

EMAS Offshore Limited

Q3 FY2015 Investor Presentation

July 2015

Disclaimer

EMAS Offshore Limited

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Agenda

EMAS Offshore Limited

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I. Overview

Overview of EMAS Offshore Limited

EMAS Offshore Limited

Offshore Support & Accommodation Services

Overview

- Global fleet with strong presence in the Asia-Pacific OSV market
- Diverse client base, providing ship management services for both the Group and third party vessels
- Owns, operates and/or manages a diverse fleet of 41 OSVs, 5 OAVs, 2 barges and 1 heavy lift and pipelay vessel (average age of only approximately 7 years),

Business development strategies

- Positioned to tap on growing offshore accommodation market
- Increase bidding activity with a strong focus on both West Africa and Southeast Asia
  - Awarded US$24 million in charters for 2 AHTS and 1 PSV in West Africa and the Gulf of Thailand
  - Recently secured contract in West Africa valued at more than US$30 million for deployment of an accommodation barge, a PSV and 2 AHTS
- Leverage synergies with the Ezra Group to win tenders

Offshore Production Services

Overview

- Provider of production vessels and services
- Expertise in project management, engineering, construction, installation and operation & maintenance in the fixed and floating production sectors
- Owns or operates 2 FPSOs

FPSO assets

Lewek EMAS



First Oil:	Oct 2011
Gross tonnage:	94,647
DWT (Tropical):	188,101
Storage:	660,000 bbl
Oil:	50,000 BOPD
Gas:	89 MMSCFD
Water injection:	60,000 bbl/d
Production:	50,000 bbl/d

Perisai Kamelia
One of the world's largest gas FPSOs



First Gas:	Nov 2013
Gross tonnage:	63,101
DWT (Tropical):	127,540
Storage:	725m bbl
Export Gas:	175 MMSCFD (at 2,000 PSIG)
Condensate	4,000 bbl/d

High Quality and Diverse Fleet of 51 Vessels

EMAS Offshore Limited

Offshore support vessels

6 AHT



- Engine power capacity of up to 7,340 bhp

25 AHTS



- Engine power capacity of up to 30,000 bhp
- 14 out of the 25 vessels are deepwater capable[1]

10 PSV



- Capacity of up to 5,380 dwt
- Five PSVs have capacity exceeding 3,500 dwt

Other vessels

5 OAV



- Total capacity of around 1,500 men

2 Barges



- Transport cargo and equipment

1 Heavy lift, pipelay construction vessel[2]



- Undertake construction and maintenance works

2 FPSOs



- *Lewek EMAS and Perisai Kamelia* were upgraded in 2011 and 2013 respectively

Notes:

(1) A deepwater AHT/ AHTS is defined as having an engine power capacity of 10,000 bhp or more

(2) The heavy lift, pipelay construction vessel is leased to EMAS AMC



II. Business Review

Business Highlights

EMAS Offshore Limited

Group Performance

- Challenging environment, but bidding activity remains healthy
- Focus on reducing vessel operating costs and other general expenses
- Robust contributions from FPSOs, which continues to benefit from operational stability
- Continued emphasis on operational excellence

Offshore Support & Accommodation Services

- Overall utilisation rate was approximately 70% during the quarter
- Despite challenging operating environment, large AHTS and OAVs continue to be in demand
- Target further reductions in operating cost, compared to previous financial years
- Awarded the OSV Safety Award “8 years of goal zero operations” by Shell Philippines







Offshore Production Services

- Both FPSOs, *Lewek EMAS* and *Perisai Kamelia* continued to perform operationally well during Q3 FY2015
- Uptime for both FPSOs was more than 98 percent, with excellent safety performance i.e. CEO Award for Safety Excellence by HESS
- The FPSOs are operating in production fields, which are less impacted by oil market volatilities





Business Development Activity

EMAS Offshore Limited



Increased bidding activity with a strong focus on both West Africa and South-East Asia

Additional resources in West Africa to support our increased business activity in the region

