

**FINANCIAL RESULTS
FOR THE 3 MONTHS ENDED
31st MARCH 2020**

20 MAY 2020

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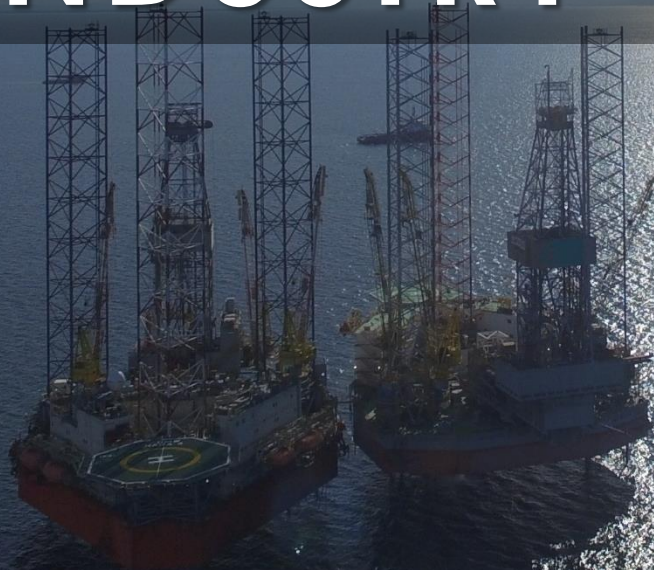
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INDUSTRY UPDATE



INDUSTRY OUTLOOK

The two shocks of COVID-19 and oil price collapse are intertwined

ECONOMIC

- COVID prevention measures lead to restricted movement and economic activities
- IMF expects GDP expected to contract by **3%** 2020; hope for a 'U-shaped' recovery in 2021

