



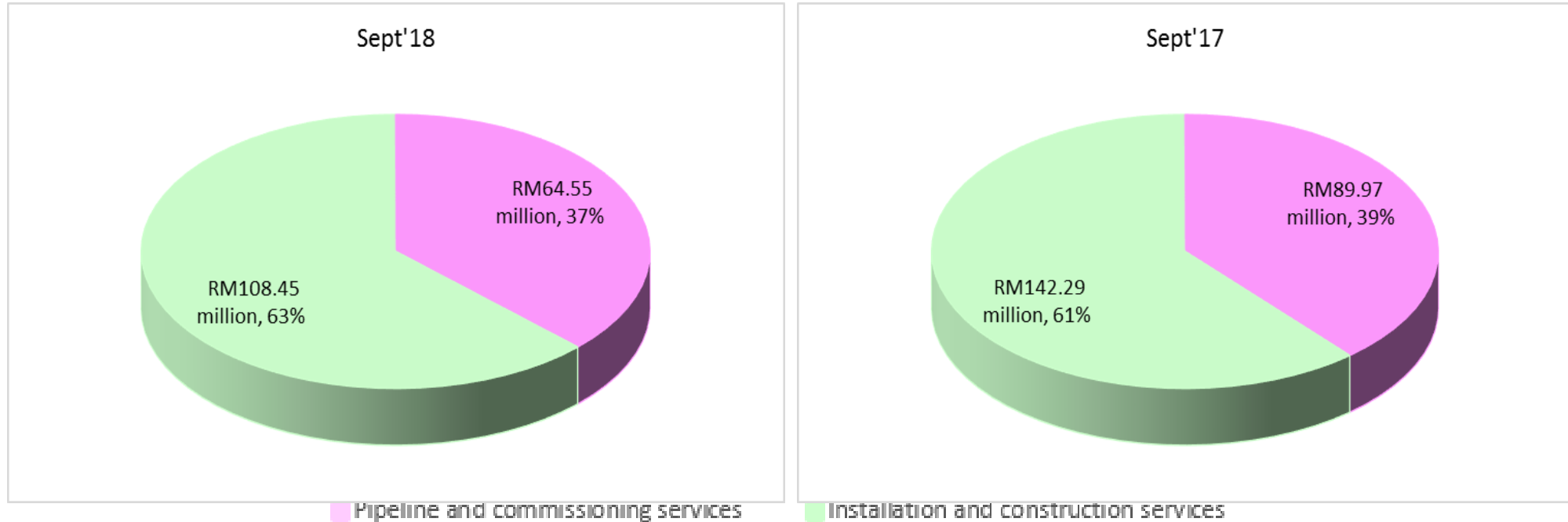
## Results Overview: Performance Against Preceding Year (Individual Quarter)

| <i>Individual quarter</i>                      | FYE 2018<br>Sept'18<br>RM'000 | FYE 2017<br>Sept'17<br>RM'000 | Variance |
|--|-------------------------------|-------------------------------|----------|
| Revenue  | 94,456                        | 102,785                       | -8.10%   |
| Gross profit/(loss)                            | 1,847                         | (36,864)                      | +105.01% |
| Loss before taxation                           | (5,098)                       | (56,661)                      | +91.00%  |
| Loss after taxation                            | (5,089)                       | (56,164)                      | +90.94%  |
| Gross profit/(loss) margin                     | 1.96%                         | (35.87%)                      | +105.45% |
| EBITDA   | 2,654                         | (46,098)                      | +105.76% |
| Total assets                                   | 501,540                       | 671,196                       | -25.28%  |
| Net assets                                     | 155,110                       | 277,986                       | -44.20%) |
| Weighted average no. of ordinary shares ('000) | 826,405                       | 825,478                       | +0.11%   |
| Basic earnings per share (sen)                 | (0.61)                        | (6.80)                        | +91.03%  |
| Net assets per share (sen)                     | 18.77                         | 33.68                         | -44.27%  |