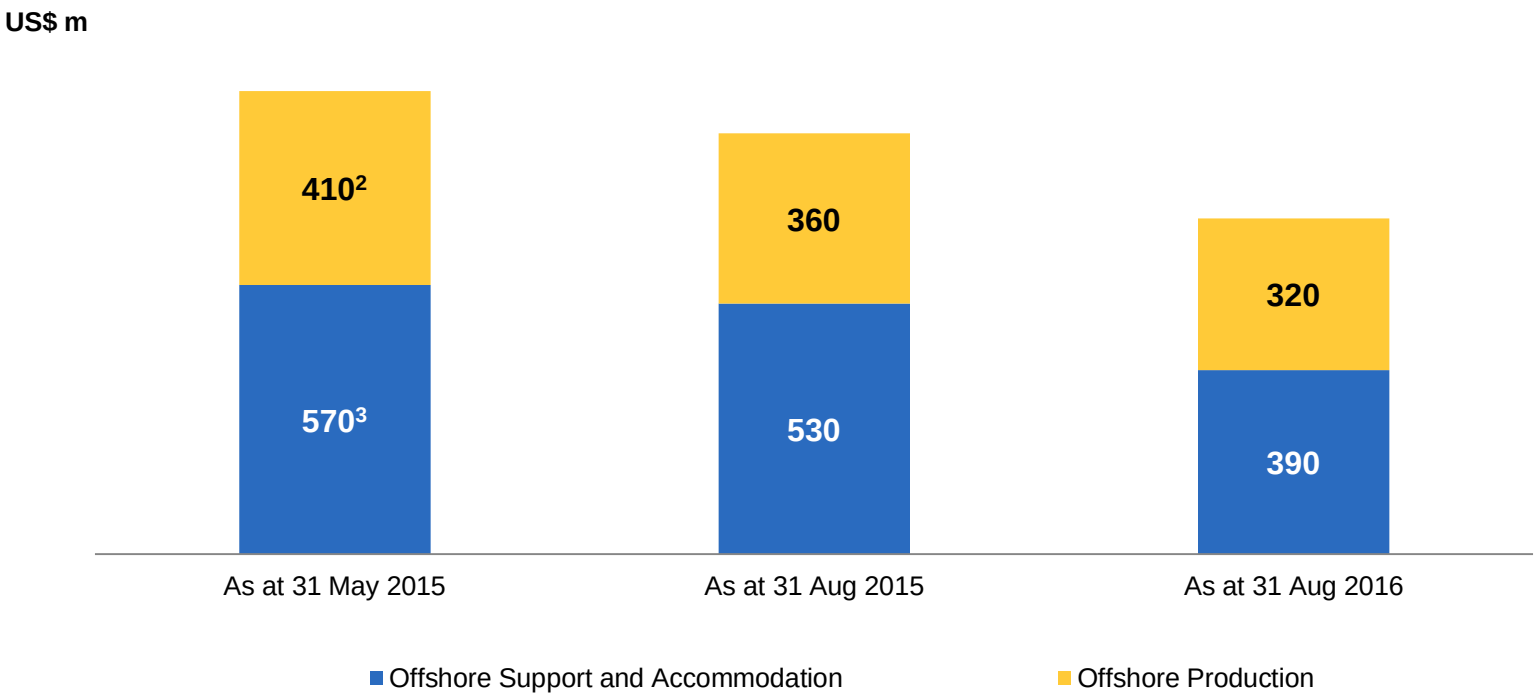
Global operational footprint with vessels currently working in Asia-Pacific (86%), West Africa (11%) and Rest of the World (3%)

Recent contract wins including a US$30 million African project involving four OSVs with oil majors, and a US$24 million awards for three OSVs in West Africa and the Gulf of Thailand

Order Backlog

EMAS Offshore Limited

Order Backlog[1] (as at 31 May 2015)



Average remaining contract duration for Offshore Support & Accommodation Services: **1.3 years**

- AHT and small PSV are generally on shorter charters
- AHTS and OAVs continue to be deployed on long term charters

Average remaining contract duration for Offshore Production Services: **6.4 years**

- FPSO charters remain stable and long term

Note:

(1) Net orderbook assuming options are exercised

(2) FPSOs are accounted for under "Share of results of associates" on the Profit & Loss Statement

(3) The order backlog for the Offshore Support & Accommodation Services division includes the bareboat of Lewek Champion to EMAS AMC

Utilisation Rates

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Offshore Support & Accommodation Services