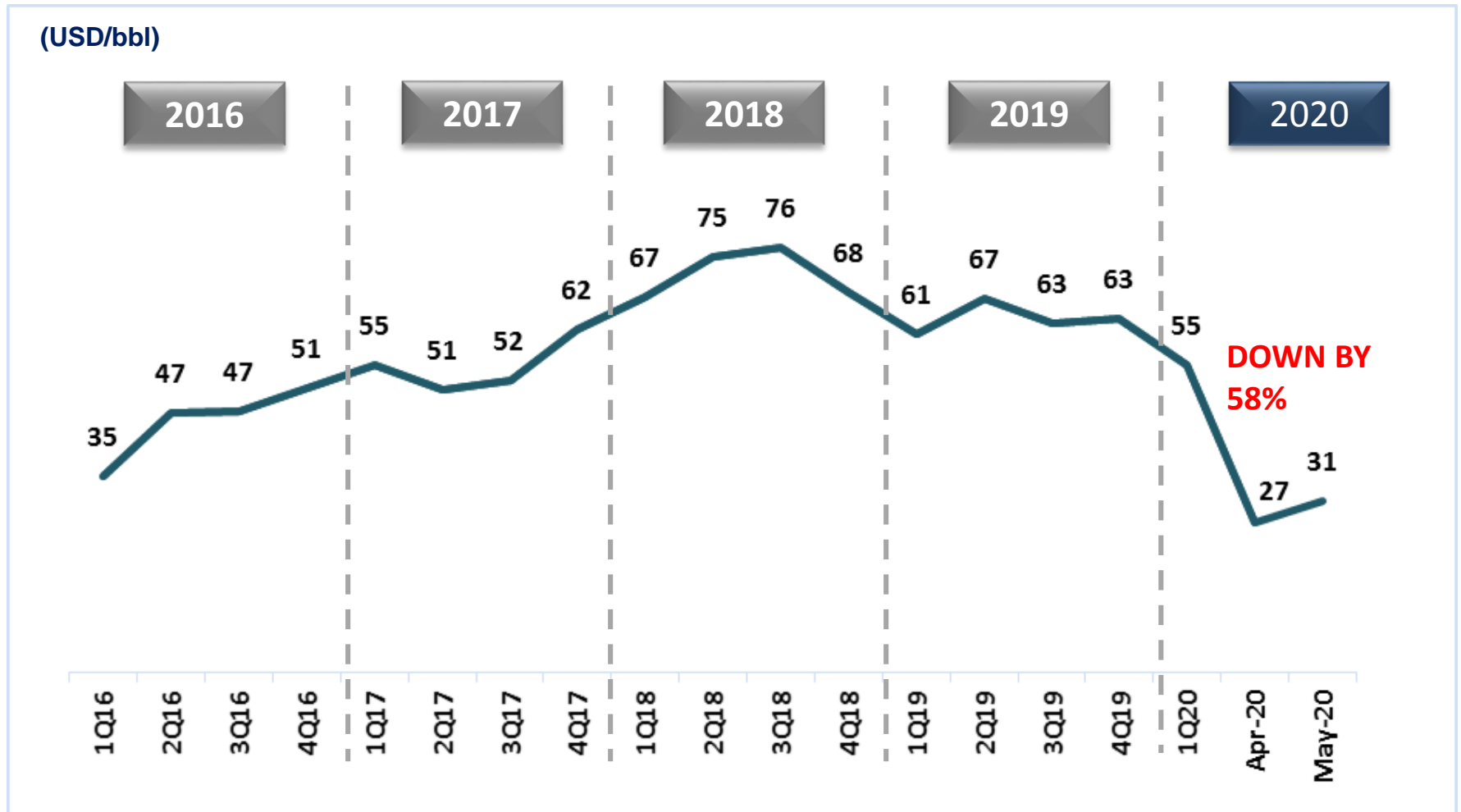
OIL & GAS INDUSTRY

- Global oil demand expected to fall by **~10.7 mil** bbl/day in 2020
- OPEC+ agreed to supply cuts, but insufficient
- Oversupply leading to buildup in inventory

DRILLING RIG OUTLOOK

- Global E&P CAPEX expected to drop by **- 25%** in 2020
- Global jack-up demand expected to drop to 320 rigs from 380 rigs at present
- Utilisation and daily charter rates are under pressure

