

# **Disclaimer**

This release contains forward-looking statements concerning the financial condition, results of operations and businesses of Ezra. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Ezra to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. All forward looking-statements contained in this presentation are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Neither the Company nor any of its subsidiaries and associates undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this release.



# **FY2015 Performance Review**

**Subsea Services Operational Updates** 

Offshore Support and Production Services Operational Updates

**Marine Services Operational Updates** 

**Financial Highlights** 



# **FY2015 Performance Review**

#### **Group performance review**

- The oil & gas market remains challenging, with reduced oil & gas spending and activities impacting the industry as a whole
- In spite of a challenging operating environment, the Group:
  - Has increased yoy<sup>(1)</sup> revenues from continuing operations by 11% to US\$543.8 million in FY2015. Including discontinued operations, maintained revenues at ~US\$1.5 billion in FY2015
  - Has successfully delivered the Lewek Constellation, which completed her inaugural deepwater reel-lay project
  - Has successfully entered into an agreement to form a 50:50 JV with Chiyoda Corporation for the subsea services business, which will bring significant strategic, operational and financial benefits
  - Has successfully completed a rights issue in a challenging market to refinance significant maturities of securities
  - Has improved the balance sheet by reducing net gearing from a peak of 1.2x to 0.8x
  - Has reduced Group-wide "running" G&A by ~16% yoy, excluding the effects of consolidation of recent acquisitions (2)
- Group backlog stands at approximately US\$2.0 billion<sup>(3)</sup>



#### **Subsea Services**

- Entered into a six year long term agreement with Saudi Aramco through a consortium with L&T Hydrocarbon Engineering
- Finalised triple contract signings with Noble Energy for subsea tie-back projects in the US Gulf of Mexico even before the delivery of Lewek Constellation



# Offshore Support & Accommodation Services Offshore Production Services

- Continues with the geographical strategy to leverage and consolidate in Southeast Asia and expand in selected growth areas, e.g. West Africa
- Remains focused on optimising cost, managing capital actively and leveraging synergies with the Ezra Group



#### **Marine Services**

- Continues contract winning momentum with new orders for liftboats, Multi-purpose Support Vessels (MPSVs) and aluminium crafts
- Remains focused on diversifying client base and product lines



# Ezra Group's Focus Post Subsea JV: **Generating Long-Term Shareholder Returns**



#### Strategic Investment Holding

- Strategy Coordination
- **Business Innovator**
- Capital Allocator
- Policy Governance

100.0%

50.0%











# **4** TRIYARDS





#### Subsea Services



- Comprehensive offshore seabedto-surface installation and engineering services
  - Owns / operates / have access to 12 vessels
  - Subsea Umbilicals, Risers and Flowlines ("SURF"), floater & mooring, pipeline installation
  - Heavy lift operation
  - Decommissioning and removal
  - Subsea tie-back contractor

# **OSV & OAV Services**



Offshore Production Services

- Separately listed on the Oslo Børs and secondary listing on SGX-ST as EMAS Offshore Limited (formerly known as EOC Limited)
- Offshore Support & Accommodation Services
  - Owns, operates and manages a voung and diverse fleet
- Offshore Production Services
  - Owns or operates 2 Floating. Production, Storage and Offloading ("FPSO") vessels

#### Marine & Fabrication Services



- Separately listed on the SGX-ST as Trivards Holdings Limited
- Fabrication of high-end offshore vessels and equipment

#### **Investments**



- EMAS Energy
  - Provides well services, fluid pumping, pipeline & process and oiltools rental



- **London Marine Consultants**
- Specialises in the engineering, design and provision of mooring systems for FPSOs. FSRUs and FSOs

Gestate, Grow & Harvest

#### **Core Ezra Group Focus**

Existing core operating

business

Investments

- ✓ Drive sustainable core growth across operations
- ✓ Stable cash flow generation and dividends
- ☑ Optimal capital structure
- ☑ Effective capital allocation and recycling
- ✓ New business generation
- ✓ Targeted long-term shareholder returns