	Utilisation Rate [1]			
	FY2012	FY2013	FY2014	9M FY2015
Fleet of vessels[2] [3]	89%	82%	84%	74%
Total fleet size[4]	39	45	45	46[5]

Highlights for Q3FY2015

- Continued strength in the larger AHTS market, with utilisation sustained at over 90%
- Utilisation remains weak in the AHT and PSV market segments

Notes:
(1) Utilisation rate is calculated by aggregating the number of contract days and dividing that by the aggregate number of days each type of vessels are available for charter. (2) The utilisation rates of FPSOs have not been included as it is not industry practice to measure the performance of FPSOs using utilisation rates. (3) The utilisation rates for barges have not been included as it is not a meaningful indicator. (4) As at 31 August of each financial year. (5) The utilisation rates of *Lewek Alphard* and Enterprise 3 was only included from Q2FY2015 onwards. *Lewek Ruby* was sold in Q2FY2015.

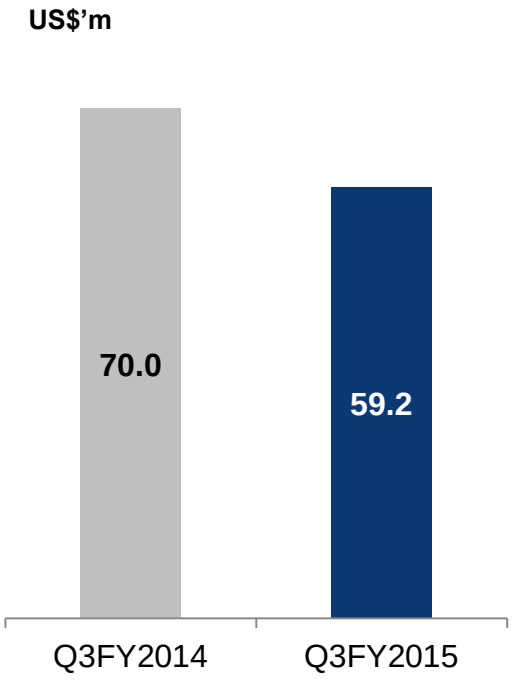


III. Financial Highlights

Income Statement Highlights

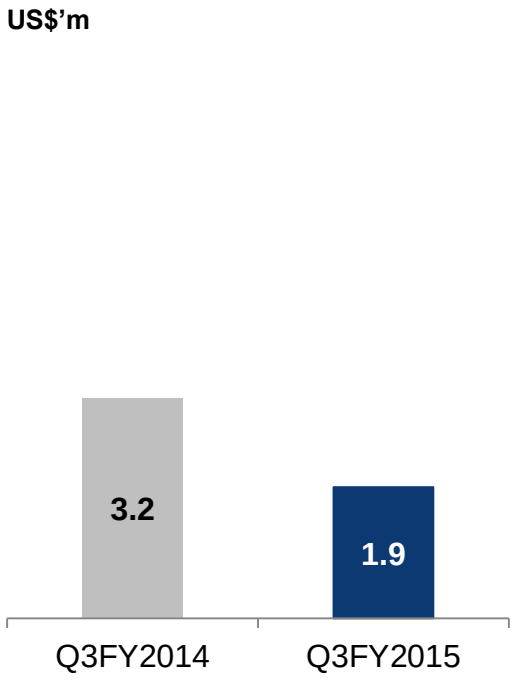
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Revenues



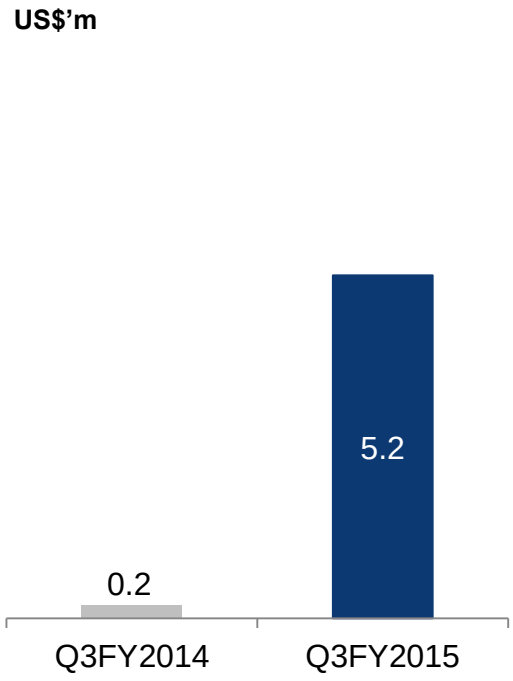
- Revenues for Q3FY2015 was US$59.2 million, a 15% decrease from same quarter last year
- Largely due to weakness in the small AHTS and shallow water PSV segments

