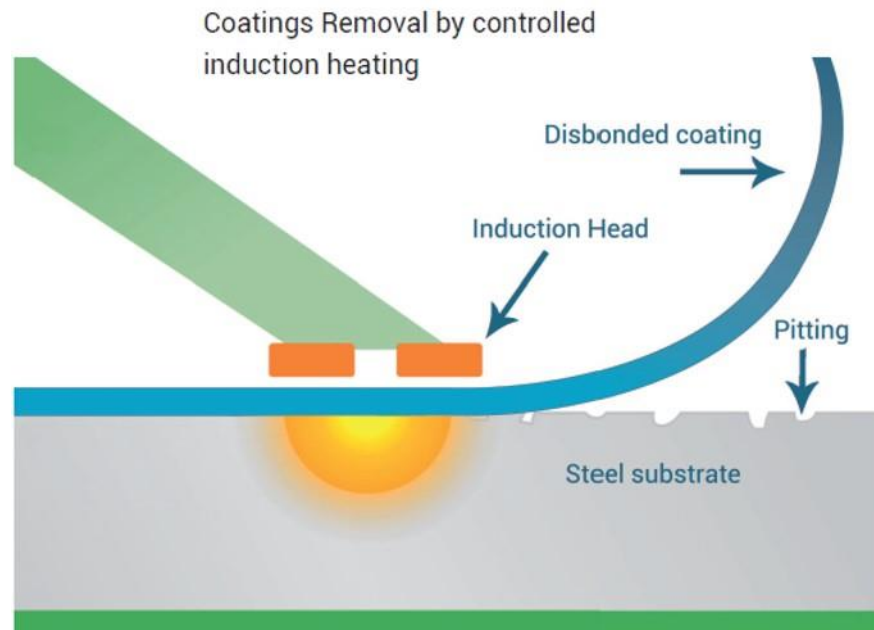
Pipes



Bridges



Offshore

Health, Security  
& Environment

### RPR Technology

- Ideal for removing paint and coatings
- Health and environmental friendly - removed entire coating without disintegrating and completely free from contaminating agents
- Makes disposal and recycling of waste easier and cheaper
- Minimum power consumption





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**LONG-TERM  
CONTRACTS**

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### UPDATES ON LONG TERM SERVICE AGREEMENT

- Turboservices Sdn. Bhd. had in FY2013 received a Letter of Award from Petroliam Nasional Berhad to provide aftermarket turbomachinery maintenance services for Solar Turbines Incorporated's gas turbines in Malaysia.
- The tenure of the LTSA is for 7 years with an extension option of 3 years until 2023.
- The scope of work in regards to the LTSA consists of supply of serviced parts, overhaul and exchange engine services, field service support, training, machinery renewal and upgrade work as well as project management.
- Covering approximately 300 gas turbine packages in the range of 1-15MW.





### UPDATES ON SLICKLINE CONTRACTS

- Deleum Oilfield Services Sdn. Bhd., had in FY2013, received letter of awards from various PSC operators under a joint tender exercise for the provision of slickline equipment and services for PSC operators' drilling programmes and production operations.
- The duration of the slickline contracts is for a term of 5 years.
- The scope of work in regards to the slickline contracts include the supply of slickline equipment and services for PSC operators' operation covering both Peninsular and East Malaysia fields.
- Total slickline units deployed = 53 slickline units



### PROVISION OF PAINTING AND ALTERNATIVE BLASTING CONTRACT

- Deleum Primera Sdn. Bhd., had in FY2014, received the Letter of Awards from PETRONAS Carigali Sdn. Bhd. for the provision of painting and alternative blasting for Peninsular Malaysia and East Malaysia operations.
- The tenure of the contract is for 2 years with the option to extend for additional 1 year until 2017.
- The scope of works awarded include:
  - Package B: Sponge Jet Blasting
  - Package C: Bristle, Wet Abrasive and Vacuum Blasting