## Results Overview: Performance Against Preceding Year (Cumulative)

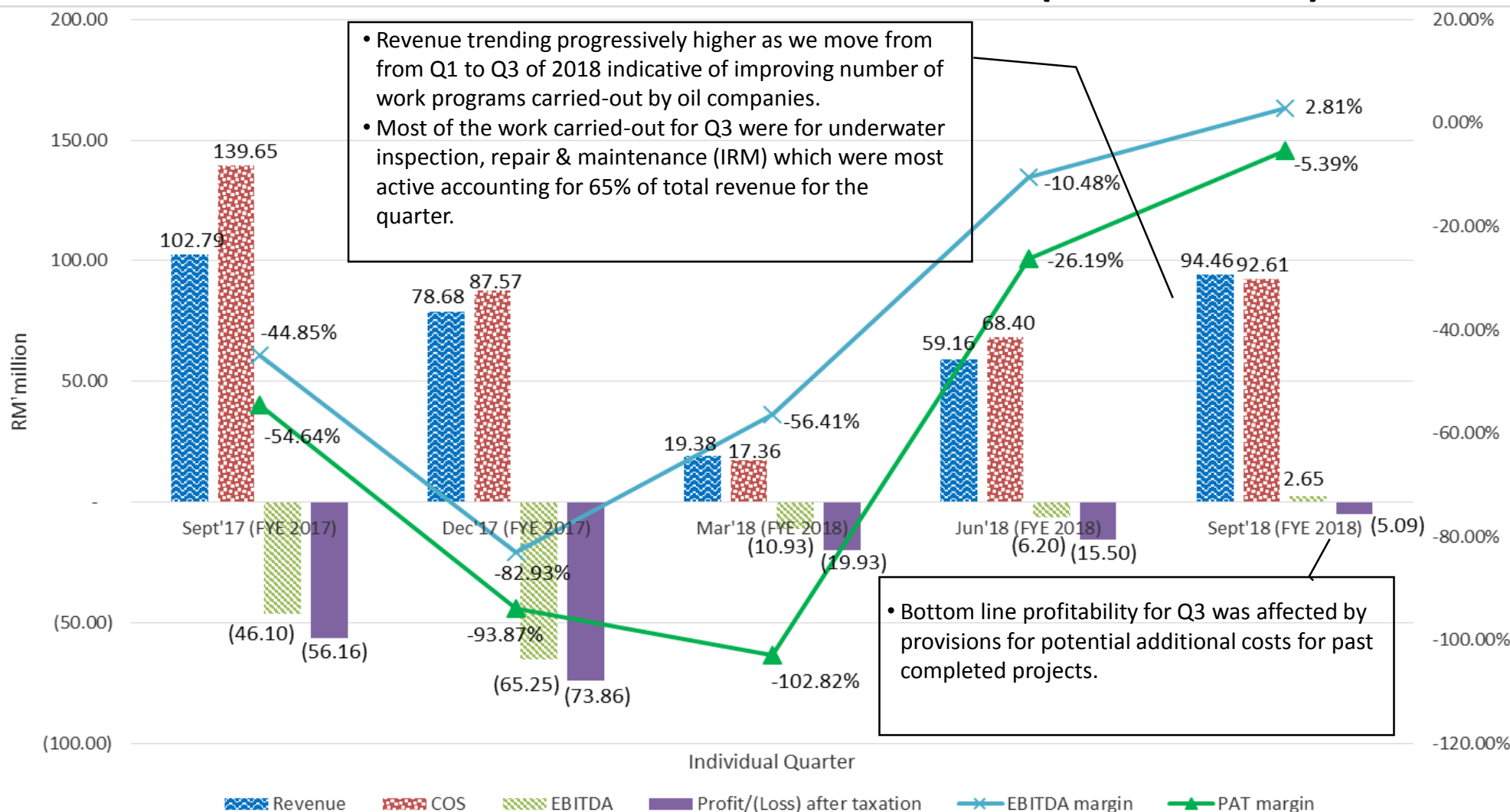
| <i>Cumulative quarter</i>                      | FYE 2018<br>Jan - Sept<br>RM'000 | FYE 2017<br>Jan - Sept<br>RM'000 | Variance |
|--|----------------------------------|----------------------------------|----------|
| Revenue  | 173,001                          | 232,257                          | -25.51%  |
| Gross loss                                     | (5,370)                          | (80,958)                         | +93.37%  |
| Loss before taxation                           | (40,256)                         | (141,672)                        | +71.59%  |
| Loss after taxation                            | (40,513)                         | (142,896)                        | +71.65%  |
| Gross loss margin                              | (3.10%)                          | (34.86%)                         | +91.09%  |
| EBITDA   | (14,477)                         | (112,555)                        | +87.14%  |
| Total assets                                   | 501,540                          | 671,196                          | -25.28%  |
| Net assets                                     | 155,110                          | 277,986                          | -44.20%  |
| Weighted average no. of ordinary shares ('000) | 826,405                          | 825,478                          | +0.11%   |
| Basic earnings per share (sen)                 | (4.90)                           | (17.31)                          | +71.69%  |
| Net assets per share (sen)                     | 18.77                            | 33.68                            | -44.27%  |

