



# 1Q 2016 Results Briefing

25 May 2016



A large black pipe is being installed in a trench next to a body of water. A yellow excavator is visible on the right side of the trench. The background shows a line of trees under a cloudy sky.

**1. The headlines**

**2. Project progress**

**3. Outlook**

# 1Q16 Results ended 31 March 2016

FY Dec (RM m)	1Q16	4Q15	1Q15	1Q16 vs 1Q15 yoy chg %
Revenue	103.4	165.9	191.0	-45.9
Core EBITDA	9.6	9.9	30.2 <sup>2</sup>	-68.2
<i>Margin (%)</i>	<i>9.3</i>	<i>6.0</i>	<i>15.8</i>	
Pretax Profit	1.7 <sup>1</sup>	(1.5)	18.6 <sup>3</sup>	-91.1
Net Profit	1.3	14.5	15.1	-91.6
Core Net Profit	1.3	14.6	18.9	-93.3
<i>Margin (%)</i>	<i>1.2</i>	<i>8.8</i>	<i>9.9</i>	
Basic EPS (sen)	0.15	1.81	1.94	-71.1
Dil net EPS (sen)	0.15	1.77	1.80	-63.3

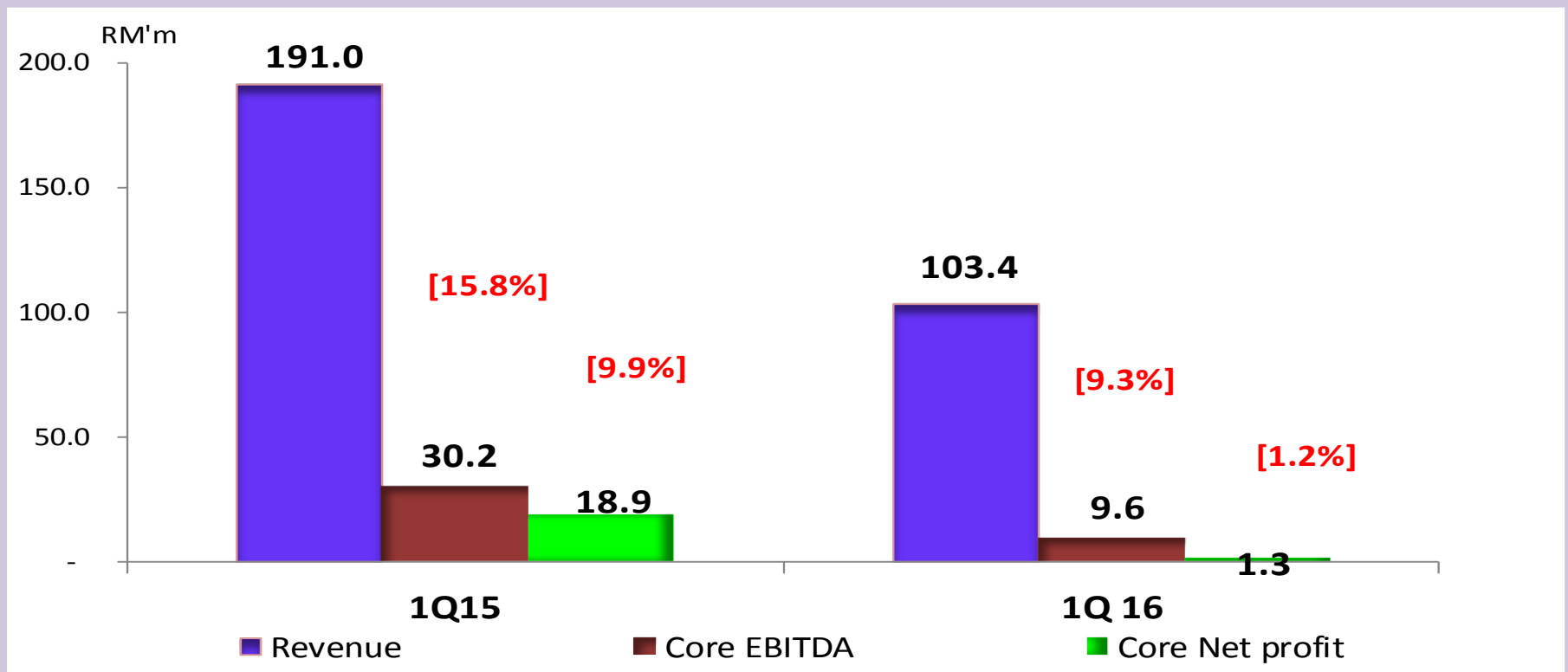
<sup>1</sup> Net of unrealised loss on foreign exchange of RM7.6m