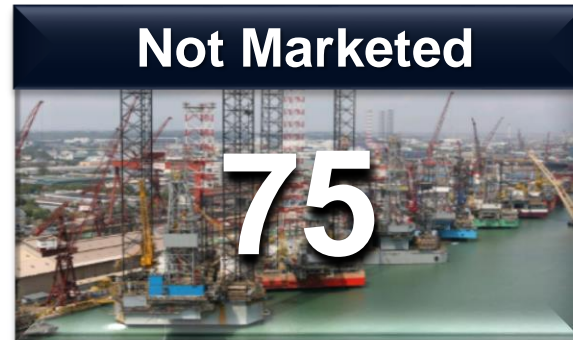
OIL PRICE MOVEMENT - BRENT



OIL PRICE DROPPED BY 58% BETWEEN JANUARY TO APRIL 2020

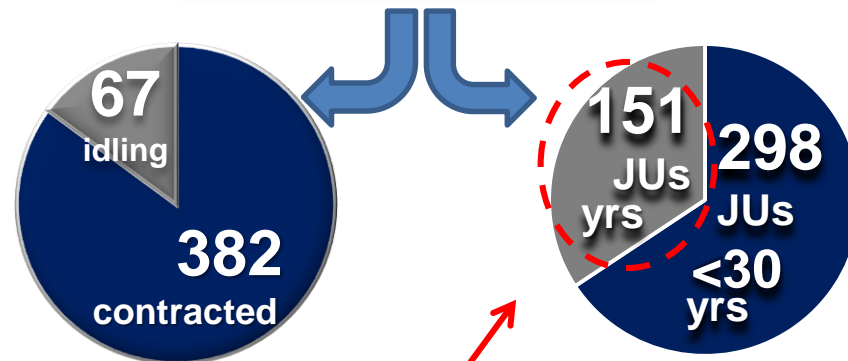
Source : Markets Insider

DRILLING RIGS OUTLOOK - SUPPLY



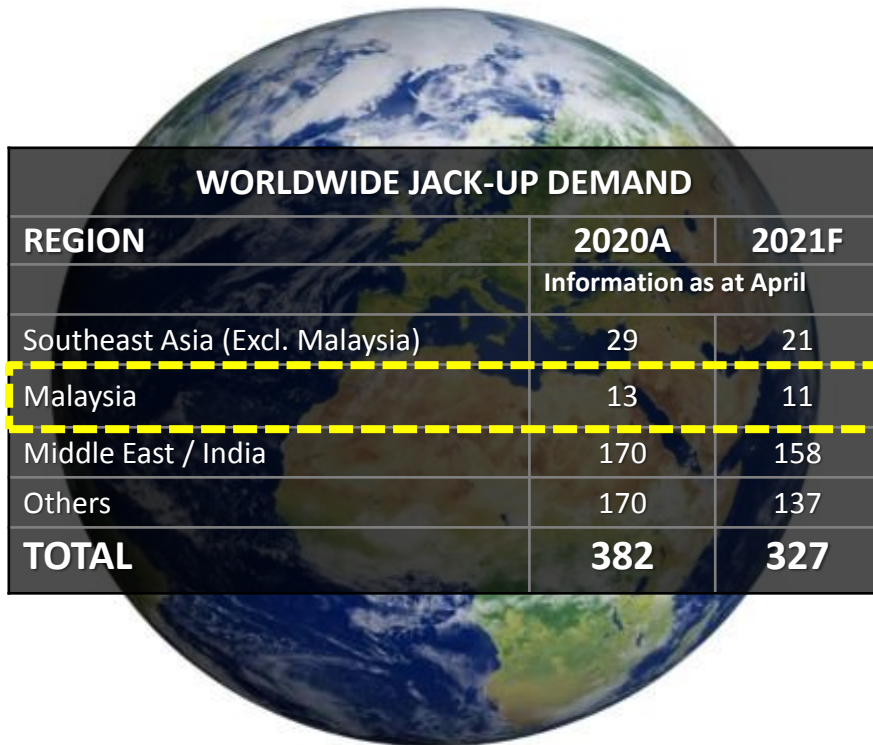
Lesser rigs available in the future

Potential Rigs Coming Out From The Yard	Total
Grand Total	45



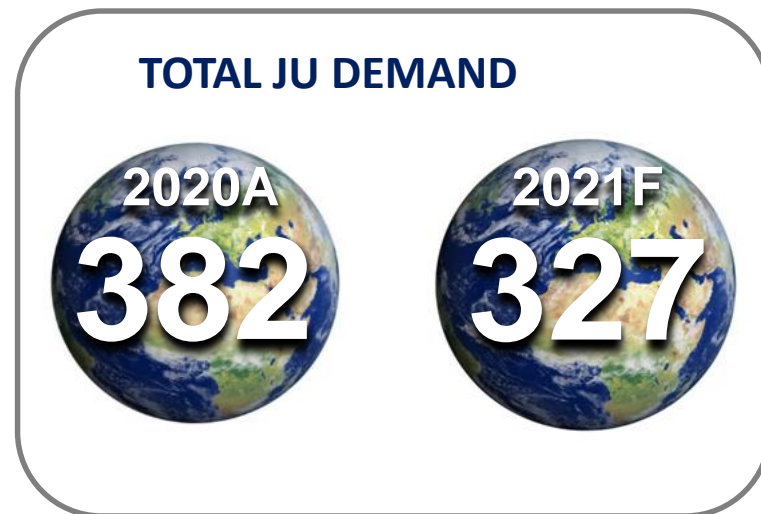
Source: IHS Petrodata April 2020

DRILLING RIGS OUTLOOK - DEMAND

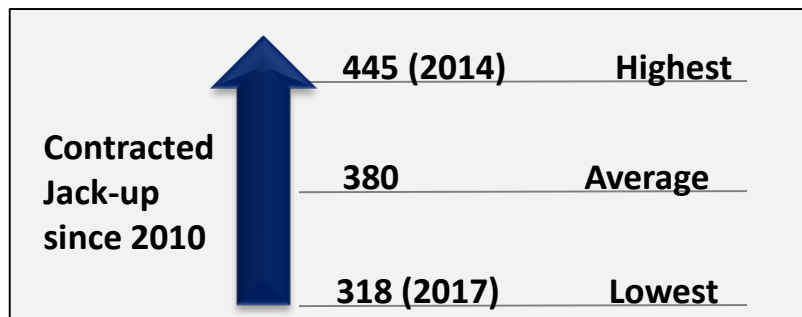


WORLDWIDE JACK-UP DEMAND

REGION	2020A	2021F
	Information as at April	
Southeast Asia (Excl. Malaysia)	29	21
Malaysia	13	11
Middle East / India	170	158
Others	170	137
TOTAL	382	327