**Results Overview**  
**FYE 2018 Vs FYE 2017**  
**Revenue Breakdown (Cumulative Quarter)**



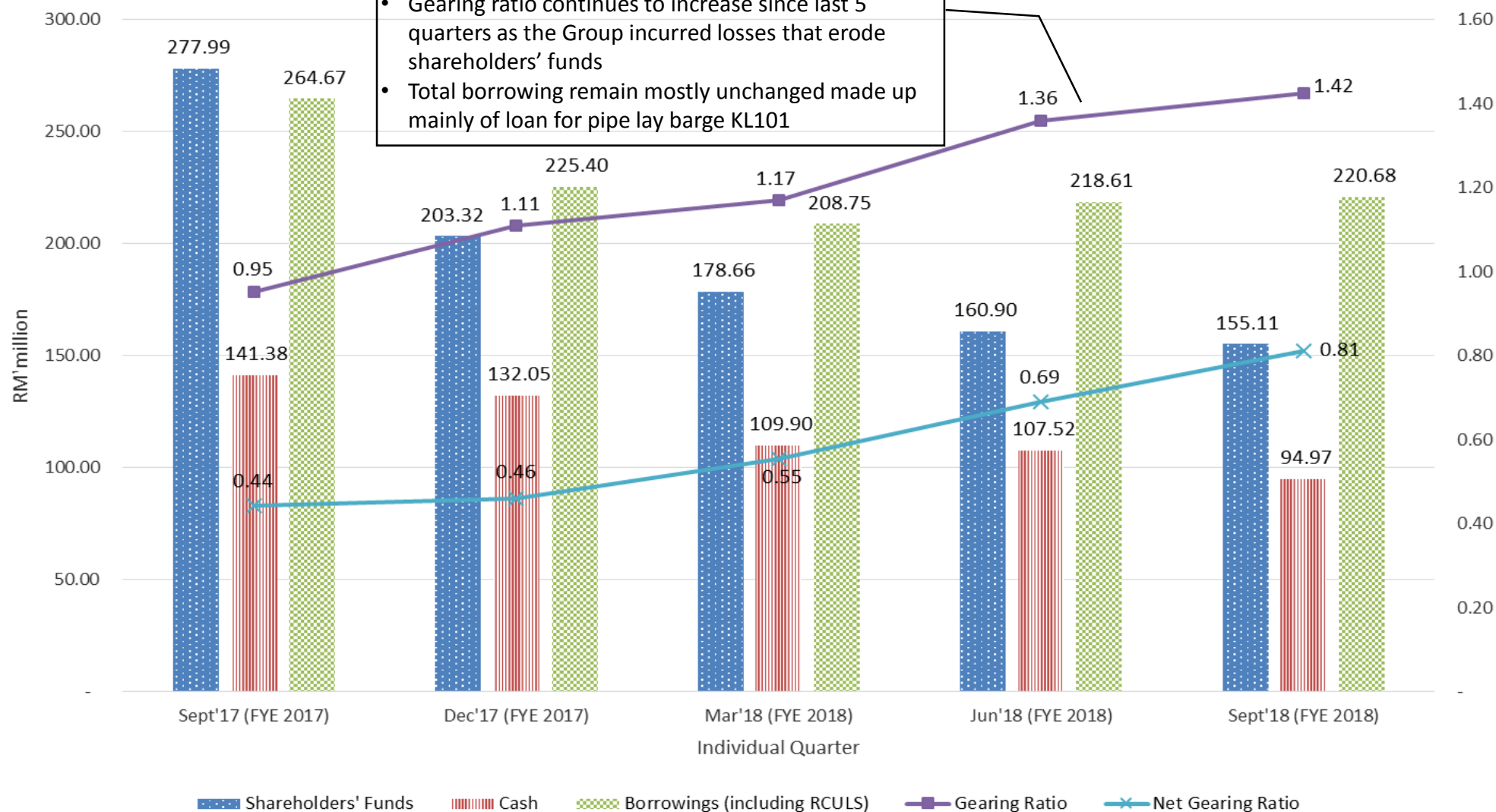
- Trend of segmental revenue breakdown consistent with last year
- Mainly driven by more offshore hook-up and commissioning activities
- Trend is expected to continue on the back of newly secured MCM projects