#### **Drive Long-term** Growth

#### **Achieve Turnaround** & Stable Cash Flows

#### **Drive Growth &** Stable Cash Flows

**Priorities** 

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# FY2015 operational achievements

#### Continues momentum in winning subsea work



- EMAS AMC has won an aggregate of US\$4.0 bn worth of contracts since its acquisition from Aker Solutions in 2011
- Tenderbook currently stands at ~US\$8.0 bn

#### Lewek Constellation - Achieved significant milestones

#### Completed inaugural reel lay projects

- Lewek Constellation installed the heaviest Pipe in Pipe (PiP) system in the Gulf of Mexico to complete Noble Energy-operated Big Bend and Dantzler subsea tieback projects
- Performed in excess of 30 heavy reel lift transfers proving the viability of the vessel's unique offshore portable reel transfer concept

#### Set industry record during sea trials

- Lewek Constellation set record during pipelay trials in the US Gulf of Mexico, with tension recorded at 632 mT, rendering this the highest tension ever experienced in the history of rigid reeled-lay operations
- The record was done in 2,246 metres of water during the deployment of 3.2 km, 16" diameter, 28 mm wall thickness pipeline













# Highlights of recent operational achievements

#### **Americas**



Finalised a contract with BHP Billiton for the Angostura Phase 3 development offshore Trinidad and Tobago

- 1st project for EMAS AMC in Trinidad and Tobago
- Fabrication and installation of 12" flowline, PLEM and ILS

Secured a rigid pipelay project on the Aviat field development in the UK North

Europe

Sea, under the auspices of the frame agreement signed with Apache in the

North Sea

Scope of work includes installation of 23.3 km rigid pipelines and 24 km umbilical via reel

#### **Gulf of Mexico**

#### Europe



Successfully completed the transportation and installation of three subsea templates for the Aasta Hansteen field development project, operated by Statoil

Deepest subsea template installation on the Norwegian Continental Shelf

#### **Middle East**

# Middle East

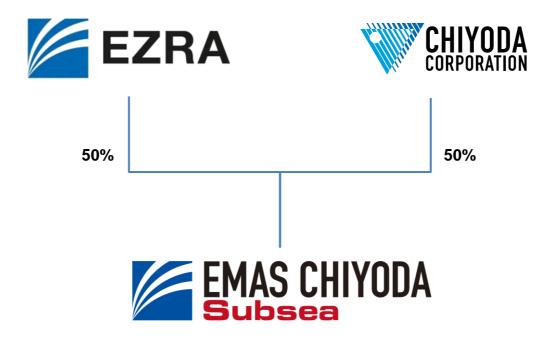


Clinched Long Term Agreement for work on offshore facilities with Saudi Aramco through a consortium with Larsen & Toubro Hydrocarbon Engineering

Agreement is for six years with options to extend for another six (2 x 3 years)



# Formation of JV with Chiyoda Corporation



EMAS CHIYODA Subsea's business will remain the same as EMAS AMC's pre-JV business, including:

- Provision of EPCIC and T&I services;
- Provision of decommissioning services;
- Provision of life of field services;

for offshore oil & gas projects and offshore renewable energy projects.



# Formation of JV with Chiyoda Corporation

- Through this partnership, EMAS CHIYODA Subsea will be able to undertake larger and more complex offshore EPCI projects through a combination of capabilities and resources in the following areas:
  - ✓ Project management capability backed by technologically advanced assets
  - ✓ Global network of engineering centres
  - ✓ Supply chain management capability and global vendor networks
  - Wider global client networks
  - Research and development capabilities in engineering and construction technologies
  - ✓ Financial strength



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# Offshore Support and Production Services – EMAS Offshore Limited

# Operational updates

# Highlights of performance

- OSV sector continues to face headwinds although prospects are brighter in West Africa
- FPSOs continue to perform well separately under their long-term contracts to provide additional visibility
- Streamlining operations and reducing costs will continue to be a focus in FY2016
- Expect geographic focus to centre on Asia and Africa