<sup>2</sup> Add back one-off listing charges of RM3.9m share-based payments of RM1.0m arising from fair valuation of ESOS

<sup>3</sup> Net of unrealised loss on foreign exchange of RM4.3m

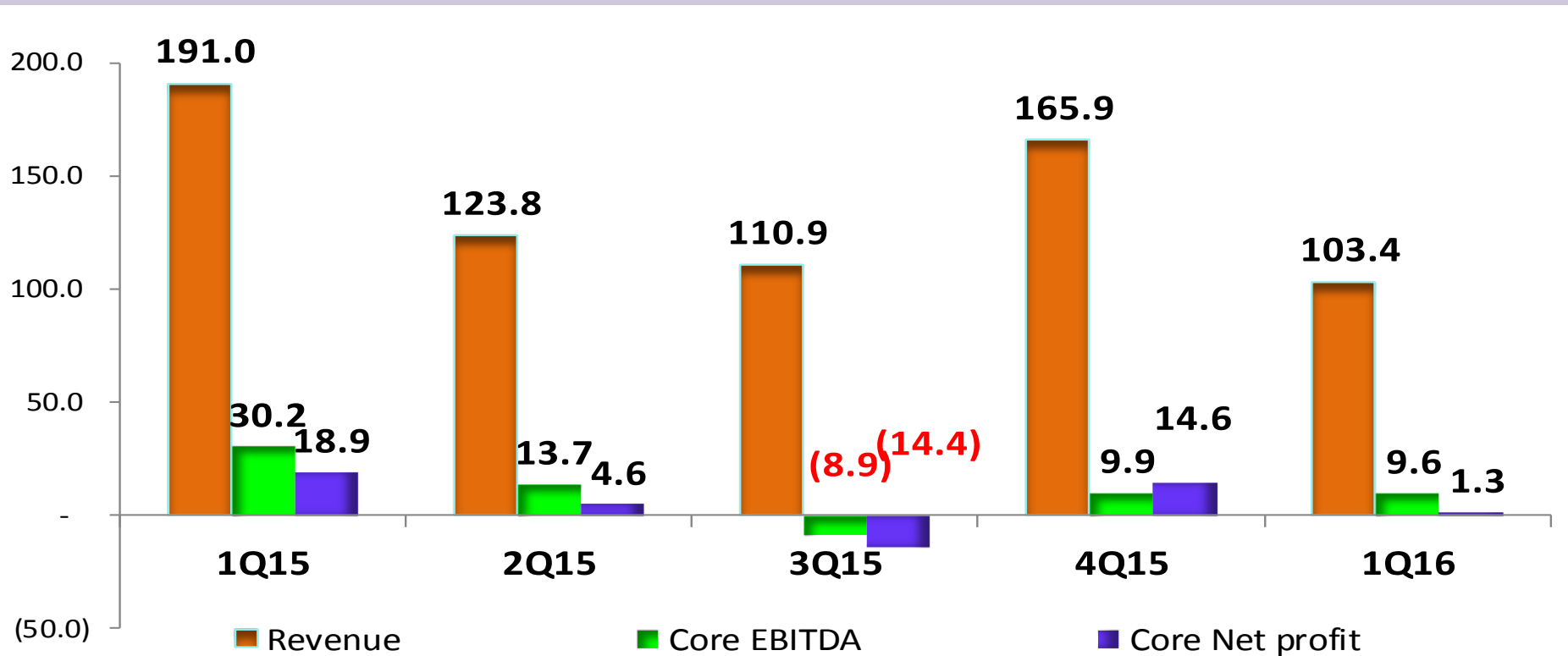
# 1Q16 vs 1Q15

- ✓ 1Q16 lower performance against a high-base in 1Q15. 1Q15 experienced early days of plunging in oil prices from its peak in mid-2014.
- ✓ Manpower and internal costs control implemented but will only give impact from 2Q16 onwards, hence lower margins in 1Q16.