## RESULTS OVERVIEW: INCOME STATEMENT (5 QUARTERS)



## RESULTS OVERVIEW: BALANCE SHEET (5 QUARTERS)

- Gearing ratio continues to increase since last 5 quarters as the Group incurred losses that erode shareholders' funds
- Total borrowing remain mostly unchanged made up mainly of loan for pipe lay barge KL101



Orderbook as at 31 October 2018 – Balance of RM1.34 billion  
– Revenue visibility up to 2023

|    | Projects  | Clients                  | Balance<br>(Firm)<br>RM'm | Balance<br>(Estimate)<br>RM'm     | Balance<br>(Total)<br>RM'm                                      | Timing          |
|----|---|--------------------------|---------------------------|-----------------------------------|---|-----------------|
| 1. | Pipeline Services   | PCSB/Shell               | 11.4                      | -                                 | 11.4  | 2018            |
| 2. | Sabah-Sarawak Gas Pipeline Maintenance  | PCSB/PGB                 | 90.9                      | -                                 | 90.9  | 2018            |
| 3. | Umbrella Transportation & Installations (T&I) 2017-2019   | PCSB/Various PSCs        | 16.1                      | Bidding for new projects on-going | 16.1  | 2019            |
| 4. | Hook-up & Commissioning (HUC) and Topside Maintenance for platforms                             | Various PSCs             | 5.6                       | Bidding for new projects on-going | 5.6   | 2018            |
| 5. | EPCC of material handling system  | Asean Bintulu Fertilizer | 13.7                      | -                                 | 13.7  | Up to Q1 2019   |
| 6. | Pan Malaysia Maintenance, Construction and Modifications of offshore facilities (MCM) 2018-2023 | Various PSCs             | 21.7                      | 1,178.3                           | 1,200<br>(From estimated total contract value of RM1.2 billion) | Up to July 2023 |
|    | <b>Total</b>  |                          | <b>159.4</b>              | <b>1,178.3</b>                    | <b>1,337.7</b>  |                 |