Source: IHS World Rig Forecast: Short Term Trends April 2020



Utilisation in Malaysia

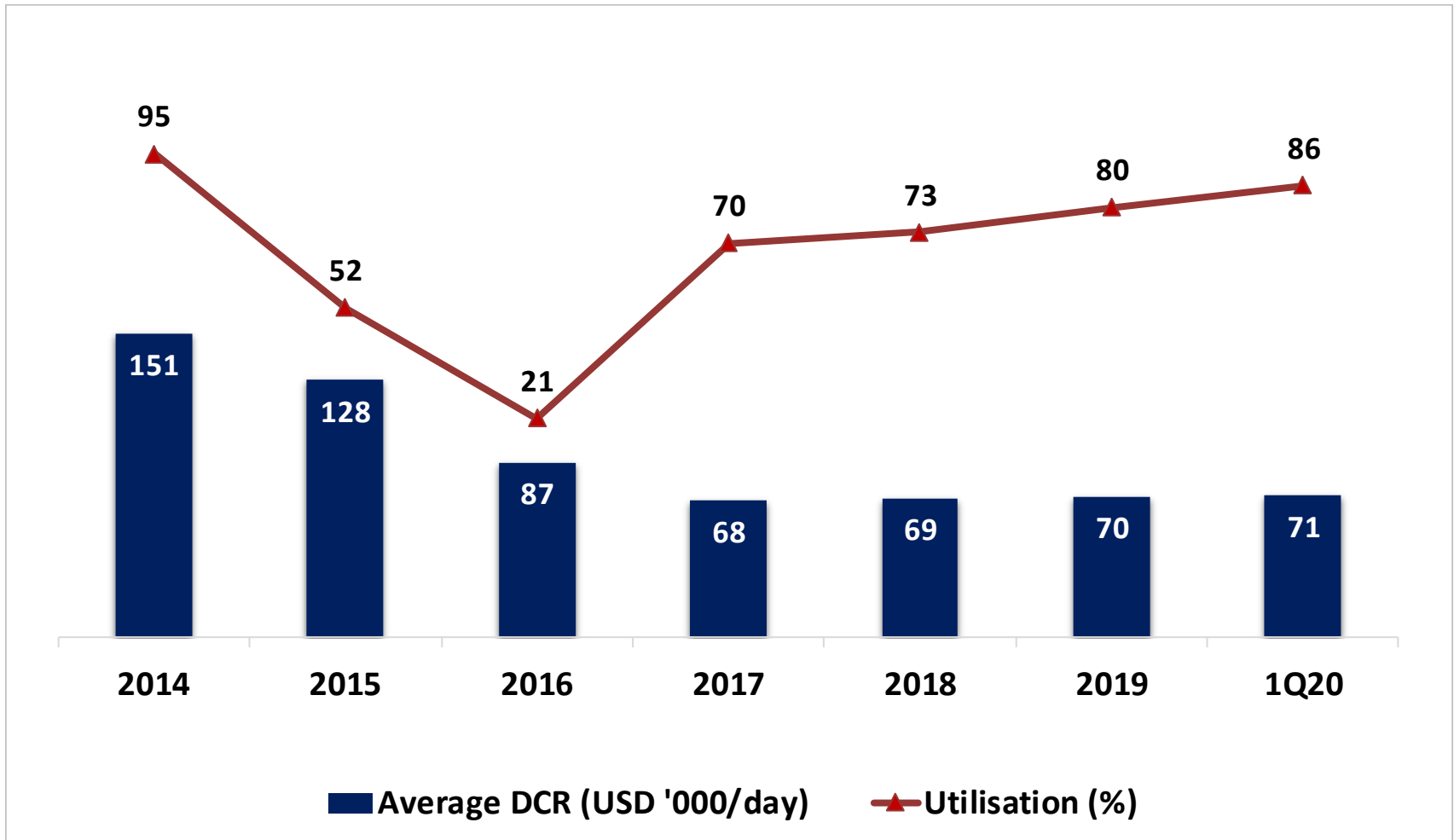
Total Rig in Malaysia	19
Working	13
Average Contracted Rig Utilisation	68%

Source: IHS Petrodata April 2020

An aerial photograph of two large offshore oil rigs in the middle of the ocean. The rigs are complex structures with tall, lattice-like towers and various cranes. The rig on the left has a green helipad on its deck. The water is a deep blue, and the sky is clear. The text 'COMPANY OUTLOOK' is overlaid in large white letters across the center of the image.