# Quarterly Trend

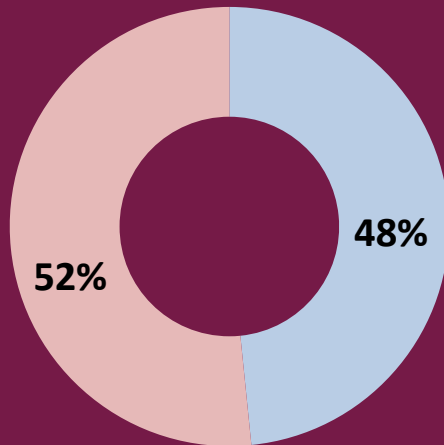
- ✓ Seasonally slower 1Q16 for offshore activities.
- ✓ Marginal impact from big jobs, P1 and P2 in 1Q16. KL101 mobilised in end-Mar 2016.



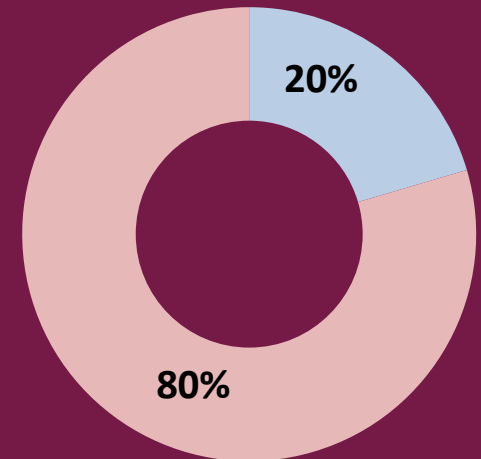
# Revenue Breakdown


The jump in Installation & Construction contribution to 80% in 1Q16 (vs 52% in 1Q15) mainly due to commencement of T&I work as KL101 mobilised in March 2016.