**Secured First Medium Term Contract**



**Deleum  
Primera**





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**CERTIFICATIONS**

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# Certifications Obtained

# CERTIFICATIONS

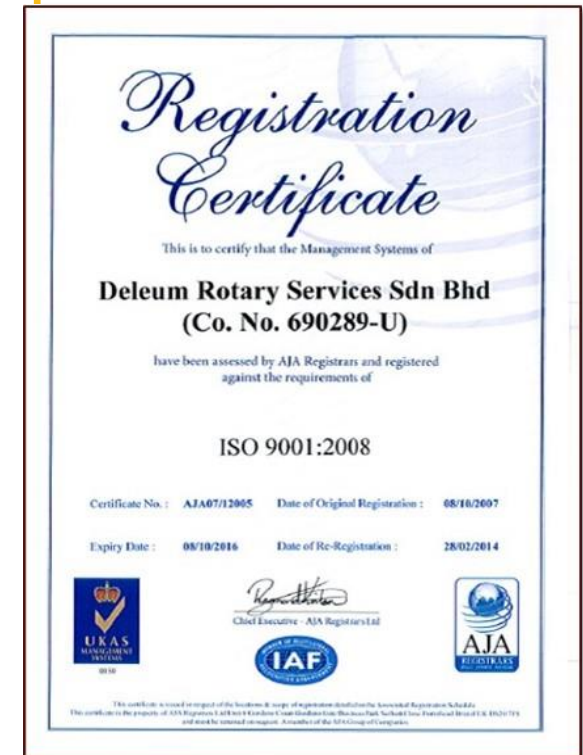
## Management System Certification ISO 9001:2008 Re-Certification Deleum Services Sdn. Bhd. 4 April 2013



## Certified Service Facility (IECEX) – Kajang Service Facility Deleum Rotary Services Sdn. Bhd. 28 May 2013



## Management System Certification ISO 9001:2008 Re-Certification Deleum Rotary Services Sdn. Bhd. 28 February 2014



## CERTIFICATIONS



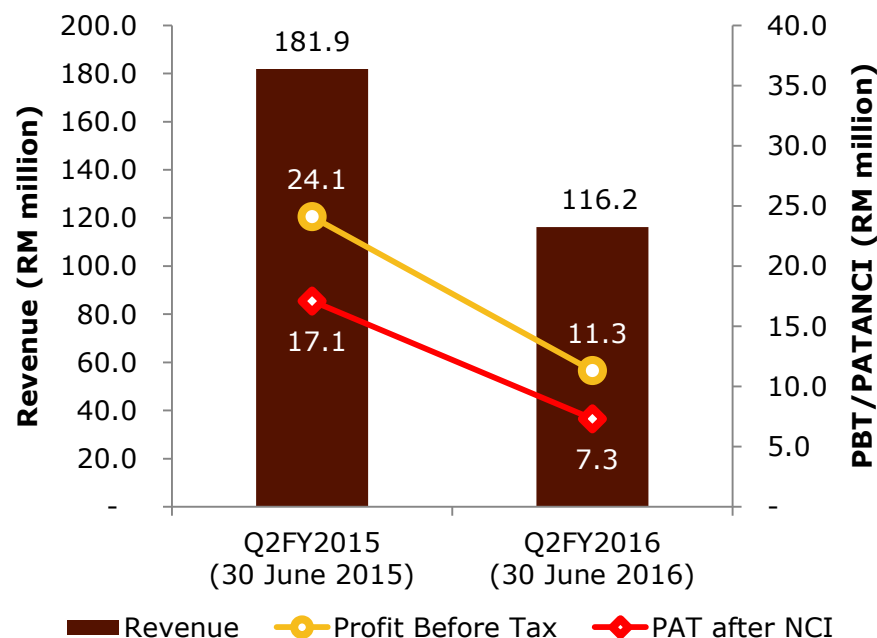


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## **FINANCIAL HIGHLIGHTS**

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## QUARTERLY - REVENUE/PBT/PATANCI



### BOTTOM LINE ANALYSIS

PBT for Q2FY2016 was lower by RM12.8 million or 53.0% as compared to Q2FY2015 due to lower contribution from P&M segment, OS segment and the share of results from associate companies.

#### P&M:

↓ RM7.15 million (↓ 48.6%)

Due to lower revenue contribution.

#### OS:

↓ RM5.50 million (↓ 65.6%)

Due to reduced revenue and margins from slickline activities as customers cut back on operating expenditures in response to low crude oil prices.

#### ICS:

↑ RM0.03 million (↑ 3.2%)

Due to higher revenue contribution offset by higher manpower and operating costs.

### TOP LINE ANALYSIS

Q2FY2016 revenue decreased by RM65.7 million or 36.1% as compared to Q2FY2015.

