

BUMI ARMADA Q1 2018 ANALYST BRIEFING

31st May 2018



BUMIARMADA

Disclaimer

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Agenda

1. Operational & Project Updates
2. Q1 2018 Financials
3. Outlook
4. Q&A

Operational & Project Updates



FPO Updates

Project Updates:

- Armada Olombendo – Achieved PRN on 17th May. Achieved 1 year free LTI operations.
- Armada Kraken – Currently producing 40,000 bopd, completing commissioning. Final acceptance by Q2.

Operating Vessels:

- Armada Perdana – Abandoning of field by client. Reviewing legal options.
- Armada TGT 1 – Discussions with client on extension nearly finalised.
- Armada Sterling II - Achieved 3 years operations without LTI.



OMS Updates

OSV

- Vessel utilisation declined to 38% in Q1 2018, compared to 46% in Q4 2017.
- Safety awards from XoM, Repsol and Shell.

Subsea Construction

- Armada Installer mobilising to field for pipelay scope. Discussions with clients for future work scope
- First pipelay project completed for Armada KP-1 .



Q1 2018 Financials



Key takeaways

- Revenue in Q1 2018 decreased by 9.3% to RM600.3 million compared to Q4 2017.
- Q1 2018 versus Q4 2017
 - FPO revenue increased by 1.7% to RM460.3 million
 - OMS revenue decreased by 33.1% to RM140.0 million
 - EBITDA⁽¹⁾ decreased by 11.8% to RM320.6 million
 - Net profit ⁽²⁾ decreased by 24.1% to RM48.4 million
- The Group's total order book as at 31 Mar 2018 was RM37.3 billion (RM26.2 billion of firm contracts and RM11.1 billion of optional extensions).

(1) Earnings before interest, tax, depreciation, amortisation and impairment

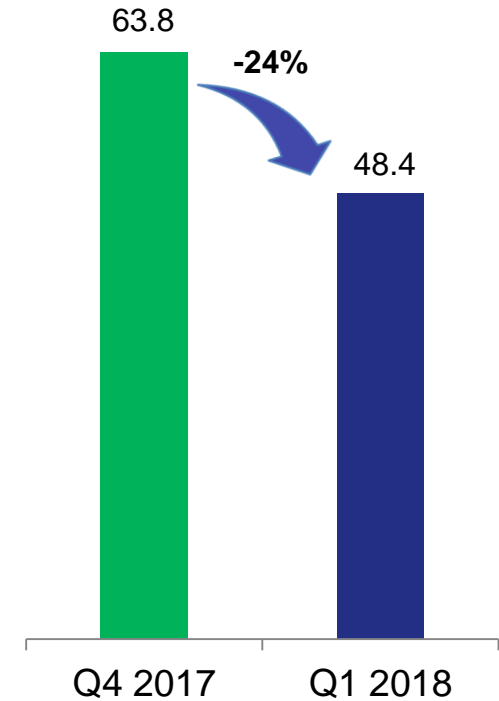
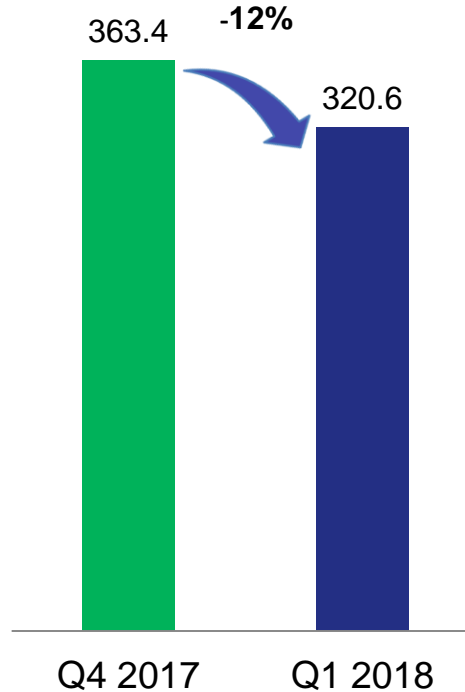
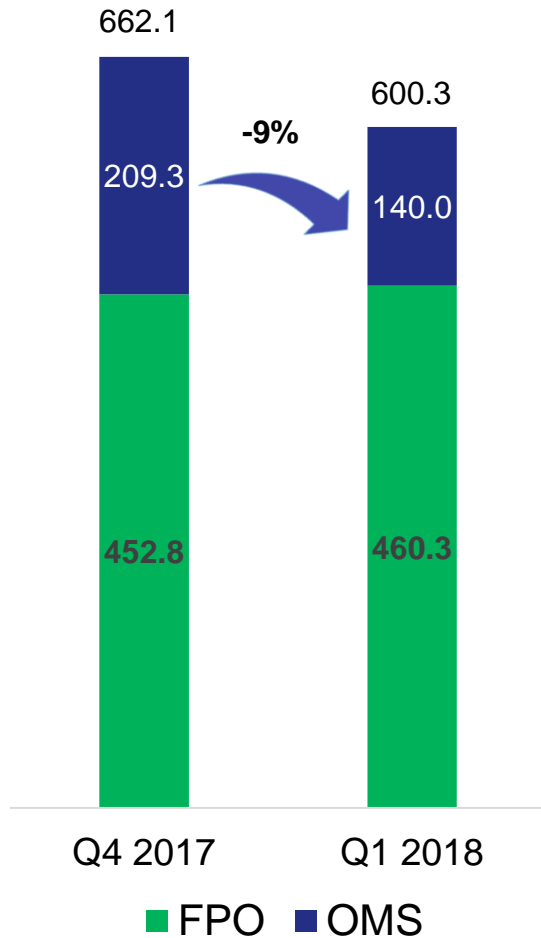
(2) Attributable to Owners of the Company