#### **Offshore Support & Accommodation Services**

- Achieved full year utilisation rate of 75% for FY2015
  - Continued strength in the larger AHTS market, while utilisation remains weak in the AHT and PSV market segments
- Operating environment continues to be challenging with rates facing downward pressure
- Recent contract wins include contracts worth US\$33 million in West Africa and Southeast Asia involving three OSVs with oil majors





#### **Offshore Production Services**

- Both FPSOs, Lewek EMAS and Perisai Kamelia, continued to perform operationally well in Q4 FY2015
- Both FPSOs achieved more than 95% uptime for Q4 FY2015 and full year FY2015







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# Marine Services - TRIYARDS

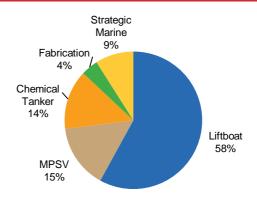
# Operational updates

#### **Recent order wins**

- 20 Oct 2015: Secured US\$100 mil order wins with three chemical tankers
- 7 Jul 2015: Strengthens presence and visibility with large liftboat orders worth US\$175 mil
- 6 Apr 2015: Secured ~US\$100 mil new orders comprising of a liftboat, a high speed aluminium craft project and a fabrication project
- 10 Mar 2015: Secured orders worth over US\$100 mil for two MPSVs and a turret fabrication job
- 8 Jan 2015: Won two new liftboat orders worth US\$75.4 mil
- 15 Sep 2014: Added a liftboat contract worth US\$50.5 mil



# Backlog - project mix



Backlog as at 31 Aug 2015 was ~US\$564 million

# **Near term priority**

- Enhance corporate financials
- Continued focus in diversification of clientele base and product lines and maintaining momentum of order wins
- Execute/deliver projects
- Increase marketability of cranes (Reduce concentration risk via diversification to additional product line)



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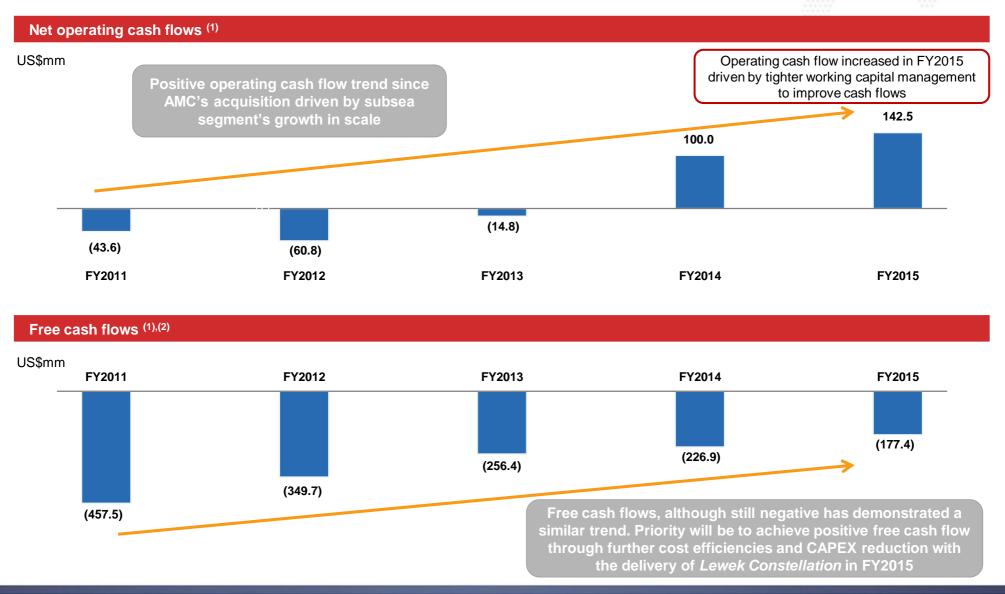
# **FY2015 Financial Highlights**