#### P&M:

↓ RM62.38 million (↓ 48.0%)

Due to

- lower revenue contribution from exchange engines, retrofit projects and parts & repairs.

Offset by

- higher revenue contribution from supply, install, repair and maintenance of valves, flow regulators and other production related equipment

#### OS:

↓ RM4.58 million (↓ 11.5%)

Due to lower revenue contribution from softer slickline activities in West Malaysia, offset by improved utilisation of slickline assets in East Malaysia.

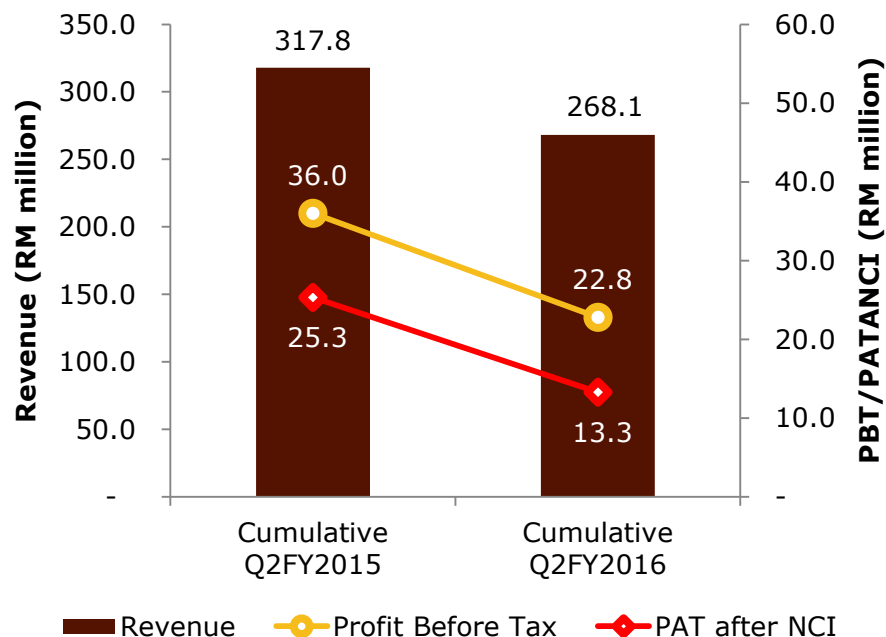
#### ICS:

↑ RM1.24 million (↑ 10.2%)

Due to improved work orders for corrosion protection and maintenance stemming from the Pan Malaysia Blasting contracts.

2<sup>nd</sup> QUARTER RESULTS  
– FY2016

## CUMULATIVE - REVENUE/PBT/PATANCI



### BOTTOM LINE ANALYSIS

Cumulative PBT for Q2FY2016 decreased by RM13.2 million or 36.7% as compared to the corresponding period. The weaker results were offset by the receipt of RM2.3 million from a previously impaired debt.

#### P&M:

↓ RM8.17 million (↓ 31.8%)

Due to lower revenue contribution.

#### OS:

↓ RM5.75 million (↓ 52.5%)

Due to reduced revenue and the effects of downward pressures on margins from slickline activities and sale of drilling related products.

#### ICS:

↑ RM2.32 million (↑ 123.0%)

Due to improved work orders from the Pan Malaysia Blasting contracts.

### TOP LINE ANALYSIS

Cumulative revenue for Q2FY2016 decreased by RM49.7 million or 15.6% as compared to the corresponding period.

#### P&M:

↓ RM44.25 million (↓ 19.5%)

Due to

- lower revenue contribution from retrofit projects, parts and repairs.

Offset by

- higher revenue contribution from supply, install, repair and maintenance of valves, flow regulators and other production related equipment.

#### OS:

↓ RM9.64 million (↓ 12.6%)

Due to lower utilisation of slickline assets, lower third party sales under slickline contracts and lower sale of drilling related products.

#### ICS:

↑ RM4.10 million (↑ 27.7%)

Due to improved work orders for corrosion protection and maintenance stemming from the Pan Malaysia Blasting contracts.

