

EMAS Offshore Limited

Q4 FY2015 Result Presentation

October 2015

Disclaimer

EMAS Offshore Limited

This material includes forward-looking statements prepared by EMAS Offshore Limited ("EOL", "EMAS Offshore", the "Group" or the "Company"). The opinions, forecasts, projections or other statements other than statements of historical fact, including, without limitation, estimates of proved reserves of oil and gas, reserves potential and plans and objectives of management of the Company for financing, are forward-looking statements. Although the Company 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. Each forward looking statement speaks only as of the date of this presentation. 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 presentation.

The Company's admission to and listing on the SGX-ST is sponsored by DBS Bank Ltd.

Agenda

EMAS Offshore Limited

Section		Page
Section I.	Overview	3
Section II.	Business Review	6
Section III.	Financial Highlights	11
Section IV.	Outlook and Strategies	16
Appendix		
Appendix I.	Vessel Information	18



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

- Continued focus on increasing market position in West Africa while maintaining dominance in Asia
- Actively bidding several multi-vessel, multi-year contracts in Africa while keeping up utlisation rates via shorter-term contracts where available in Asia.
- Continues to 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
Oli:	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 FPSOs



First Oil:	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 25 vessels are deepwater capable[1]

10 PSV



- Capacity of up to 5,380 dwt
- 5 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 respetively

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

- **OSV sector continues to face headwinds although prospects are brighter in West Africa.**
- **Streamline operations and reducing costs continues to be a focus in FY16.**
- **FPSOs continue to perform well separately under their long-term contracts providing additional visibility.**

Offshore Support & Accommodation Services

- Utilisation rate was approximately 71% during the quarter resulting in full year utilisation of 75%.
- Operating environment continues to be challenging with rates facing downward pressure.
- Group to implement further cost saving initiatives to reduce vessel operating cost and general expenses by 10 – 20%.







Offshore Production Services

- Both FPSOs, *Lewek EMAS* and *Perisai Kamelia* continued to perform operationally well during Q4 FY2015
- Uptime for both FPSOs in the quarter and full year was more than 95 percent.





Business Development Activity

EMAS Offshore Limited



Increased bidding activity in West Africa in respect of multi-vessel, multi-year contracts.

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

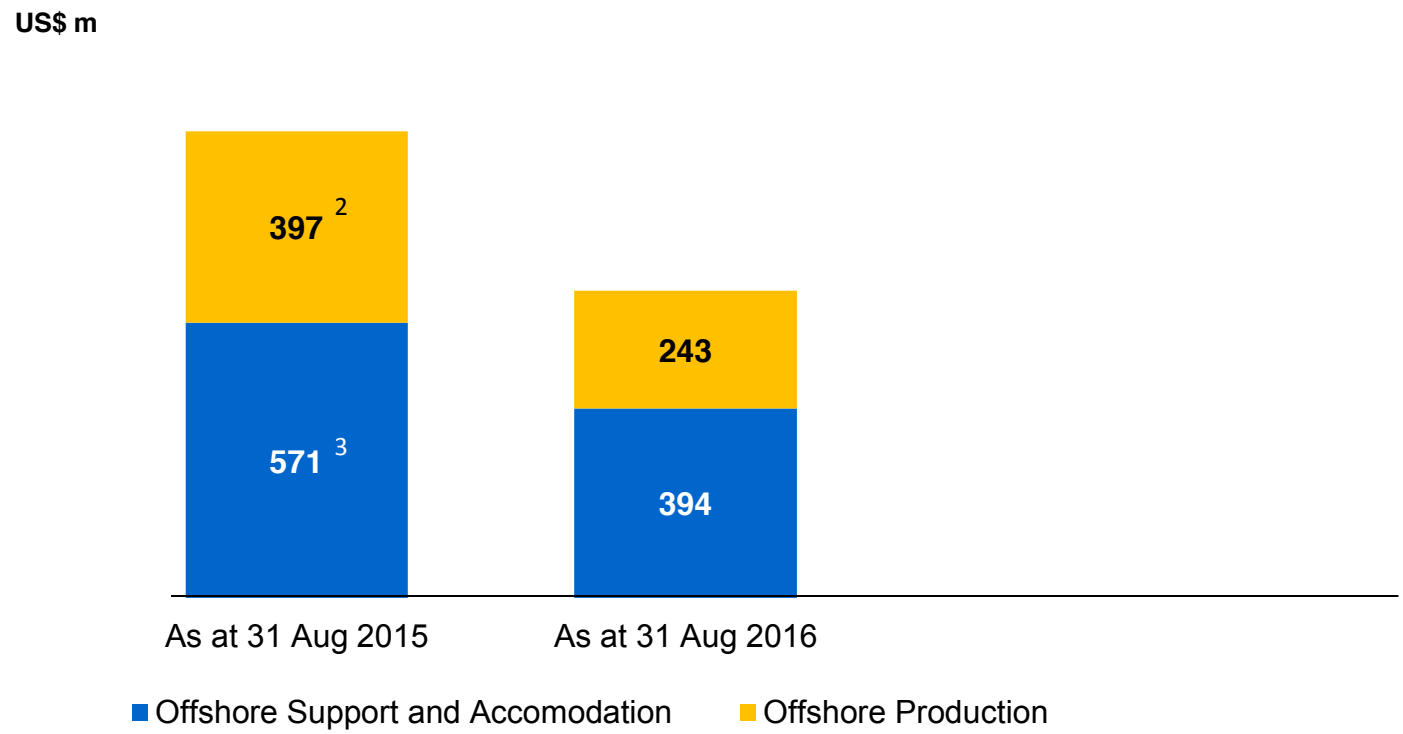
Global operational footprint with vessels currently working in Asia-Pacific (76%), West Africa (22%) and Rest of the World (2%)

