INCORPORATED IN SINGAPORE
COMPANY REGISTRATION NO. 199901411N

EZRA

15 Hoe Chiang Road
#28-01 Tower Fifteen
Singapore 089316

MEDIA RELEASE

# Ezra maintains profitability in FY15; strengthens balance sheet amidst tough market conditions

- Revenue for FY15 improved compared to FY14 despite continued market headwinds
- Successful rights issue supports the Group's deleveraging strategy
- Collaboration with Chiyoda will enhance EMAS AMC's subsea-to-surface offering to clients and partners
- Maintains group backlog of US$2.0 billion

**SINGAPORE ♦ 23 OCTOBER 2015**

*For immediate release*

## Summary of key highlights for FY15:

| *US$ million* | FY14 | | FY15 | | Year-on-Year Change | |
|---|---|---|---|---|---|---|
| | Continuing Operations | Discontinued Operations | Continuing Operations | Discontinued Operations | Continuing Operations | Discontinued Operations |
| **Revenue** | **489.9** | **998.4** | **543.8** | **976.4** | **11%** | **(2)%** |
| EBITDA | 127.7 | 61.8 | 232.3 | 21.5 | 82% | (65)% |
| **Adjusted EBITDA[1]** | **114.5** | **62.3** | **145.5** | **21.5** | **27%** | **(65)%** |
| Profit After Tax ("PAT") | 27.7 | 26.3 | 107.3 | (40.3) | 287% | n.m. |
| **Adjusted PAT[1]** | **14.4** | **26.8** | **20.4** | **(40.3)** | **42%** | **n.m.** |

Note: [1]Excludes the Group's gain/loss from disposal/written off/impairment of fixed assets, realised loss on derivative instruments, impairment of goodwill and gain from bargain purchase due to consolidation of EMAS Offshore Limited.

**Ezra Holdings Limited** ("Ezra" or the "Group"), a leading contractor and provider of integrated offshore solutions to the oil and gas ("O&G") industry reported an increase in revenue from continuing operations of 11% to US$543.8 million in the full year ended 31 August 2015 ("FY15"), compared to the same period a year ago ("FY14"). The Group's Marine Services division (which includes engineering and fabrication activities under **TRIYARDS**) recorded revenue growth which was offset by the decline in revenues from the Group's Offshore Support and Production Services division (**EMAS Offshore Limited**).

INCORPORATED IN SINGAPORE
COMPANY REGISTRATION NO. 199901411N

15 Hoe Chiang Road
#28-01 Tower Fifteen
Singapore 089316



For FY15, the Group's continuing operations posted an 82% increase in EBITDA to US$232.3 million, and adjusted EBITDA from continuing operations increased 27% to US$145.5 million. Adjusted PAT from continuing operations also increased 42% to US$20.4 million. Net cash generated from operating activities[2] increased to US$142.5 million in FY15, an increase of US$42.5 million as compared to FY14.

The Group's discontinued operations (comprising the **EMAS AMC** entities) saw a net loss of US$40.3 million in FY15 in the midst of challenging markets as well as experiencing one-off vessel-related circumstances in 1QFY15. Nevertheless, **EMAS AMC** still achieved key operational milestones in the successful delivery of the *Lewek Constellation* and the successful completion of her inaugural reel-lay projects for Noble Energy which were critical in establishing her credentials as a credible competitor to the subsea tier-one players.

Ezra has continued to oversee a credible performance of **EMAS Offshore Limited**, in spite of the challenging markets. The division has strengthened its management team and focused on improving vessel management in FY15. Its strategy going forward will be to improve operational efficiency while maintaining a high rate of overall deployment in key regions within South East Asia and growth markets such as West Africa.

**TRIYARDS** continues to expand its product range, with the recent slew of contract wins comprising chemical tankers and high speed craft demonstrating the division's engineering and fabrication expertise.