# CUMULATIVE RESULTS – 1HFY2016



# SEGMENTAL REVENUE

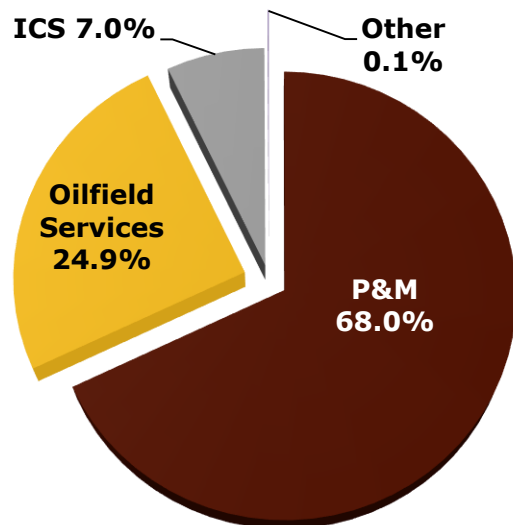
## – 1HFY2016

### SEGMENTAL REPORTING (REVENUE)

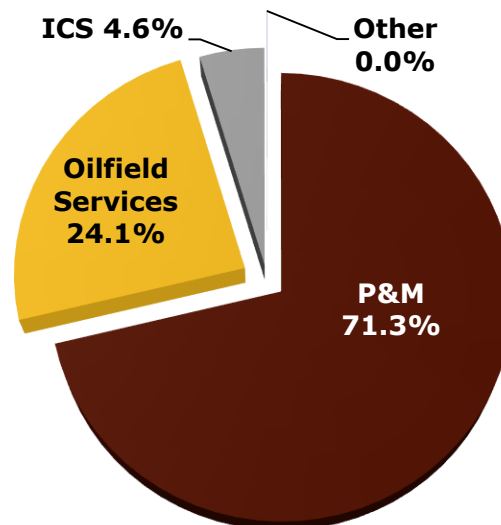
	Quarterly			Cumulative		
	Q2FY2016 RM'000	Q2FY2015 RM'000	Changes %	1HFY2016 RM'000	1HFY2015 RM'000	Changes %
Power and Machinery	67,627	130,004	(48.0%)	182,265	226,517	(19.5%)
Oilfield Services	35,116	39,695	(11.5%)	66,798	76,437	(12.6%)
Integrated Corrosion Solution (ICS)	13,400	12,157	10.2%	18,867	14,769	27.7%
Other Non-reportable Segment*	100	79	26.6%	186	79	135.4%
<b>Total Segment Revenue</b>	<b>116,243</b>	<b>181,935</b>	<b>(36.1%)</b>	<b>268,116</b>	<b>317,802</b>	<b>(15.6%)</b>

\* Other non-reportable segment comprises provision of management services to TOSB, a joint venture between Deleum Berhad and SOLAR.

#### Segment Revenue Composition Cumulative 1HFY2016



#### Segment Revenue Composition Cumulative 1HFY2015



# SEGMENTAL RESULTS

## – 1HFY2016

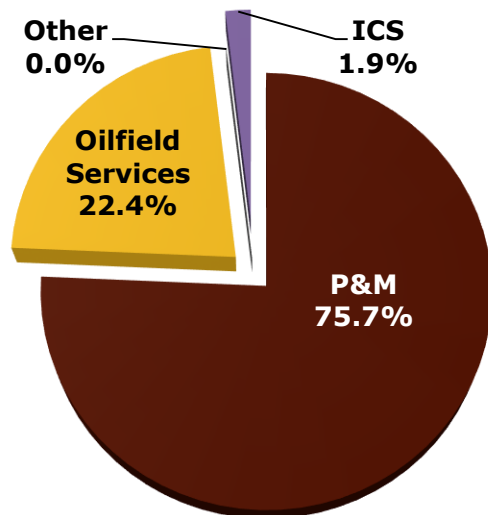
### SEGMENTAL REPORTING (RESULTS)

	Quarterly			Cumulative		
	Q2FY2016 RM'000	Q2FY2015 RM'000	Changes %	1HFY2016 RM'000	1HFY2015 RM'000	Changes %
Power and Machinery	7,562	14,715	(48.6%)	17,563	25,737	(31.8%)
Oilfield Services	2,882	8,384	(65.6%)	5,201	10,946	(52.5%)
Integrated Corrosion Solution (ICS)	1,081	1,047	3.2%	434	(1,884)^	123.0%
Other Non-reportable Segment*	5	4	25.0%	9	4	125.0%
<b>Total Segment Results</b>	<b>11,530</b>	<b>24,150</b>	<b>(52.3%)</b>	<b>23,207</b>	<b>34,803</b>	<b>(33.3%)</b>

