



# Giken Sakata (S) Limited

*Analyst Presentation*

***Financial Year 2014 Results***

***(1 September 2013-31 August 2014)***

*31 October 2014*

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### Section I. Summary

## SUMMARY

- Operating Sector (FY 2014) : Precision Engineering
- Turnover : S\$69.02 million
- Net Profit After Tax : S\$2.12 million
- Net Asset Value : S\$15.56 million
- Current market capitalization : S\$137 million (@ 29 October 2014 share price S\$0.29)



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## Section II. Profit Position

## PROFIT POSITION

|                                                 | FY 2014<br>(S\$'000) | FY 2013<br>(S\$'000) | FY 2012<br>(S\$'000) |
|-------------------------------------------------|----------------------|----------------------|----------------------|
| <b>Turnover</b>                                 | 69,016               | 126,753              | 89,546               |
| <b>Gross Profit</b>                             | 11,739               | 9,486                | 8,780                |
| <b>Gross Margin</b>                             | 17.0%                | 7.5%                 | 9.8%                 |
| <b>Net Profit After Tax</b>                     | 2,117                | 446                  | 373                  |
|                                                 |                      |                      |                      |
| <b>Earnings Per Share<br/>(Singapore Cents)</b> | 0.78                 | 0.34                 | 0.28                 |

## PROFIT POSITION

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- Turnover decreased by S\$58 million
  - Discontinuation of a major turn-key project (with high material content)
- Gross margin at 17% (S\$11.7 million)
  - Discontinuation of high material content project
  - Other projects with higher value-add contribution
- Net profit after tax, at S\$2.12 million
  - Improvement due to better gross profit
  - Expenses remain substantially the same
- Earnings per share at 0.78 cents

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## Section III. Financial Position

## FINANCIAL POSITION

|                                                    | FY 2014<br>(S\$'000) | FY 2013<br>(S\$'000) | FY 2012<br>(S\$'000) |
|----------------------------------------------------|----------------------|----------------------|----------------------|
| <b>Share Capital</b>                               | 26,178               | 21,332               | 21,332               |
| <b>Net Asset</b>                                   | 15,563               | 8,669                | 8,002                |
| <b>Net Current Assets</b>                          | 11,164               | 4,123                | 4,765                |
|                                                    |                      |                      |                      |
| <b>Net Working Capital <sup>(1)</sup></b>          | 9,361                | 4,700                | 5,272                |
| <b>Cash balance</b>                                | 4,444                | 4,026                | 4,123                |
| <b>Loans &amp; Borrowings</b>                      | 31                   | 2,382                | 4,294                |
|                                                    |                      |                      |                      |
| <b>Net Asset Value Per Share (Singapore Cents)</b> | 4.94                 | 6.59                 | 6.08                 |

(1) Trade receivables + inventory – trade payables

## FINANCIAL POSITION

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- Increase in share capital due to new share issues in Oct 2013 & Mar 2014 (total amount raised from share issues is S\$4.8 million)
- Loans & borrowings substantially reduced due to full settlement of financial loans during the financial year.
  - Balance is the amount owing to a finance house for the purchase of a van
- Net asset value stands at S\$15.6 million
- Current ratio improved to 1.89 times