COMPANY OUTLOOK

RIG UTILISATION AND AVERAGE DAILY CHARTER RATE



LATEST ORDER BOOK STATUS

Total Contract Value

RM 1.5 b
+
RM 0.9 b
(option)
=
RM 2.4 b

Remaining Order Book

RM 0.7 b
+
RM 0.9 b
(option)
=
RM 1.6 b

NAGA 2



PCSB

NAGA 3



AWAITING
CONTRACT

NAGA 4



MOB PREP

NAGA 5



PCSB

NAGA 6



PCSB

NAGA 7



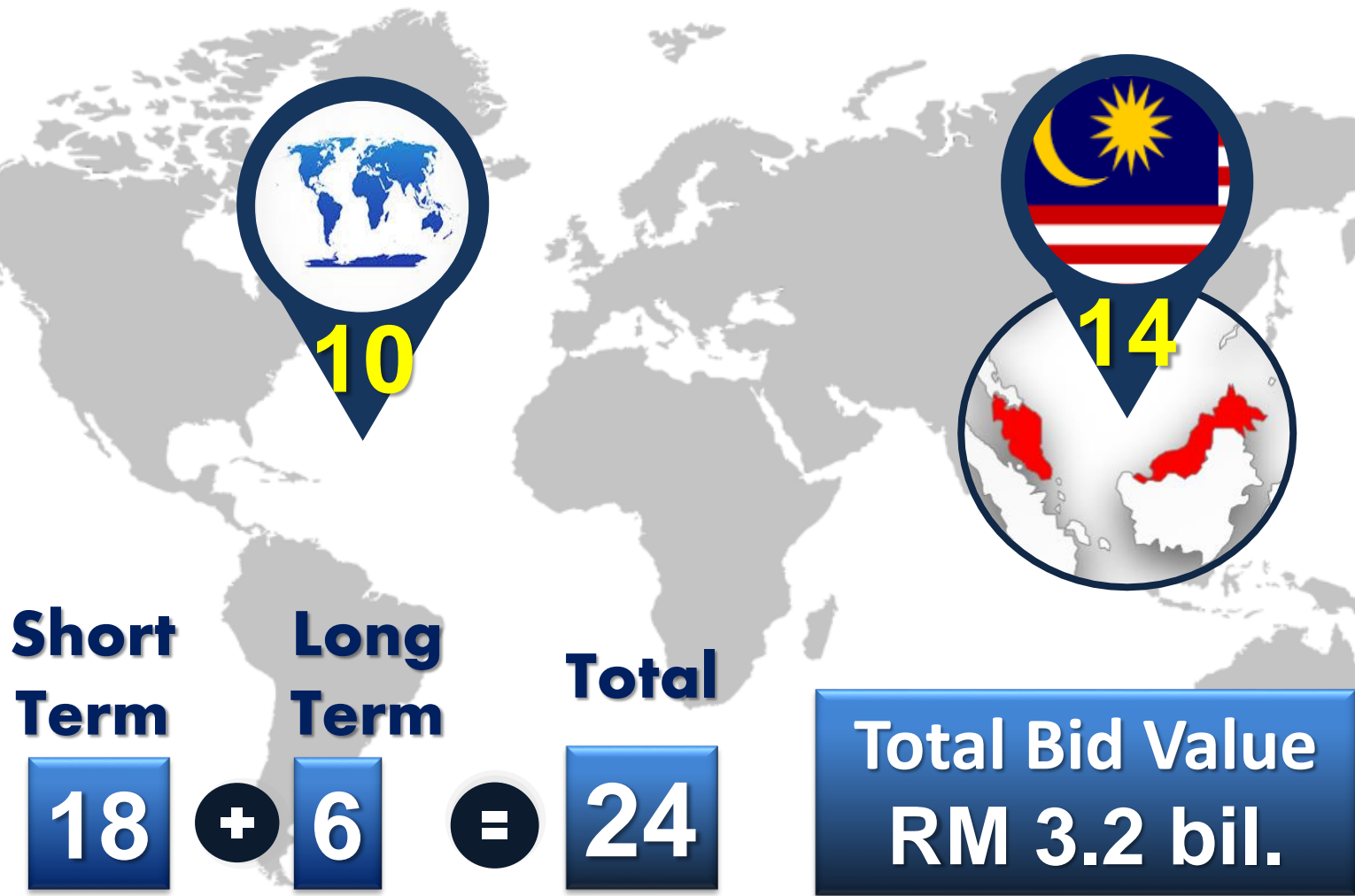
SHELL

NAGA 8



HESS

CURRENT TENDER ACTIVITIES



As at 30 April 2020

MAJOR SHAREHOLDERS

VELESTO energy

* **PNB**
Permodalan Nasional Berhad
56.3%

Urusharta
Jamaah
5.2%



4.3%

Manulife

2.1%



2.0%

OTHERS

21.3%

* **PNB**
Permodalan Nasional Berhad
and PNB Funds

NORGES BANK

1.9%



1.7%



1.4%

*Foreign
shareholding: 6.9%*

As at 30 Apr 2020

An aerial photograph of an offshore oil rig in the middle of the ocean. The rig is a complex structure with various platforms and equipment. Several support vessels, including tugboats and supply ships, are positioned around the rig, connected by thick black hoses. The water is a deep blue color. The word "FINANCIALS" is overlaid in large white letters across the center of the image.