1Q15



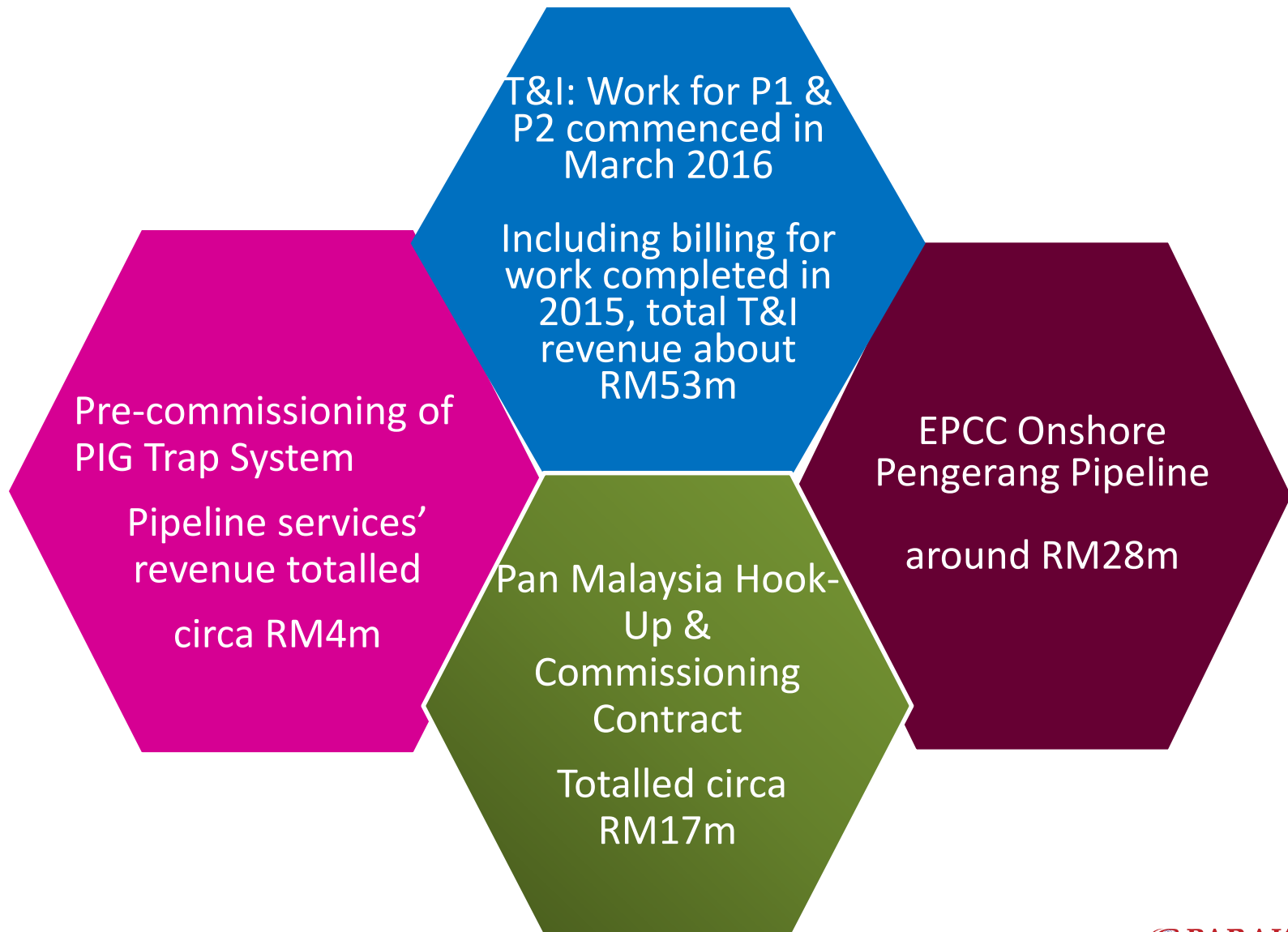
1Q16



 Pipeline & Commissioning

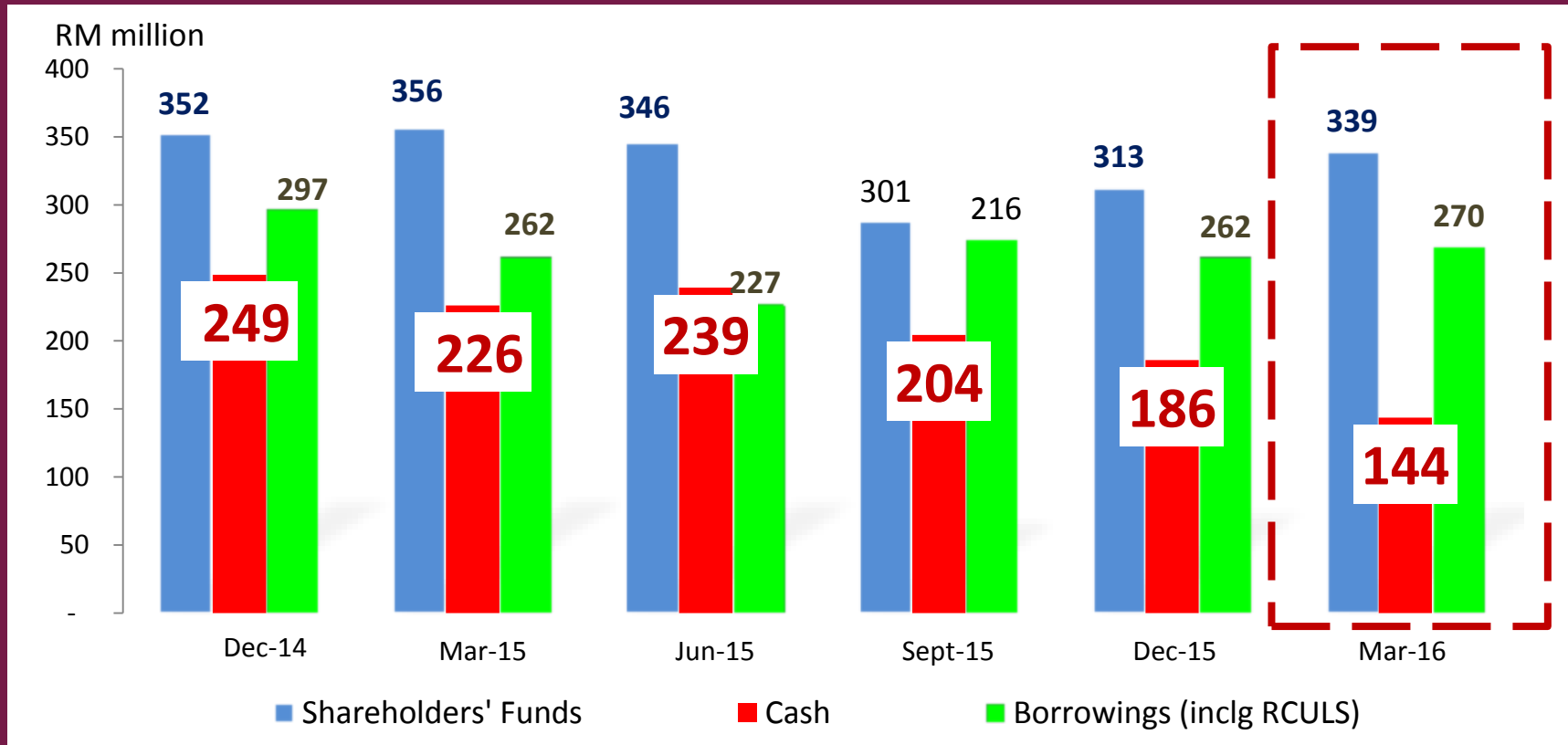
 Installation & Construction

# Key Revenue Contributors



# Balance