|                                   | FY2014<br>US\$mm         |                            | FY2015<br>US\$mm         |                            | YoY Change (%)           |                            |
|-----------------------------------|--------------------------|----------------------------|--------------------------|----------------------------|--------------------------|----------------------------|
|                                   | Continuing<br>Operations | Discontinued<br>Operations | Continuing<br>Operations | Discontinued<br>Operations | Continuing<br>Operations | Discontinued<br>Operations |
| Revenues                          | 489.9                    | 998.4                      | 543.8                    | 976.4                      | 11%                      | (2)%                       |
| EBITDA <sup>(1)</sup>             | 127.7                    | 61.8                       | 232.3                    | 21.5                       | 82%                      | (65)%                      |
| Adjusted<br>EBITDA <sup>(2)</sup> | 114.5                    | 62.3                       | 145.5                    | 21.5                       | 27%                      | (65)%                      |
| PAT                               | 27.7                     | 26.3                       | 107.3                    | (40.3)                     | 287%                     | n.m.                       |
| Adjusted PAT <sup>(2)</sup>       | 14.4                     | 26.8                       | 20.4                     | (40.3)                     | 42%                      | n.m.                       |



# **Recent Cash Flow Trends**

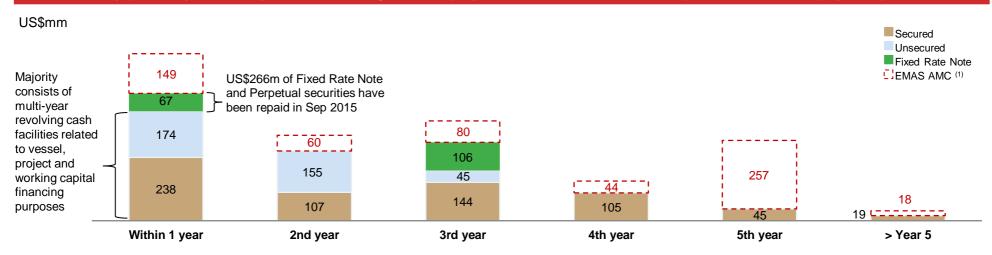
# Operating cash flows in FY2015





# **Debt Maturity Profile and Gearing Ratio**

#### Debt maturity profile by financial year, as of 31 August 2015 (Adjusted for 2015 Bonds and Perpetual Securities repayment)



#### Debt and gearing ratio US\$mm Peak gearing Net Debt ——Net debt/Equity 1.5x 1,600 reduced in 1.2x 1.3x FY2015 through 1.1x 1,200 0.8x the rights issue 1.0x 1.0x **Proposed JV with** 0.8x 800 0.6x Chiyoda further 0.4x 0.4x deleverages 0.3xEzra's balance 400 FY2004 FY2005 FY2006 FY2007 FY2008 FY2009 FY2010 FY2011 FY2012 FY2013 FY2014 FY2015



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# Summary

#### **FY2015 Achievements**

- ☑ Delivered *Lewek Constellation* successfully and completed her inaugural deepwater reel-lay project
- ☑ Secured strategic partner for the subsea services business
- ☑ Realised cost efficiencies with "running" G&A reduction
- Maintained credible backlog despite of volatile markets
- ☑ Refinanced ~US\$300 million of September 2015 MTN maturities successfully
- ☑ De-levered balance sheet through strategic initiatives

Better positioned heading into FY2016, when markets are still uncertain

#### FY2016 Focus

- Successful integration of partnership with Chiyoda Corporation in the subsea services business<sup>(1)</sup>
- Building of quality backlog and maintaining vessel utilisation
- Continuing efforts to drive cost efficiency and cash flow optimisation
- Continuing non-core asset rationalisation
- Driving further balance sheet de-leveraging and debt structure optimisation

Relentless focus on improving operational and financial efficiencies in an expectedly tough market



# Thank you