

EMAS Offshore Limited

Q1 FY2016 Result Presentation

January 2016

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 43 OSVs, 4 OAVs, 2 barges and 1 heavy lift and pipelay vessel (average age of only approximately 7 years).

Business development strategies

- Continued focus on improving overall vessel utilisation
- Increased bidding efforts in Southeast Asia and West Africa in a competitive global environment
- Cost reduction exercise underway and on-track
- Undertaking strategies to monetize assets and enhance financial strength/flexibility

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



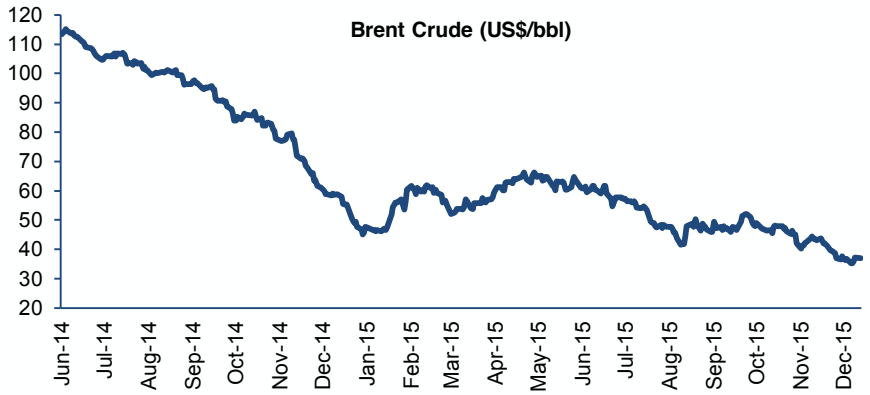
First Oil:	Nov 2013
Gross tonnage:	63,101
DWT (Tropical):	127,540
Storage:	725m bbl
Export Gas:	175 MMSCFD (at 2),000 PSIG
Condensate:	4,000 bbl/d

Market Overview

EMAS Offshore Limited

Oil price environment

Oil price development

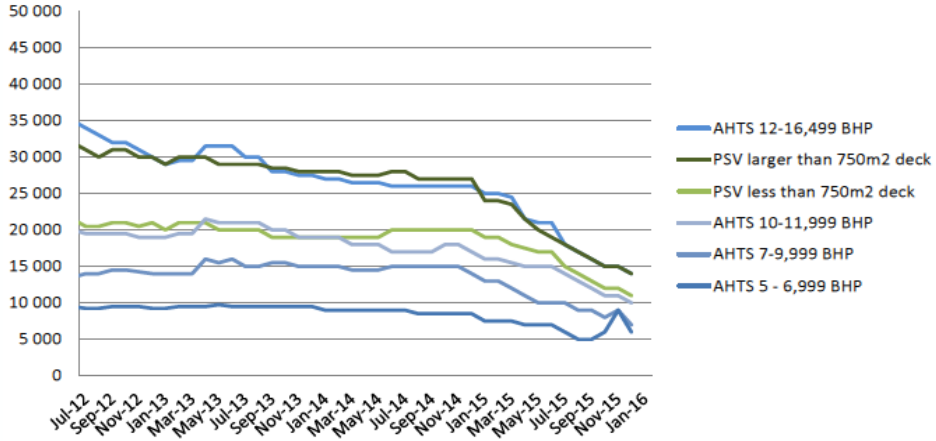


- Oil price has had a volatile decline from over US$110 in June 2014 to about US$37 at the end of 2015
- Recent heightened geopolitical risk has also resulted in increased volatility in oil prices
- Oil majors globally are reducing capital investments and operating expenditures
- Consequential impact on OSV utilisation and charter rates

Source: US Energy Information Administration

OSV market environment

OSV dayrates (US$/day) in Southeast Asia



- Weak demand continues to persists and is expected to continue in FY2016, alongside a decline in rig activity
- OSV market also expected to be oversupplied for foreseeable future, keeping downward pressure on rates and utilisation