Sheet

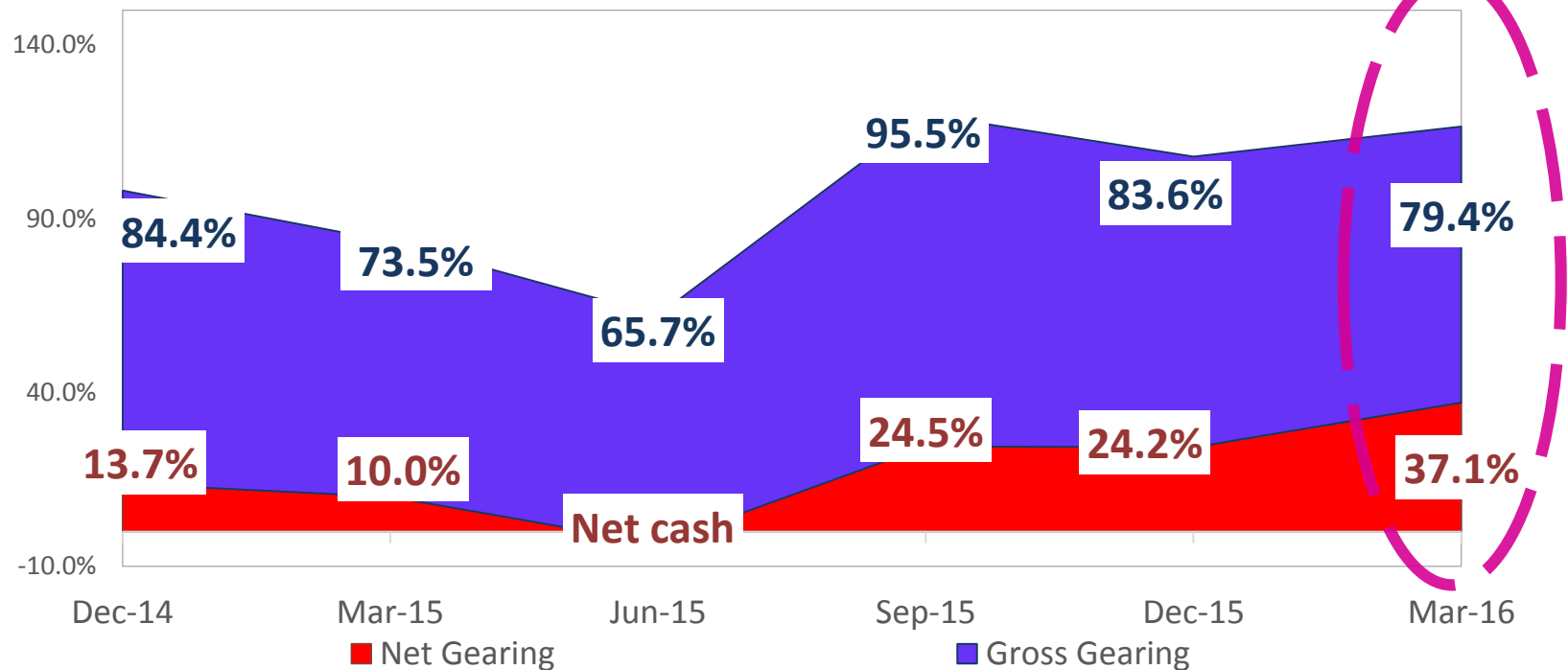
Forex translation gain of RM25.2 million (RM strengthened) in 1Q16 boosted shareholders' funds. Lower cash balance due to capex for KL101 upgrade.