Recent contract wins including a US$33 million in West Africa and SEA involving three OSVs with oil majors.

Order Backlog

EMAS Offshore Limited

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



Average remaining contract duration for Offshore Support & Accommodation Services: **1.5 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: **6.1 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

EMAS Offshore Limited

Offshore Support & Accommodation Services

Utilisation Rate [1]				
	FY2012	FY2013	FY2014	FY2015
Fleet of vessels [2][3]	89%	82%	84%	75%
Total Fleet Size [4]	42	45	45	46

Highlights for Q4FY2015

- Utilisation improved slightly in 4Q15 resulting in a full year utilisation of 75%.
- Continued strength in the larger AHTS market, with utilisation sustained at over 80%.
- 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.



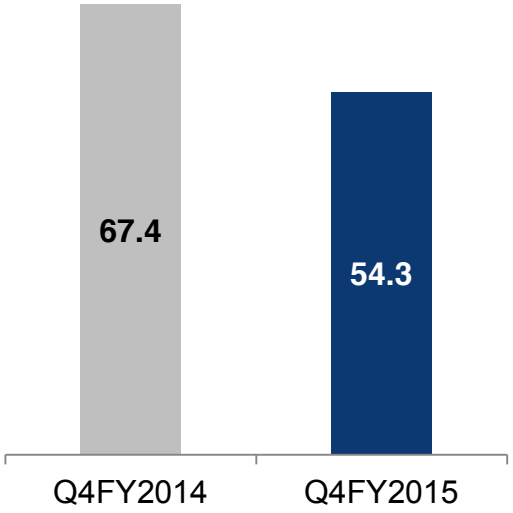
III. Financial Highlights

Income Statement Highlights

EMAS Offshore Limited

Revenues

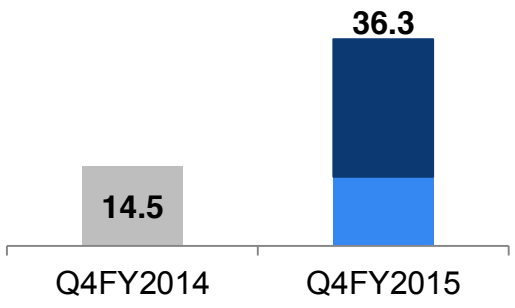
US$'m



- Revenues for Q4FY2015 was US$54.3 million, a 19% decrease from same quarter last year
- Largely due to weakness in the small AHTS and shallow water PSV segments

Operating Profit

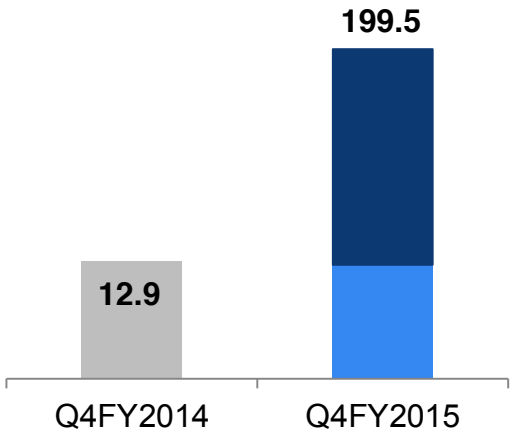
US$'m



- Reverse take-over accounting from business combination amounted to U$12.5 million.
- Operating profit was US$24.8 million. Mainly due to increase in other operating income from gain from disposal of vessels under sale and leaseback arrangements, offset by lower gross profit for the quarter.