Source: Fearnley Offshore, December 2015



II. Business Review

Business Highlights

EMAS Offshore Limited

Group Performance

- OSV sector expected to remain weak throughout FY2016
- Q1 FY2016 was impacted by seasonality associated with monsoon season in Southeast Asia
- Cost reductions remain in focus, with results beginning to show in Q1 FY2016

Offshore Support & Accommodation Services

- Utilisation rate was approximately 67% during the quarter
- Partially impacted by seasonality associated with monsoon season in Southeast Asia
- Cost reductions have started to show results in Q1 FY2016
- Continue to target regions with more resilient demand e.g. West Africa

Offshore Production Services

- Both FPSOs, *Lewek EMAS* and *Perisai Kamelia* continued to perform operationally well during Q1 FY2016
- Uptime for both FPSOs in the quarter was close to 100%







Business Development Activity

EMAS Offshore Limited



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

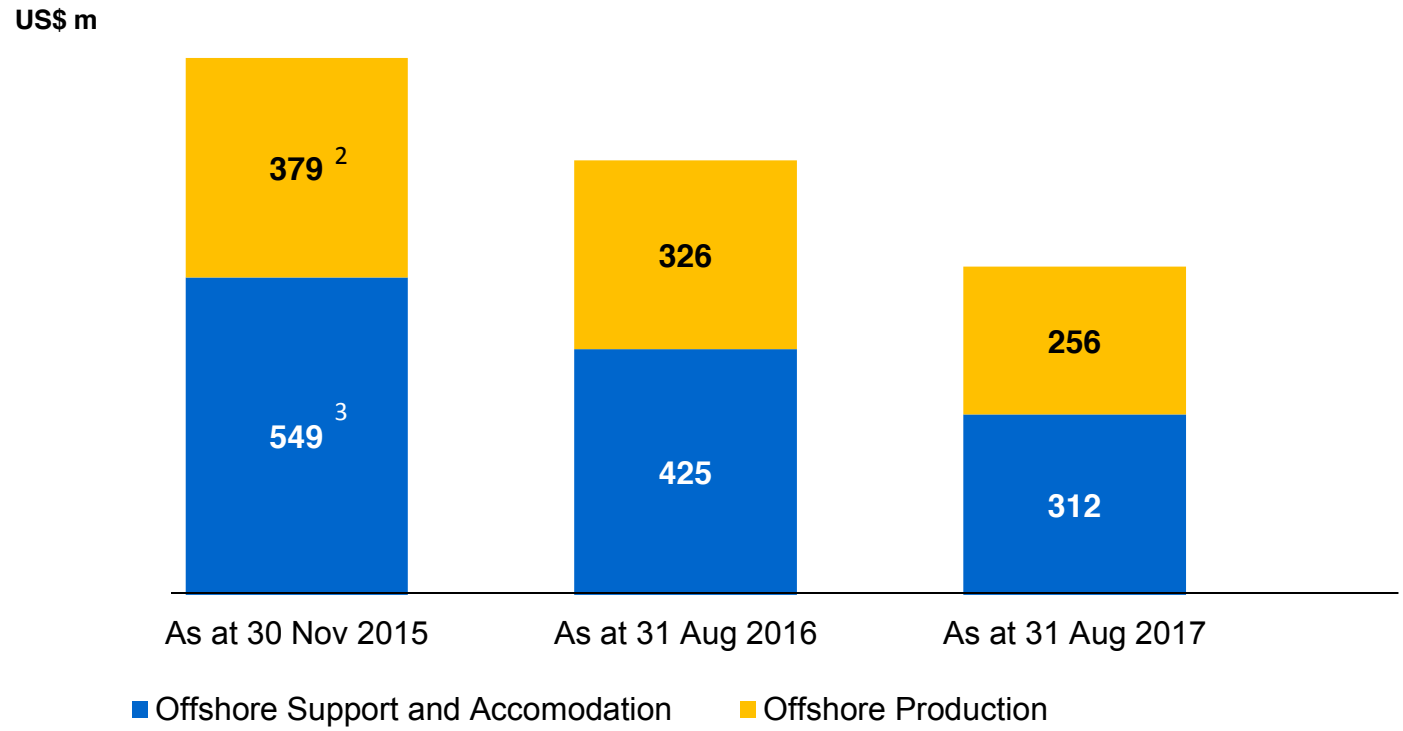
Additional resources in West Africa to support our increased business activity in the region