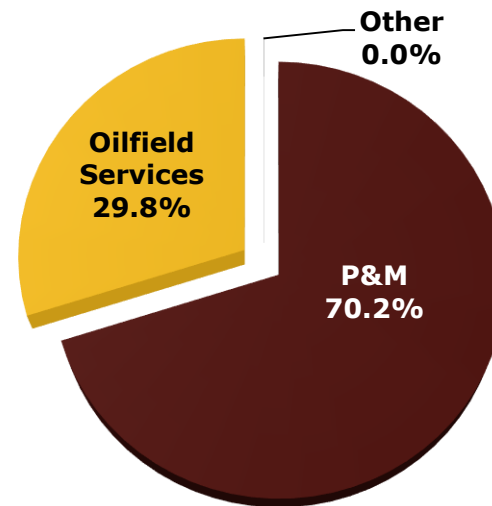
^ Integrated Corrosion Solution (ICS) segment is in loss making position

\* Other non-reportable segment comprises provision of management services to TOSB, a joint venture between Deleum Berhad and SOLAR.

**Segment Results Composition  
Cumulative 1HFY2016**



**Segment Results Composition  
Cumulative 1HFY2015**



# SUSTAINABILITY OF OUR BUSINESS

## BREAKDOWN OF REVENUE

### Products and Services by Segment

	1HFY2016		1HFY2015	
	Percentage (%)		Percentage (%)	
	Products	Services	Products	Services
Power and Machinery	43%	57%	52%	48%
Oilfield Services	7%	93%	20%	80%
Integrated Corrosion Solution (ICS)	-	100%	-	100%
Other Non-reportable Segment*	-	100%	-	100%
<b>Group Revenue</b>	<b>31%</b>	<b>69%</b>	<b>42%</b>	<b>58%</b>

### Recurring and Once-off by Segment

	1HFY2016		1HFY2015	
	Percentage (%)		Percentage (%)	
	Recurring	Once-off	Recurring	Once-off
Power and Machinery	78%	22%	84%	16%
Oilfield Services	97%	3%	90%	10%
Integrated Corrosion Solution (ICS)	-	100%	-	100%
Other Non-reportable Segment*	100%	-	100%	-
<b>Group Revenue</b>	<b>77%</b>	<b>23%</b>	<b>82%</b>	<b>18%</b>

\* Other non-reportable segment comprises provision of management services to TOSB, a joint venture between Deleum Berhad and SOLAR.