Profit After Tax

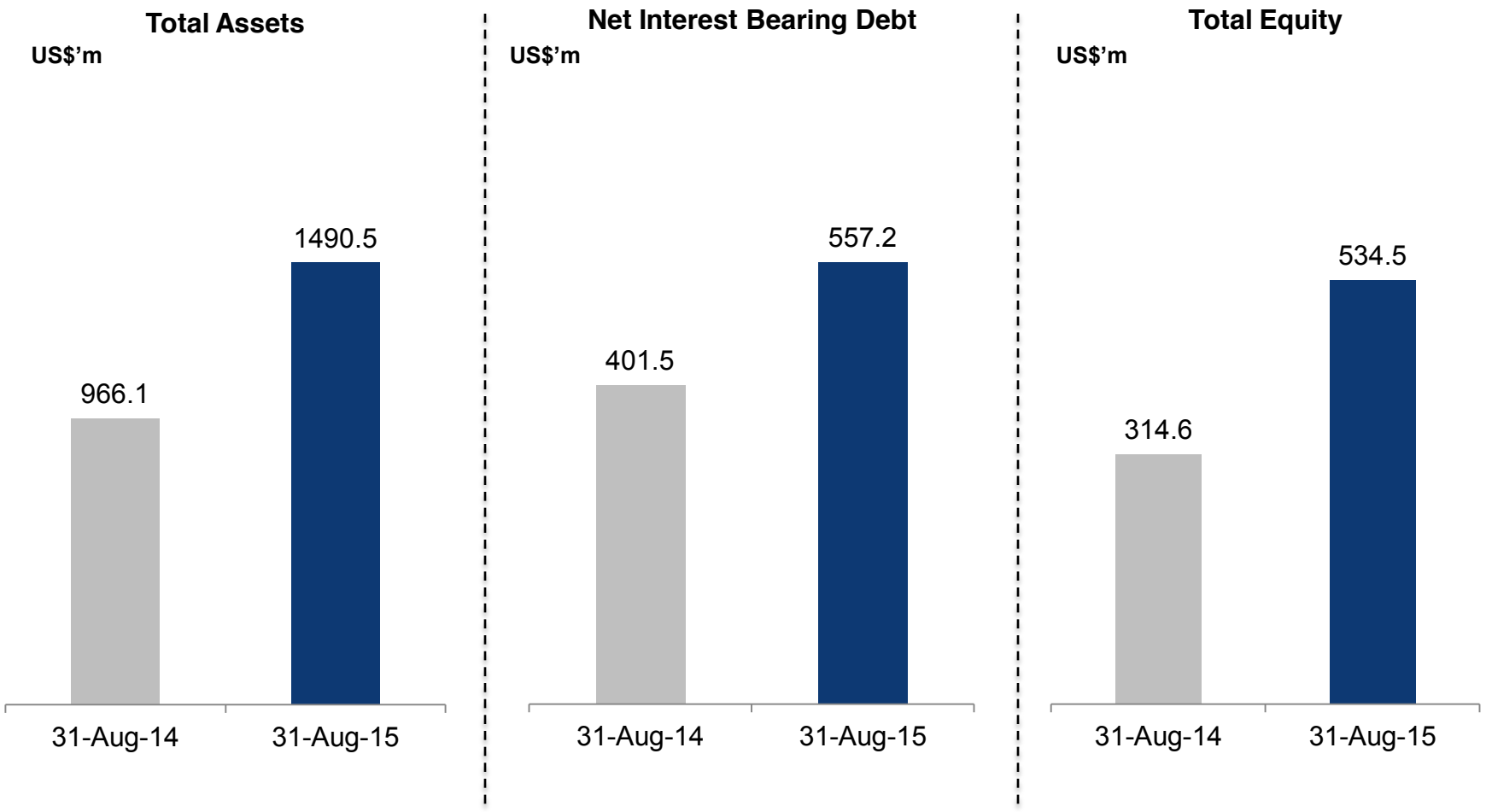
US$'m



- Recurring profit after tax was US$23.8 million, a significant increase from US$12.9 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 1.04x as of 31 Aug 2015

Balance Sheet and Capital Management

EMAS Offshore Limited

Balance Sheet as at 31 Aug 2015

US$ m	Group
Total Assets	1490.5
less: Total Liabilities	956.0
Total Equity	534.5
Gearing	
Total Debt	618.5
less: Cash & Equivalents	61.3
Net Debt	557.2
Total Debt/ Equity	**1.16x**
Net Debt/ Equity	**1.04x**

- The Group continues to leverage on strong support from its lending banks and capital providers to strengthen and optimise its balance sheet.
- The Group will focus on cash conservation and monetisation strategies in view of the weak operating environment and no dividend will be issued for FY15.

Key Figures & Ratios

EMAS Offshore Limited

US$ 'm	Year ended 31 Aug 2015	Year ended 31 Aug 2014
EBITDA	266.9	74.4
EBIT	221.1	39.9
Earnings per share[1] – Basic and Diluted (US¢)	0.47	0.10
Weighted average number of shares (in millions)	425.2	280.1
Interest cover ratio (times)[2]	19.7	8.1
Equity ratio[3]	35.9%	32.6%
Return on equity[4]	47.0%	8.8%

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



IV. Outlook & Strategies

Outlook & Strategies

EMAS Offshore Limited

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 – 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



Appendix I

Our Vessels

EMAS Offshore Limited

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 LB1	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



Lewek EMAS

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.		

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.		