FINANCIALS

1Q 2020 KEY FINANCIAL HIGHLIGHTS

**AVERAGE
UTILISATION**

86%

**AVERAGE
DAY RATE**

USD71k

**OPERATIONAL
EFFICIENCY**

98%

REVENUE

RM176m

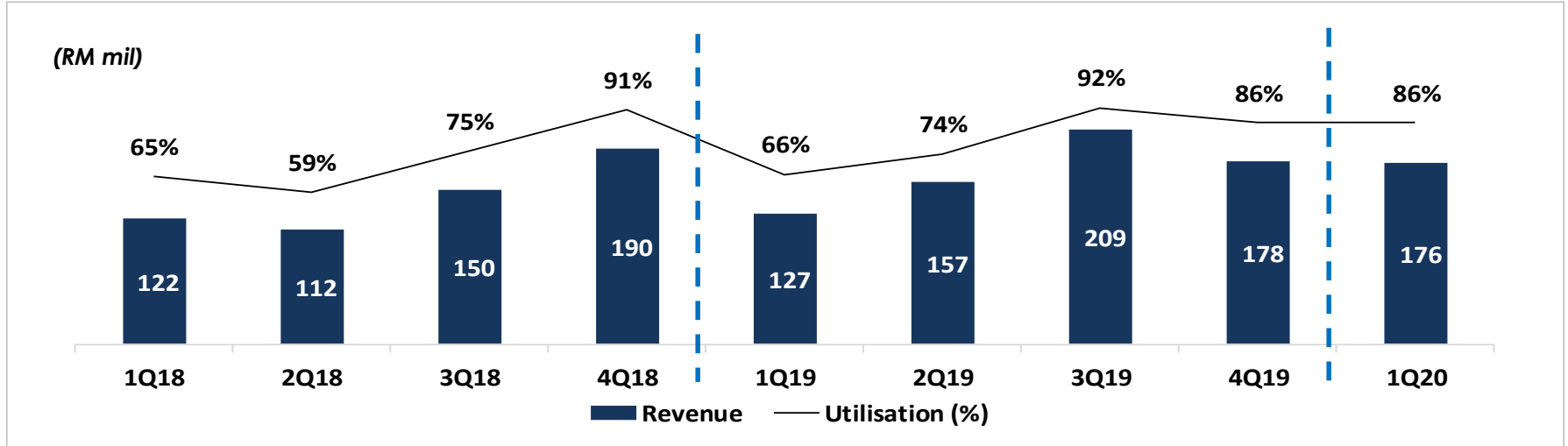
EBITDA

RM98m

PAT

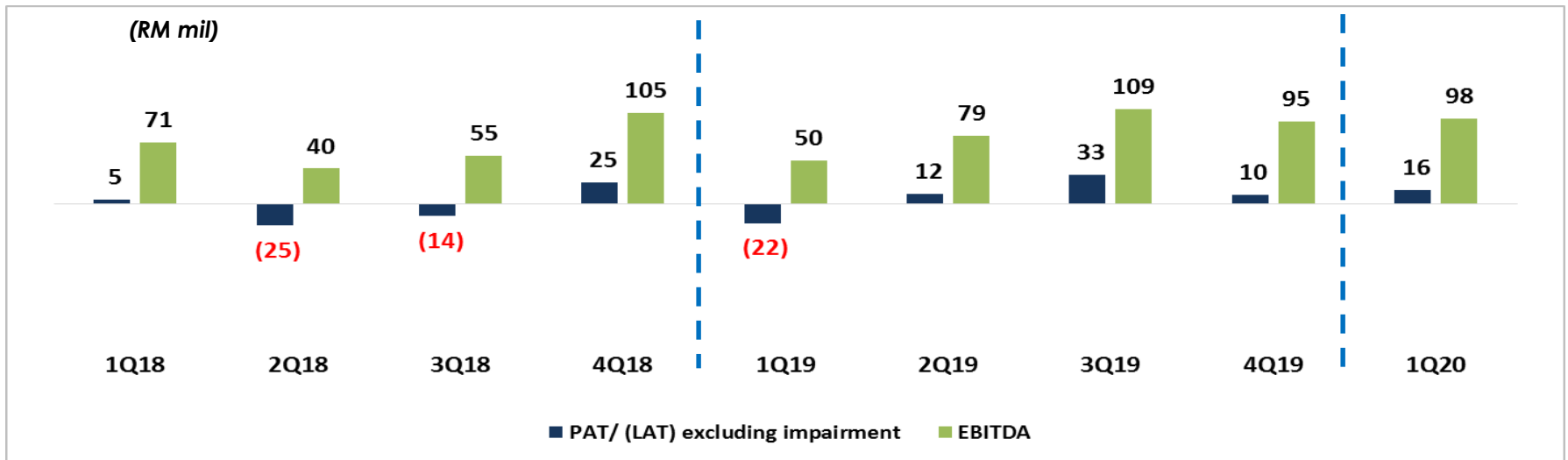
RM16m

EVOLUTION OF PERFORMANCE

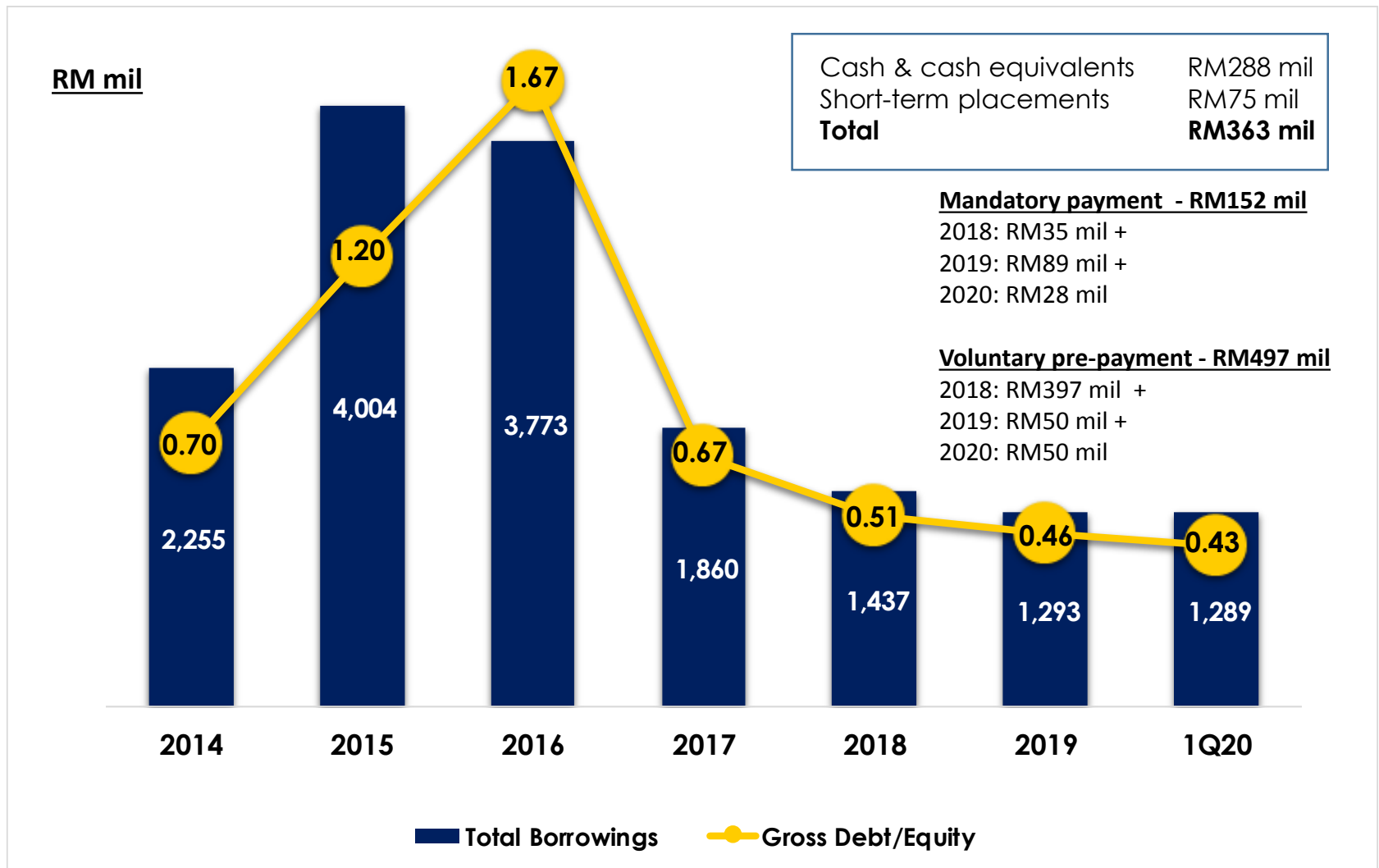


DCR
(USD 'k)