Operating Profit



- Operating profit was down by 41% year-on-year to US$1.9 million
- Mainly due to a lower gross profit for the quarter, offset by lower administrative expenses

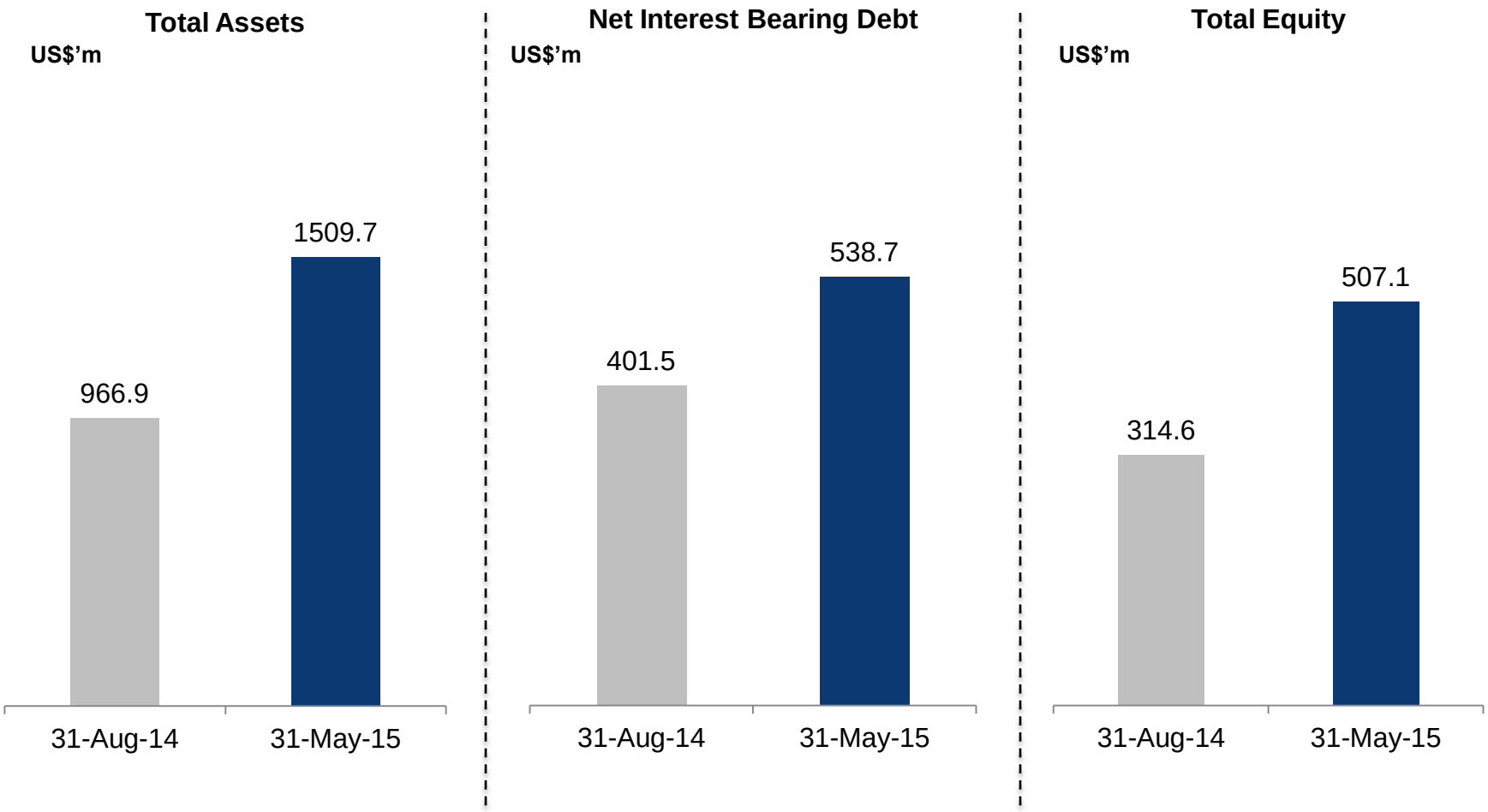
Profit After Tax



- Profit after tax was US$5.2 million, a significant increase from US$0.2 million in the same period last year
- Largely driven by additional contributions from the two FPSOs, *Perisai Kamelia* and *Lewek EMAS*

Balance Sheet Highlights

EMAS Offshore Limited



- Overall increase in total assets, net interest bearing debt and total equity due to the business combination
- Net gearing ratio decreased from 1.28x as of 31 August 2014 to 1.06x as of 31 May 2015

Balance Sheet and Capital Management

EMAS Offshore Limited

Balance Sheet as at 31 May 2015

US$ m	Group
Total Assets	1509.7
less: Total Liabilities	1002.6
Total Equity	507.1
Gearing	
Total Debt	628.0
less: Cash & Equivalents	89.3
Net Debt	538.7
Total Debt/ Equity	**1.24x**
Net Debt/ Equity	**1.06x**

- Two vessels under prior sale and leaseback arrangements successfully added back to the Group's portfolio of assets in May and June 2015 respectively
- The Group continues to leverage on strong support from its lending banks and capital providers to strengthen and optimise its balance sheet
- Disposed of one AHT (non-core asset) in Q2FY2015
- To manage two newbuild OAVs project for delivery after FY2016

Key Figures & Ratios

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US$'m	9 months ended 31 May 2015	9 months ended 31 May 2014
EBITDA	209.9	49.6
EBIT	176.4	24.4
Earnings per share[1] – Basic and Diluted (US¢)	0.39	0.05
Weighted average number of shares (in millions)	420.8	280.1