Global operational footprint with vessels currently working in Asia-Pacific (75%), West Africa (23%) and Rest of the World (2%)

Order Backlog

EMAS Offshore Limited

Order Backlog[1] (as at 30 Nov 2015)



Average remaining contract duration for Offshore Support & Accommodation Services: **2.0 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: **5.9 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]				
	FY2013	**FY2014**	**FY2015**	**Q1 FY2016**
Fleet of vessels [2][3]	82%	84%	75%	67%
Total Fleet Size [4][5]	45	45	46	46

Highlights for Q1FY2016

- Utilisation during Q1FY16 was at 67%
- Fleet utilisation was generally impacted by industry downturn, as well as seasonal factors relating to monsoon season
- Stable performance for the accommodation vessels

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. Lewek Hydra was not included for Q1FY2016.

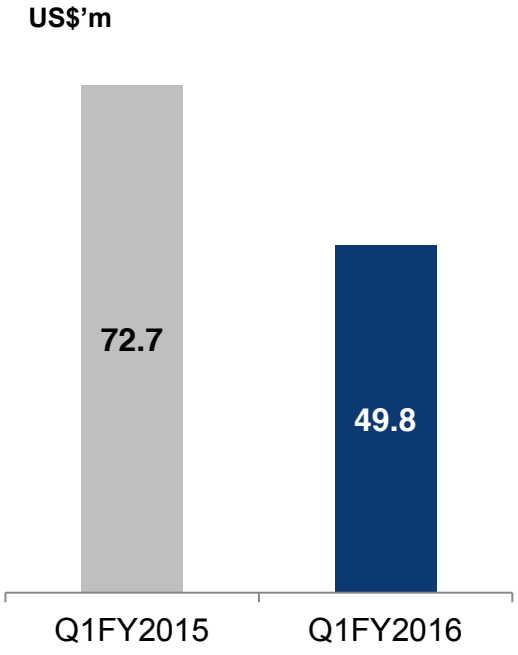


III. Financial Highlights

Income Statement Highlights

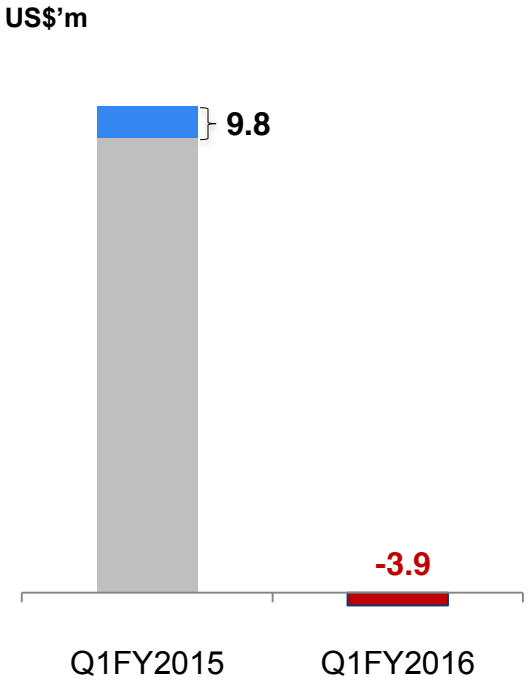
EMAS Offshore Limited

Revenues



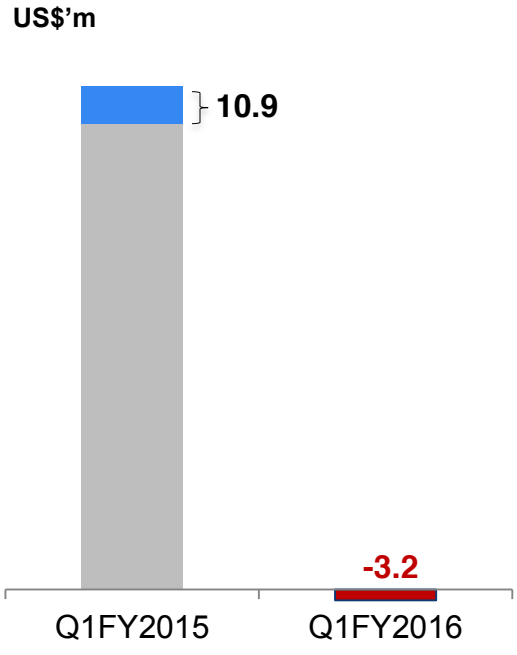
- Revenues for Q1FY2016 was US$49.8 million, a 32% decrease from same quarter last year
- Largely due to general weakness in the offshore industry

Operating Profit[1]



- Operating loss for Q1FY2016 was -US$3.9 million compared to an operating profit of U$9.8m in Q1FY2015
- Mainly due to lower gross profit for the quarter due to weaker utilisation slightly mitigated by a lower administrative expenses

Profit After Tax[1]

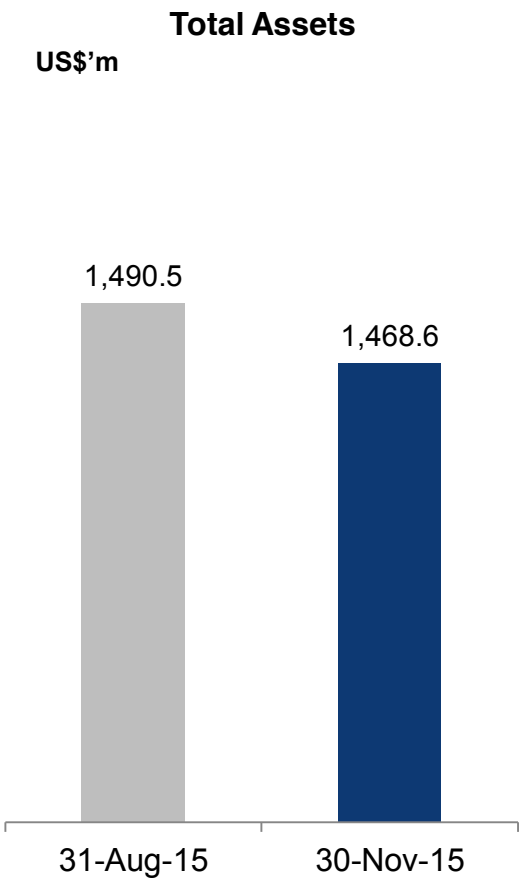


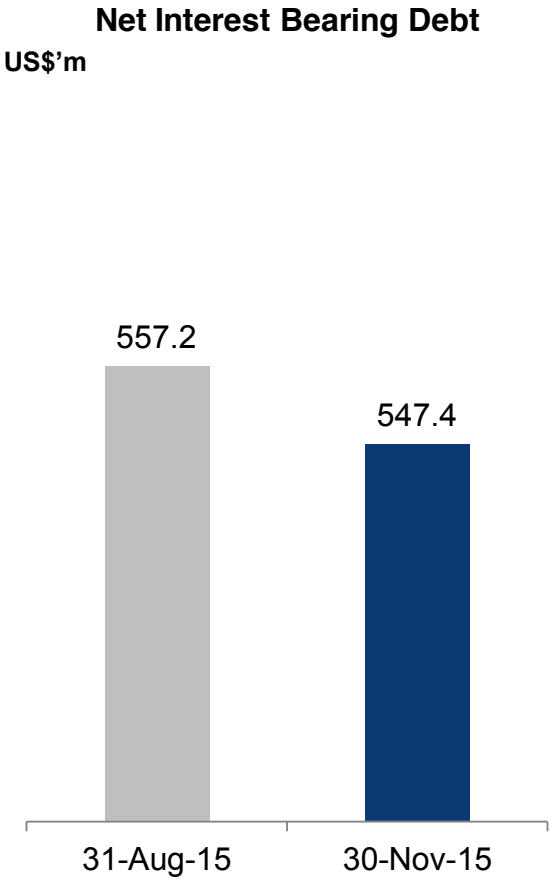
- Loss after tax was -US$3.2 million compared to US$10.9 million in the same period last year
- Largely due to the lower operating profit contribution