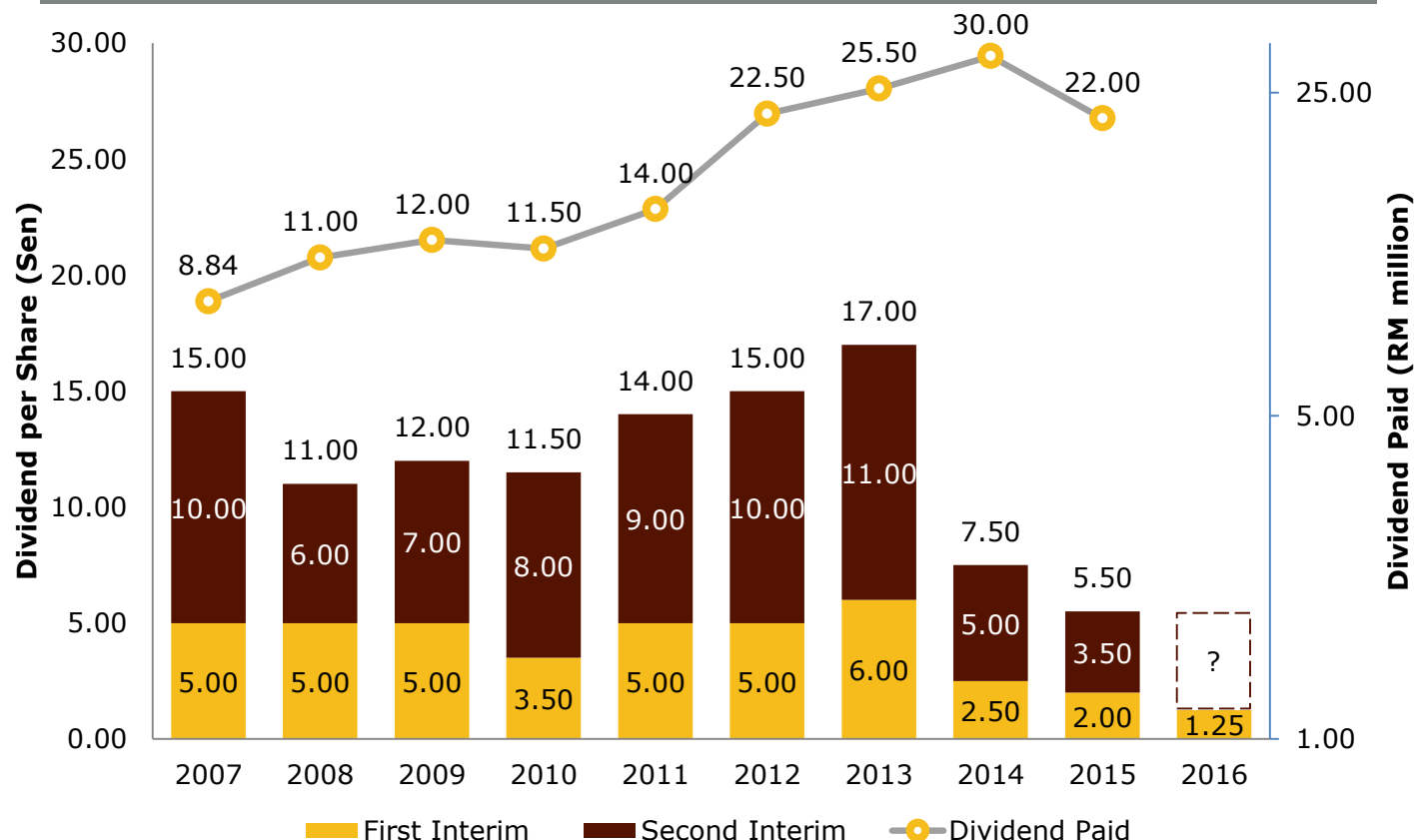


## DIVIDEND POLICY

Deleum's dividend policy is of distributing gross dividend of 50% of the Group's annual profit attributable to the equity holders of the Company, subject to the availability of adequate distributable reserves, operating cash flow requirements, financial commitments, expansion plans and other relevant factors.

## DIVIDEND

### DIVIDEND HISTORY FROM FY2007 – 1HFY2016



### COMPARISON OF DIVIDEND PAYOUT FOR 1HFY2016 & 1HFY2015

	1HFY2016	1HFY2015
Par Value (RM)	0.50	0.50
First interim dividend (sen)	1.25	2.00
Total share capital (no. of shares)	400,000,000	400,000,000
<b>Total first interim dividend payout (RM)</b>	<b>5,000,000</b>	<b>8,000,000</b>

<b>Contracts</b>	<b>Expiry Year</b>
Supply of Sand Detector and Monitoring Systems	2016
Provision of Painting and Alternative Blasting	2017
Thermo-chemical Solid Deposition Treatment Technology	2018
Provision of Integrated Wellhead Maintenance Services	2018
Supply of PDC & Rock Bits	2018
Supply & Services for Casing Centralizer Equipment	2019
Provision of Slickline Equipment & Services	2019
Provision of Well Control Services	2020
Long Term Service Agreement for Gas Turbine	2023
Supply of Gas Turbine Packages	2023
<b>Total Order Book = RM2.95 billion</b>	

## HEAD OFFICE

### Deleum Berhad and its Subsidiaries:

#### Deleum Services Sdn. Bhd.

#### Deleum Oilfield Services Sdn. Bhd.

#### Deleum Chemicals Sdn. Bhd.

#### Turboservices Sdn. Bhd.

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## SUBSIDIARIES

### Deleum Rotary Services Sdn. Bhd.

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### Turboservices Sdn. Bhd.

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## OPERATIONS AND SUPPLY BASES

### Kemaman

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### Labuan

Asian Supply Base

Rancha Rancha Industrial Estate

87000 Labuan, Malaysia

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Fax : +6087-425 694

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## SERVICE CENTRE/FACILITY

### Miri

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### Deleum Rotary Services Sdn. Bhd.

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### Penaga Dresser Sdn. Bhd.

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### Penaga Dresser Sdn. Bhd.

(Labuan Engineering Centre)

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## OTHER FACILITIES

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### Integrated Workshop Facility

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## JOINT VENTURE

### Turboservices Overhaul Sdn. Bhd.

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