Interest cover ratio (times)[2]	21.9	7.48
Return on equity[3]	39.7%	4.7%

[1] Net profit / Weighted average number of shares
[2] EBITDA / Net interest expenses
[3] Net profit / Average book equity



IV. Outlook & Strategies

Outlook & Strategies

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Environment is challenging, with near-to-medium pressures on utilisation and charter rates, but we have/will be implementing various initiatives…

1. **Cost optimisation – reduce vessel operating costs and general administrative expenses**

2. **Geographical strategy – leverage and consolidate in SE Asia and expand in selected growth areas e.g. West Africa**

3. **Active capital management – to strengthen/enhance financial position and liquidity**

4. **Leveraging synergies with the Ezra Group to win tenders e.g. recent US$30 million contract win in Africa**








Appendix I

Our Vessels

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AHT

No.	Vessel Name	Year Built	Specification
1.	Lewek Kestrel	2007	7,340 bhp
2.	Lewek Kea	2008	7,340 bhp
3.	Lewek Robin	2007	4,750 bhp
4.	Bayu Intan	2005	4,200 bhp
5.	Lewek Eagle	2004	4,200 bhp
6.	Lewek Roller	2006	4,000 bhp

PSV

No.	Vessel Name	Year Built	Specification
1.	Lewek Aquarius	2012	8,716 bhp / 5,380 dwt
2.	Lewek Andes	2012	8,716 bhp / 5,279 dwt
3.	Lewek Aries	2008	7,080 bhp / 3,486 dwt
4.	Lewek Ariel	2010	6,920 bhp / 3,250 dwt
5.	Lewek Alkaid	2013	6,800 bhp / 3,500 dwt
6.	Lewek Avior	2013	6,800 bhp / 3,500 dwt
7.	Lewek Atria	2010	6,222 bhp / 3,266 dwt
8.	Lewek Altair	2009	6,222 bhp / 3,100 dwt
9.	Lewek Antares	2011	6,222 bhp / 2,900 dwt
10.	Lewek Atlas	2007	5,444 bhp / 3,570 dwt