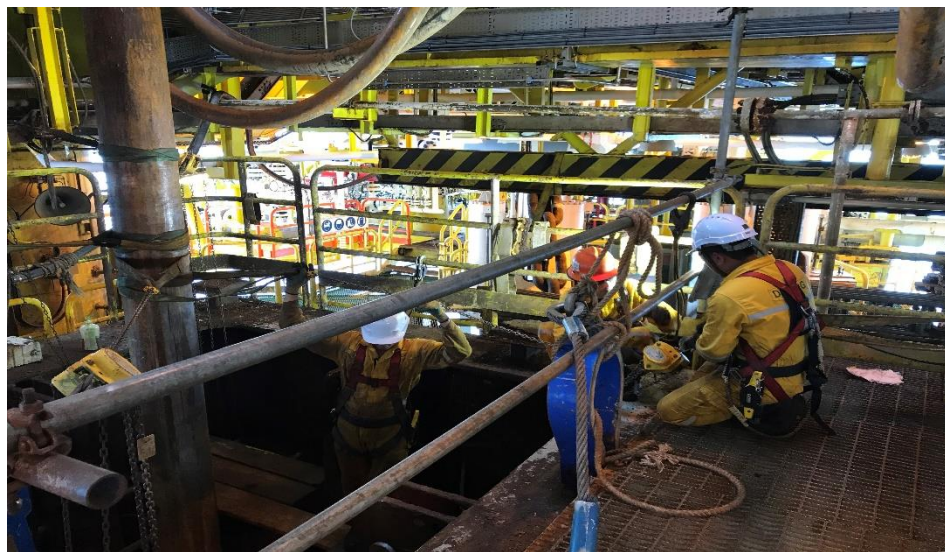
## CHALLENGES AND OUTLOOK

1. The Group announced 2 material litigations during the quarter involving claims made by subcontractors mainly for change orders. The Group are disputing these claims and will continue to defend against these claims.
2. To manage the long standing amount due to creditors, the Group has obtained a restraining order from the Court for 90 days effective from 16 October 2018. This measure was taken by Barakah to manage the debt levels of Barakah Group and allows the Group to negotiate terms with its lenders and creditors without having the threat of any proceedings and actions being brought against the Company.
3. The Group continues efforts to address the factors affecting financial position of the Group
  - Insufficient revenue to cover overhead costs particularly pipe lay barge KL 101 carrying cost.
  - Overhang of trade payables arising from past projects losses.
  - Lack of utilisation of pipe lay barge KL101 and sustained future work visibility for the barge.
  - Balance sheet and cash balance erosion that will need to be regularised.

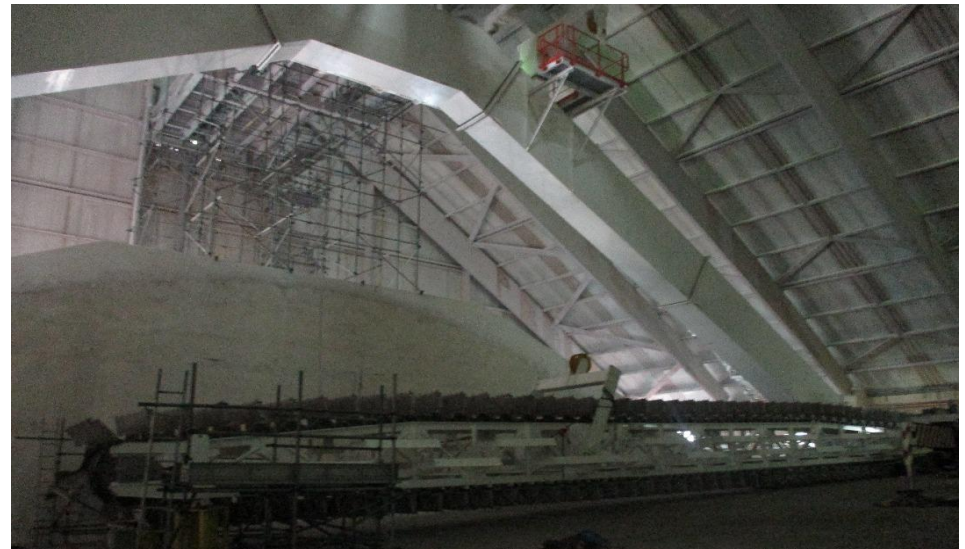
The Group is working on a regularisation plan to comprehensively address the above matters. Target to address the above matters around middle of 2019.

4. Business outlook is more positive premised on the following factors.
  - Order book balance of RM1.34 billion provides revenue visibility to 2023.
  - Currently bidding for new projects with total estimated value of RM2.4 billion. 80% of bids are for domestic projects comprised of Offshore Transportation & Installation projects and hook-up and commissioning projects.
  - Active participation in pre-qualification for potential future projects bidding.

## Production Riser Tensioner for MURPHY



## EPCC of Material Handling System for ABF



## Underwater Inspection, Repair & Maintenance for PCSB



## Sabah- Sarawak Gas Pipeline Maintenance for PGB



## Begarding CPP Phase 1B Flowlines for HESS (HUC)



# Thank you



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