# Net Gearing at 37.1% @ 31 March 2016

Net gearing of 37.1% at 31 March 2016 remains manageable. Lower gross gearing at 79.4% due to higher shareholders' funds.



Profits have not reflected big work orders for 2016 and cost-cutting measures implemented

Balance sheet remains lean with net gearing of 37.1%. Cash conservation continues

Expect better performance for 2016

A large black pipe is being installed in a river. The pipe is partially submerged and extends from the foreground into the distance. On the right bank, a yellow excavator is visible, and a pile of rocks and debris is in the foreground. The background shows a line of trees under a cloudy sky.

**1. The headlines**

**2. Project progress**

**3. Outlook**

# Timeline

Projects	Notes:	2015				2016				2017				2018			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Pan Malaysia Hook-up and Commissioning (HUC)	Ongoing PO																
PIG Trap System, W. & E Malaysia & Supply and Maintenance Contract	Ongoing work order																
Pan Malaysia Transportation & Installation Package A	Keep busy with P1 & P2																
Pengerang Pipeline	At full speed, to complete in 4Q16																
SSGP Repair & Maintenance	Mobilised for work in Miri area. Engaging of more PO in future																
PLNG Package 3	Installation ongoing																

 Extension option

Installation  
&  
Construction

Pipeline  
&  
Commissioning

- ❑ **Pan Msia T&I:** KL101 mobilised in Mar 16, working in Bardegg and Baronia fields now.
- ❑ **Pengerang:** Busy with construction of river crossings at Kota Tinggi.
- ❑ **Other EPCC projects:** Construction of Scrapper plant, Kemaman in full swing. Mobilized to site of SSGP in March 2016; work being executed.