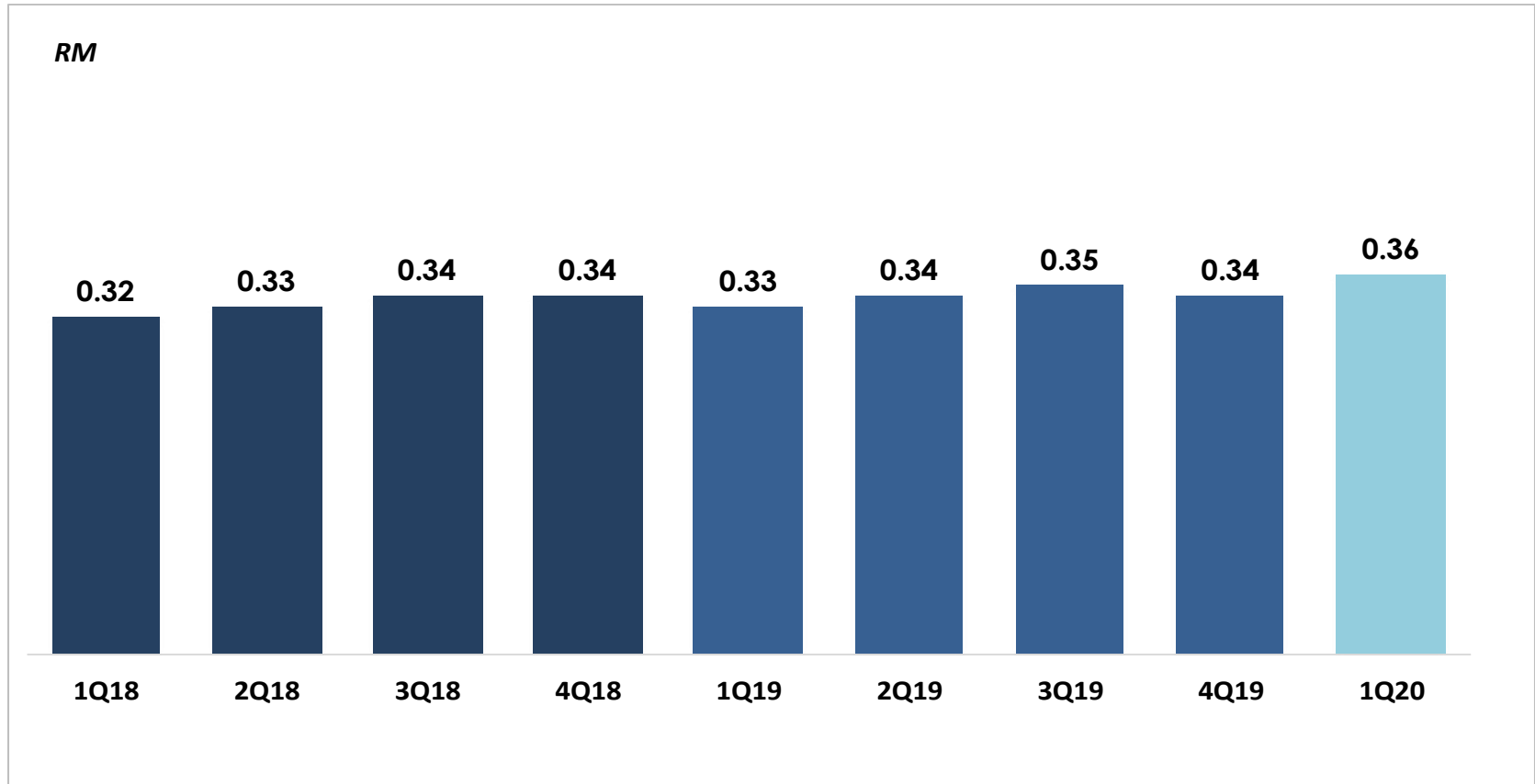
68	68	70	68	69	71	70	71	71
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MAINTAINING LOW DEBT/ EQUITY RATIO



NET ASSET PER SHARE



Share Price
19/05/2020

RM 0.165

Market Capitalisation
19/05/2020

RM 1.36 billion

KEY FINANCIAL RATIOS

Financial Ratios	2014	2015	2016	2017	2018	2019	1Q20
Revenue (RM mil)	1,015	840	321	587	574	671	176
Revenue growth (%)	37.6	(17.2)	(61.8)	82.9	(2.2)	17.1	38.8 ¹
EBITDA margin (%)	43.7	36.8	2.9	42.4	47.1	49.6	55.6
PAT/ (LAT) margin excluding impairment (%)	25.0	(2.5)	(125.3)	(25.1)	(1.6)	4.9	10.0
Earnings/ (Loss) per share attributable to equity holders of the Company (sen)	11.66	(17.08)	(54.46)	(36.79)	(0.24)	0.40	0.20
Total borrowings (RM mil)	2,254	4,004	3,773	1,860	1,437	1,293	1,289
Gross debt to equity ratio	0.70	1.20	1.67	0.67	0.51	0.46	0.43
EBITDA / Interest (x)	17.0	4.8	0.1	1.8	3.2	4.1	5.0

¹ Compared to 1Q19

An aerial photograph of an offshore oil rig and a supply vessel on the ocean. The rig is a tall, lattice-structured tower in the distance. The supply vessel is a red and white ship in the foreground. The sky is blue with scattered white clouds. The text "MOVING FORWARD" is overlaid in large white letters.

MOVING FORWARD

CURRENT OUTLOOK

Slowdown in global economy caused lower demand for oil and gas

Lower oil price despite higher production cut by OPEC+

Global E&P companies reduce CAPEX significantly

Reduced drilling activities globally and domestically

Potential slowdown in drilling business for the remaining year but will not be long as COVID-19 vaccine is currently in development

WHAT ARE WE DOING

Continue to negotiate for options of existing contract

Actively tender in regional and global markets

Developing new capabilities and expanding asset workscope

Enhance cost cutting measures

Defer non-critical CAPEX

Continue to improve operational and financial efficiencies

An aerial photograph of a large offshore oil rig, viewed from directly above. The rig is a complex of white and grey metal structures, with two prominent circular helipads on the top and bottom sections. The rig is situated in the middle of a vast, deep blue ocean. A dark horizontal band runs across the center of the image, containing the text 'THANK YOU' in large, white, bold, sans-serif capital letters.

THANK YOU



Q & A