Mr Lionel Lee, Ezra's Group CEO and Managing Director, said: "The offshore oil and gas sector remains in a volatile state. However, we firmly believe in the fundamentals of the oil and gas industry. Despite market uncertainties, Ezra has managed to maintain its revenue for this financial year. The Group is working to rationalise non-core assets to further strengthen its balance sheet.

We have achieved what we have set out to do at the start of FY15, which is to successfully roll out our flagship subsea construction vessel *Lewek Constellation*, contain costs, improve cash flow and deleverage the balance sheet and address significant debt maturities that were due in September 2015. With the proposed joint venture, EMAS CHIYODA Subsea, in place, we will be able to leverage synergies to competitively bid for larger and more complex tenders, whilst fortifying our position as a global subsea leader."

Ezra and Chiyoda Corporation have recently announced that it has entered into a binding share sale and subscription agreement in relation to the proposed joint venture[3]. The joint venture is subject to, amongst other things, the approval of Ezra's shareholders and the satisfaction of other customary closing conditions. Assuming these conditions are met, the transaction is expected to close by the end of 2015.



[2] Cash flows from both continued and discontinued operations were included.
[3] Refer to SGX announcement titled 'Joint Venture with Chiyoda Corporation in respect of Ezra Holdings Limited's Subsea Services Business' on 29 September 2015

INCORPORATED IN SINGAPORE
COMPANY REGISTRATION NO. 199901411N

EZRA

15 Hoe Chiang Road
#28-01 Tower Fifteen
Singapore 089316



The Group's backlog stands at approximately US$2.0 billion[4], the majority of which is expected to be executed over the next 12 to 18 months.

## ABOUT THE COMPANY

**www.emas.com ♦ SGX mainboard listing: December 2005**

EMAS – a leading global contracting group providing offshore/subsea construction, marine, production and well intervention services – is Ezra's operating brand. With offices across six continents, it delivers best-value solutions to the oil and gas (O&G) industry by combining its global footprint and proven engineering skills with a diverse offering of premium assets and services designed to fully meet clients' needs.

Operating in unison, Ezra's core divisions are able to execute a full spectrum of seabed-to-surface engineering, construction, marine and production services anywhere in the world.

EMAS AMC is a global EPCIC service provider of comprehensive subsea-to-surface solutions for the offshore oil and gas industry, especially in the SURF and Subsea Tie-Back sector. Core business services include subsea installation of umbilicals/power cables, pipelines as well as platforms, FPSO and floater installations.

EMAS Energy provides well intervention and drilling services both onshore and offshore, offering fully integrated solutions that combine its marine assets with state-of-the-art intervention equipment and services.

EMAS Marine, under subsidiary company EMAS Offshore Limited, manages and operates a young, versatile fleet of advanced offshore support vessels, offering an extensive range of maritime services that cater to the client's needs throughout a field's life cycle.

EMAS Production, also under subsidiary company EMAS Offshore Limited, owns and operates FPSO (floating production, storage and offloading) facilities, offering services that support the post-exploration needs of offshore fields, such as FPSO conversion management.

TRIYARDS is fast becoming an acknowledged leader in developing advanced and customised solutions for world-class vessels. By focusing on sophisticated platforms and equipment that can tackle even the most complex offshore projects, it has already established itself as a front runner in the fabrication of liftboats (self-elevating, mobile offshore units). TRIYARDS provides its integrated engineering, ship construction and fabrication services out of yard facilities located in Singapore, Vietnam and the US.



[4] The Group's backlog is inclusive of a backlog of US$397 million from the two FPSOs, *Lewek EMAS* and *Perisai Kamelia* that EMAS Offshore Limited has stakes in.

INCORPORATED IN SINGAPORE
COMPANY REGISTRATION NO. 199901411N

EZRA

15 Hoe Chiang Road
#28-01 Tower Fifteen
Singapore 089316

MEDIA RELEASE

**FOR ENQUIRIES**

| | |
|---|---|
| **MR EUGENE CHENG** | +65 6590 8088 |
| **MR ALEX TAN** | +65 6512 8824 |

For any enquiries, email us at: ir@emas.com

Other media releases on the company can be accessed at www.emas.com