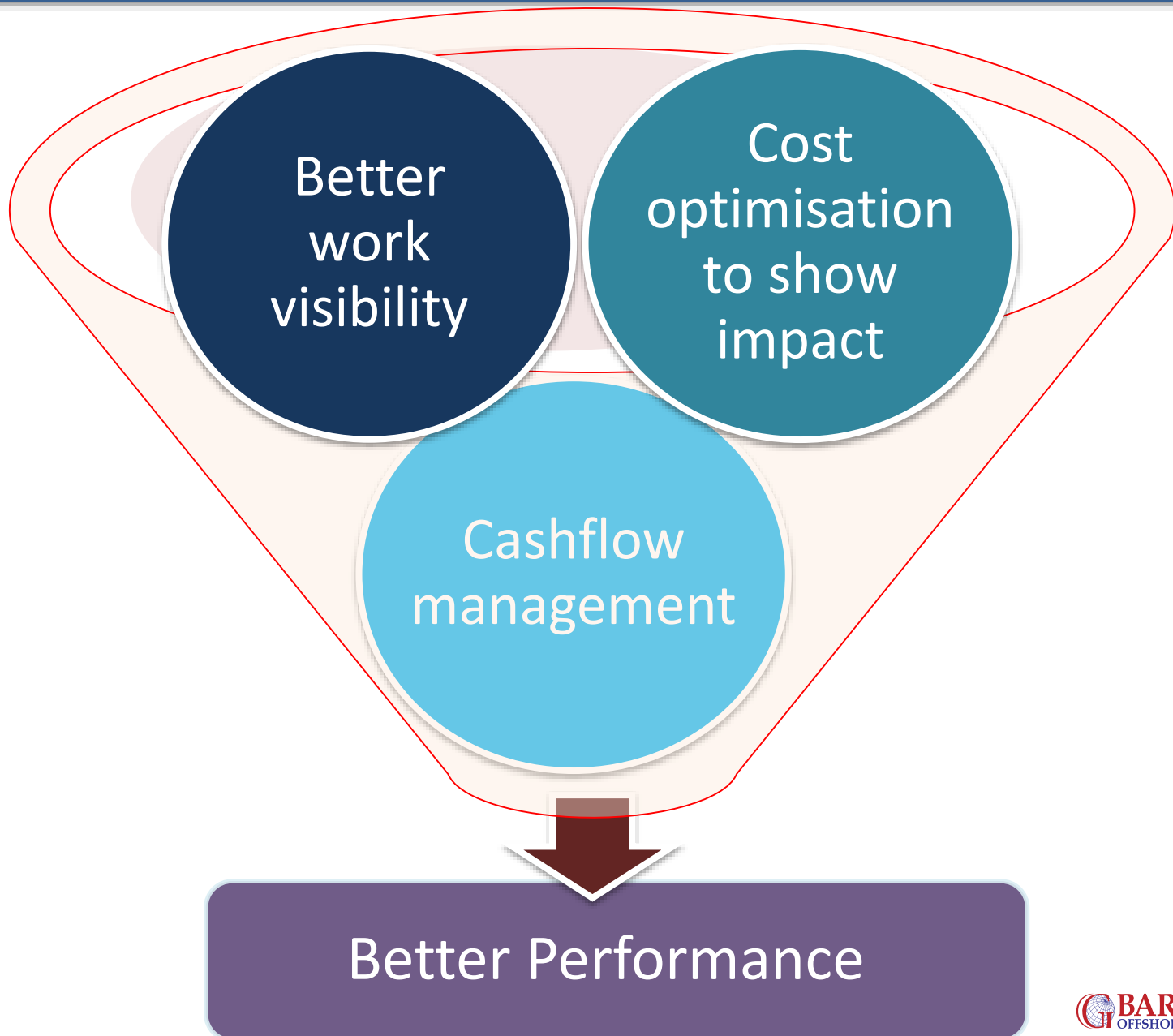
- ❑ **Pan Msia HUC:** Consistent orders for Cendor, Berantai, West Desaru and East Belumut Fields .
- ❑ **PFLNG Sub-contract:** FLNG1 moved to site. Offshore installation activities ongoing now.
- ❑ **Pre-commissioning:** Consistent workflow from PETRONAS' PIG Trap and Supply & Maintenance Projects.

A large black pipe is being installed in a river. A yellow CAT excavator is positioned on the right bank, and a pile of rocks and debris is visible in the foreground. The background shows a dense forest under a cloudy sky.