Results Overview – Q1 2018 vs. Q4 2017 (in RM'mil)

Revenue

EBITDA

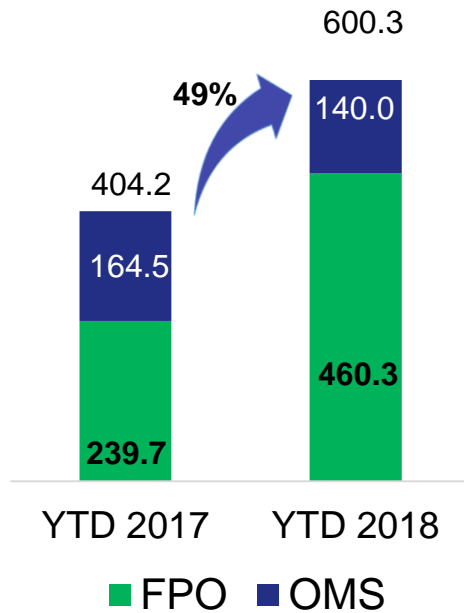
Net Profit ⁽¹⁾



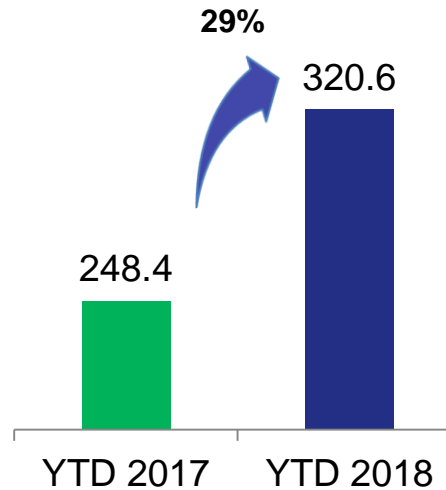
⁽¹⁾ Attributable to Owners of the Company

Results Overview – YTD 2018 vs. YTD 2017 (in RM'mil)

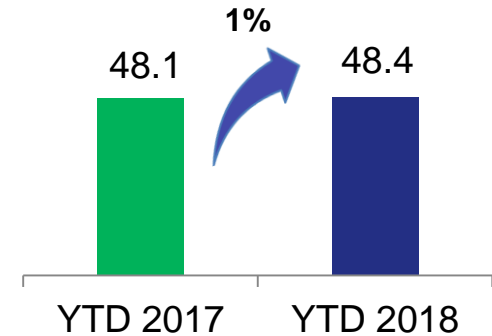
Revenue



EBITDA



Net Profit (1)