AHTS

No.	Vessel Name	Year Built	Specification
1.	Lewek Fulmar	2011	30,000 bhp
2.	Lewek Teal	2012	21,456 bhp
3.	Lewek Trogon	2008	17,600 bhp
4.	Lewek Toucan	2008	17,600 bhp
5.	Lewek Scarlet	2009	12,240 bhp
6.	Lewek Snipe	2005	12,240 bhp
7.	Lewek Stork	2005	12,240 bhp
8.	Lewek Swan	2005	12,240 bhp
9.	Lewek Swift	2005	12,240 bhp
10.	Lewek Emerald	2003	11,000 bhp
11.	Lewek Pelican	2007	10,800 bhp
12.	Lewek Penguin	2007	10,800 bhp
13.	Lewek Petrel	2008	10,800 bhp
14.	Lewek Plover	2008	10,800 bhp
15.	Lewek Harrier	2006	8,000 bhp
16.	Lewek Heron	2006	8,000 bhp
17.	Lewek Mallard	2007	7,340 bhp
18.	Lewek Martin	2007	7,340 bhp
19.	Lewek Ebony	2007	5,220 bhp
20.	Lewek Ivory	2001	5,200 bhp
21.	Lewek Lark	2010	5,150 bhp
22.	Lewek Leopard	2011	5,150 bhp
23.	Lewek Lion	2010	5,150 bhp
24.	Lewek Lynx	2011	5,150 bhp
25.	Lewek Sapphire	2005	5,040 bhp

Our Vessels (cont'd)

EMAS Offshore Limited

Barges

No.	Vessel Name	Year Built	Specification
1.	Lewek LB 1	2006	17,773 dwt
2.	Lewek Lea	2006	5,800 dwt

Heavy lift and pipelay construction vessel

No.	Vessel Name	Year Built	Specification
1.	Lewek Champion	2007	8 pt mooring / 380 passengers

OAV

No.	Vessel Name	Year Built	Specification
1.	Lewek Crusader	2011	400 MT heavy duty crane / 500 passengers
2.	Lewek Conqueror	2004	8 pt mooring / 308 passengers
3.	Lewek Chancellor	2007	12 pt mooring / 290 passengers
4.	Enterprise 3	2008	8 pt mooring / 300 passengers
5.	Lewek Alphard	2014	60 passengers



Lewek Crusader


Lewek Fulmar

Our Vessels (cont'd)

EMAS Offshore Limited



Perisai Kamelia

Type:	Gas compression FPSO	**Gross Tonnage, tons:**	63,101
Upgraded/ converted:	2013	**Dwt (MT):**	127,540
Flag:	Malaysia	**Lightweight (MT):**	18,661
Class:	DNV	**Storage, bbl:**	600,000
Overall length:	263.70m	**Export Gas:**	175 MMSCFD @ 2000 psig, 50^{0}C
Breadth:	40.80m	**Condensate:**	4,000 bbl / day
Depth moulded:	22.20m	**Mooring system:**	External cantilever turret 3x3 mooring
Current Project:	The *Perisai Kamelia* is chartered to Hess Exploration and Production Malaysia B.V. (Hess). The *Perisai Kamelia* has been assigned to support the early production activities in the North Malay Basin. Signed in November 2012, the contract covers a three-year charter period valued at about US$272.1 million, with extension options that could add a further three years to the charter duration.		



Lewek EMAS

Type:	Oil production, gas and water reinjection FPSO	**Gross Tonnage, tons:**	94,647
Upgraded/ converted:	2011	**Dwt (MT):**	188,101
Flag:	Singapore	**Lightweight (MT):**	29,457
Class:	ABS	**Storage, bbl:**	630,000
Overall length:	290.38m	**Export Gas:**	45 MMSCFD @ 190 barg, 50^{0}C
Breadth:	50.60m	**Mooring system:**	Internal turret, 3x3 mooring system
Depth moulded:	23.77m		
Current Project:	The *Lewek EMAS* has been on hire to Premier Oil Vietnam Offshore B.V. (**POVO**) since 2011 as part of a six-year contract. The contract with POVO includes an option where POVO could extend the charter for up to another six years. In October 2012, we secured another US$15 million contract with POVO for project management, engineering and procurement services which resulted in the *Lewek EMAS* being upgraded to accommodate a subsea tie-back linking it to the Dua field which is in close proximity to the Chim Sao field, and boosting its potential as an oil and gas production facility.		