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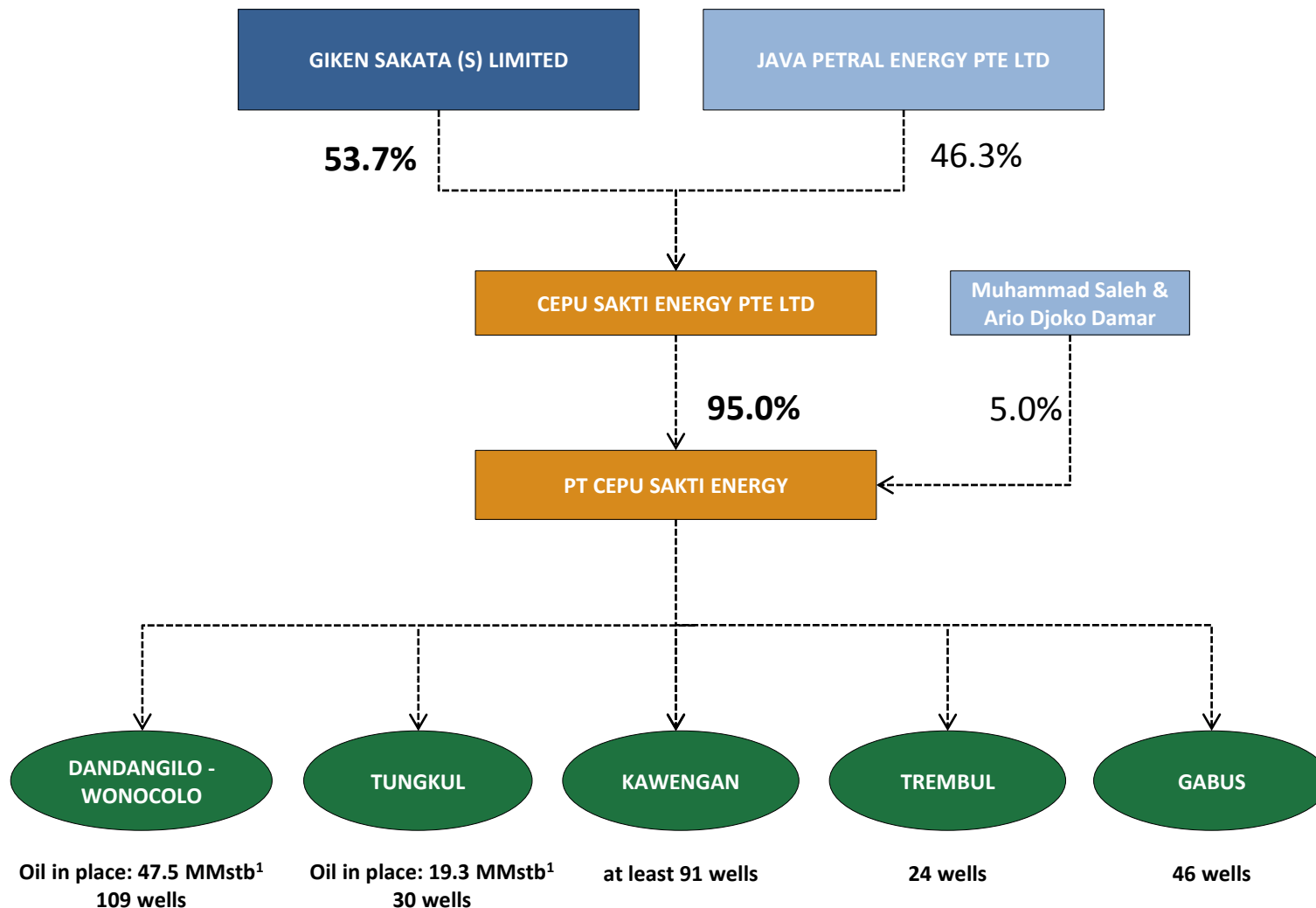
## Section IV. Other Developments

## MAJOR EVENTS

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- 22 Oct 2013 : The Company issued a total of 131.51 million new shares at S\$0.024 per share
- 17 Mar 2014 : The Company issued a total of 52 million new shares at S\$0.0325 per share
- 31 Mar 2014 : The Company fully settled the outstanding loan balance under the debt restructuring agreement with the financial institutions dated 3 July 2008
- 31 May 2014 : The Group entered into an agreement to acquire a 53.68% stake in Cepu Sakti Energy Pte Ltd (“Cepu Sakti”)
  - The acquisition was completed on 10 Sep 2014
  - 80million new shares were placed at S\$0.30 per share

## CEPU SAKTI – CORPORATE STRUCTURE



(1) Source: Senenergy Oil & Gas (Singapore) Pte Ltd – Reserves and Resource Estimation of Dandangilo-Wonocolo and Tungkul Fields (a Qualified Person's Report), Table 4 [Stock Tank Oil Initially In-Place] dated May 2014

## Cepu Sakti – Asset Overview

| Field                 | No. of Oil Wells | Expiry of Mother Contract | 2P reserves (MMstb) | Comments                                                                                                                       |
|-----------------------|------------------|---------------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Dandangilo - Wonocolo | 109              | Oct 2017 <sup>1</sup>     | 9.6                 | <ul style="list-style-type: none"> <li>15 wells in production</li> </ul>                                                       |
| Tungkul               | 30               | Nov 2020                  |                     | <ul style="list-style-type: none"> <li>Upcoming drilling programme</li> </ul>                                                  |
| Kawengan              | min. 91          | May 2019 <sup>1</sup>     | ?                   | <ul style="list-style-type: none"> <li>Senergy report currently in preparation</li> <li>Upcoming drilling programme</li> </ul> |
| Trembul               | 24               | Nov 2020                  | ?                   | <ul style="list-style-type: none"> <li>Senergy report currently in preparation</li> </ul>                                      |
| Gabus                 | 46               | Dec 2016 <sup>1</sup>     | ?                   | <ul style="list-style-type: none"> <li>Senergy report to be commissioned</li> </ul>                                            |