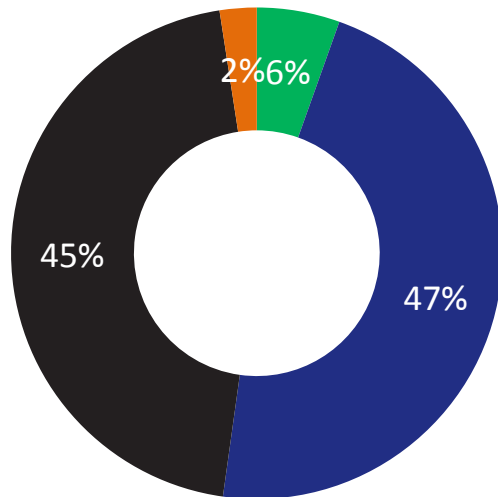


(1) Attributable to Owners of the Company

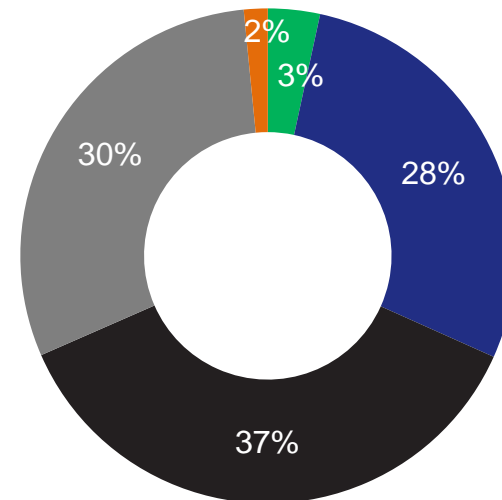
Revenue composition by geographical %

Malaysia based international company continued expansion across key regions

YTD 2017



YTD 2018

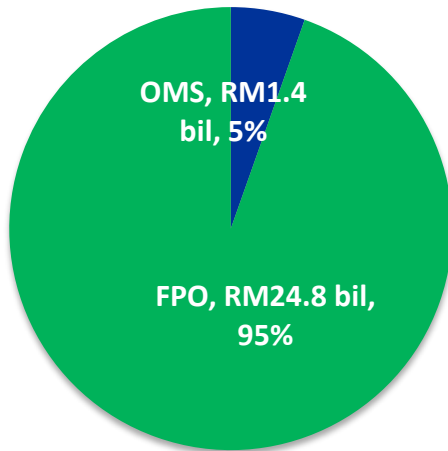


- Malaysia
- Asia (excluding Malaysia) and Australia
- Middle East & Africa
- Europe
- Latin America

Order book as at 31 March 2018

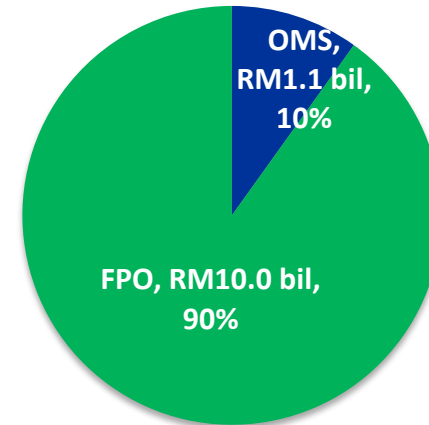
As at 31 Mar 2018, the Group's firm order book stood at RM26.2 bil compared to RM22.3 bil as at 31 Dec 2017. Upon expiration of the firm contract period, certain contracts contain extension options which are renewable on annual basis with a total potential value of RM11.1 bil over the entire option periods.

- The breakdown of order book with firm contract period by business segments (fleets) is as follows:



Firm contract period order book: RM26.2bil

- The breakdown of order book with optional contract period by business segments (fleets) is as follows:



Optional extension period order book: RM11.1 bil

Outlook



Outlook

FPO

- Achieve acceptance of Kraken FPSO soonest
- Target one FPSO contract per year, securing partners for large projects
- Pursuing Armada Claire redeployment
- Armada TGT-1 contract extension nearly finalised
- Progress on Woodside litigation, court date set for Q4 2018

OMS

- OSV: Focus on business to be cashflow positive.
- SC: Secure work for 2019 and beyond, grow Indonesian workload.

CORPORATE

- Continued commitment to safety culture and operational excellence.
- Continued strong focus on financials and addressing the strengthening of balance sheet

Q&A



Thank You



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