**1. The headlines**

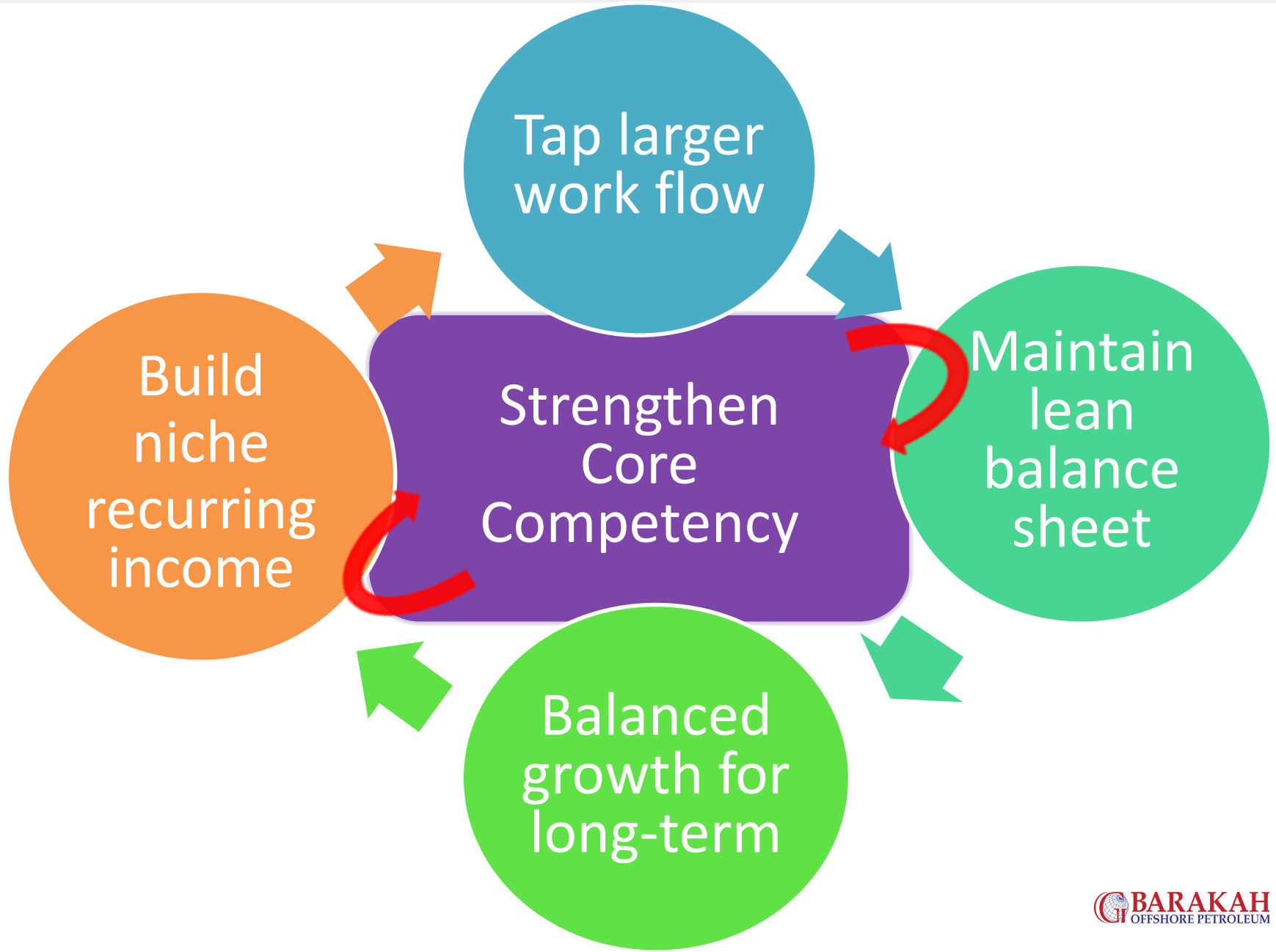
**2. Project progress**

**3. Outlook**



- ❖ Projects pre-qualification and bidding remains active.
  - ❖ Bidbook around RM1.7bn for local and overseas.
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- ❖ Securing new orders more competitive.
  - ❖ Lower margins expected.
  - ❖ Target annual replenishment at RM300-500m p.a.







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