(1) Contracts are for a 5 year period with a 5 year extension

## Who is Senergy?



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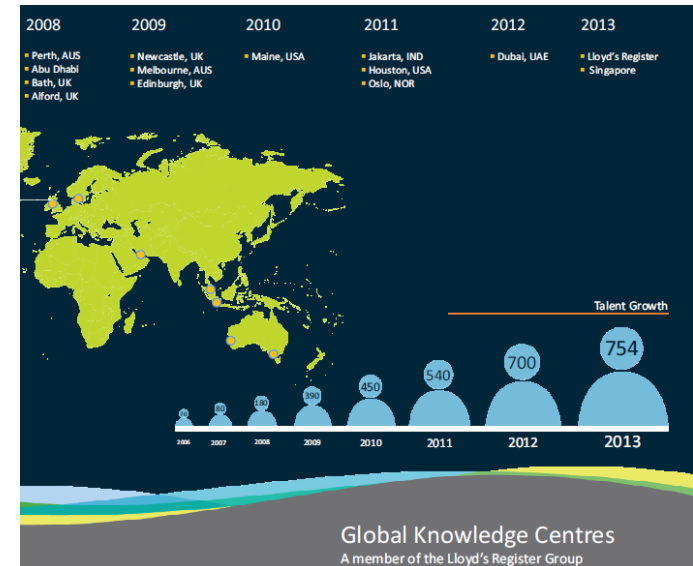
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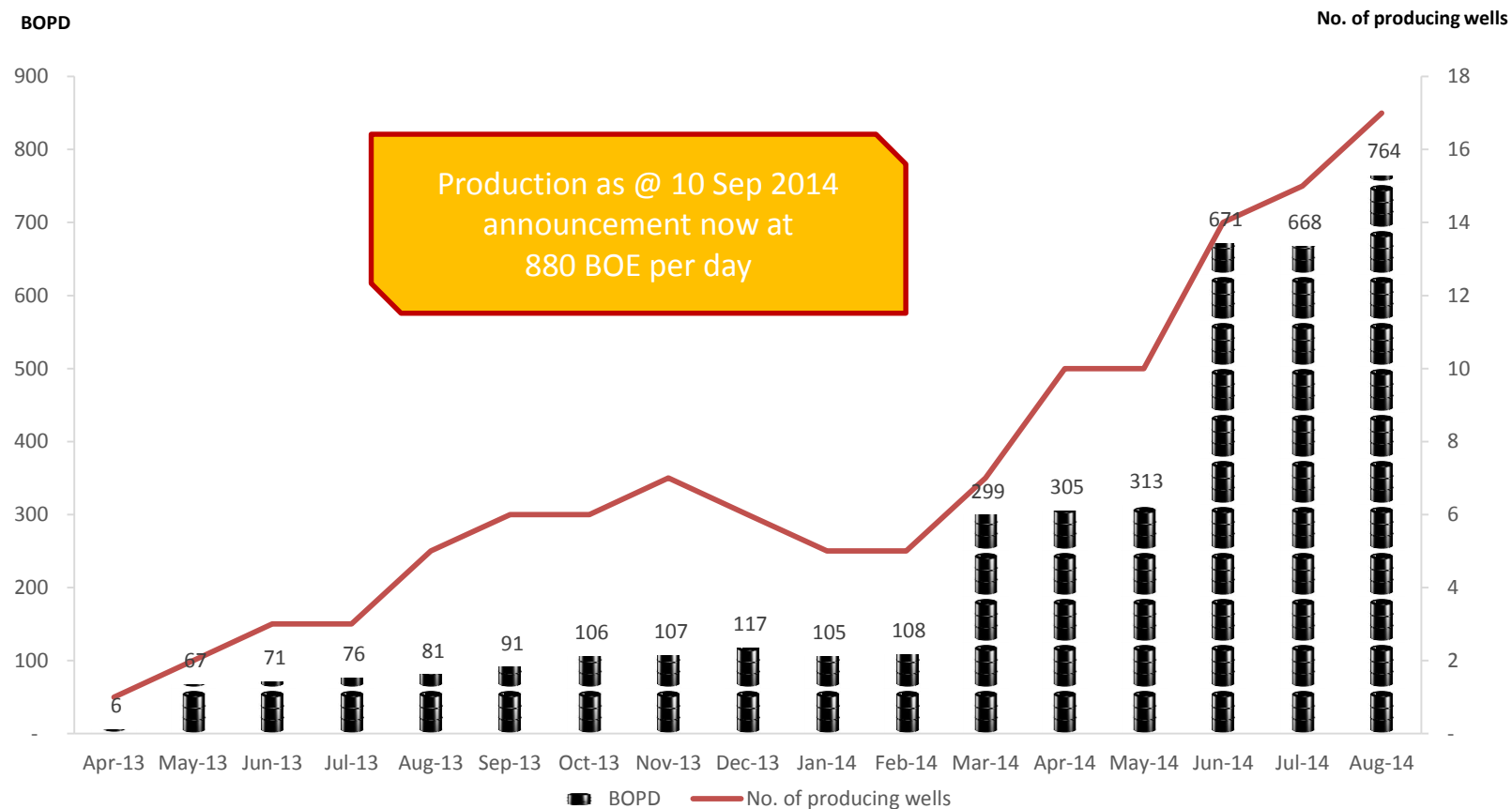
Reserves and Asset Evaluation (RAE) Group



A Sample of Companies who trust us



## Cepu Sakti – average daily oil production



## Cepu Sakti - Strategy

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### Production

- Continuous production increase
- Additional drilling rigs
- New fields

### Reserves

- Continuous increase in participation of oil fields with no/low exploration risk
- Validation of reserves through 3<sup>rd</sup> party evaluation

### Diversification

- Other contract types, ie PSC/KSO
- Potential farm-in
- Geographic

**THANK YOU**