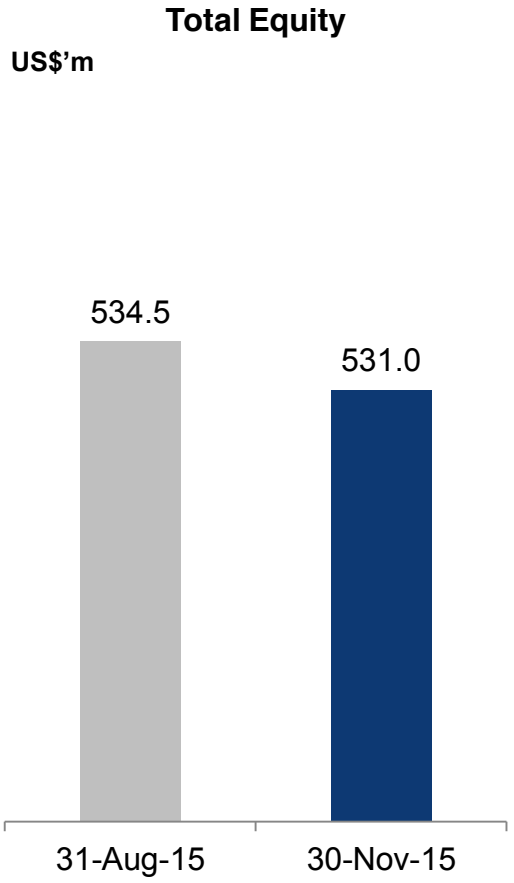
[1] Q1FY2015 comprises a reverse take-over accounting of US$137.5 million from the business combination of pre-existing EOL entities and Ezra's offshore support services division

Balance sheet Highlights

EMAS Offshore Limited







- Net gearing ratio decreased from 1.04x as of 31 August 2015 to 1.03x as of 30 November 2015.

Balance Sheet and Capital Management

EMAS Offshore Limited

Balance Sheet as at 30 November 2015

US$ m	Group
Total Assets	1,468.6
less: Total Liabilities	937.6
Total Equity	531.0
Gearing	
Total Debt	598.8
less: Cash & Equivalents	51.4
Net Debt	547.4
Total Debt/ Equity	**1.13x**
Net Debt/ Equity	**1.03x**

- The Group continues to leverage on strong support from its lending banks and capital providers to strengthen the balance sheet and enhance financial flexibility
- Differing delivery of 2 x OAV new builds to the second half of 2017-2018

Key Figures & Ratios

EMAS Offshore Limited

US$ 'm	3 months ended 30 Nov 2015	3 months ended 30 Nov 2014
EBITDA	14.3	162.2
EBIT	1.8	151.9
Earnings per share[1] – Basic and Diluted (US¢)	(0.01)	0.38
Weighted average number of shares (in millions)	438.4	385.7
Interest cover ratio (times)[2]	3.17	62.3
Equity ratio[3]	36.2%	33.6%
Return on equity[4]	-0.6%	36.1%

[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 implemented 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



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
11.	Lewek Alphard	2014	9,928 bhp / 5,000 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 Hydra	2012	9,000 bhp
16.	Lewek Harrier	2006	8,000 bhp
17.	Lewek Heron	2006	8,000 bhp
18.	Lewek Mallard	2007	7,340 bhp
19.	Lewek Martin	2007	7,340 bhp
20.	Lewek Ebony	2007	5,220 bhp
21.	Lewek Ivory	2001	5,200 bhp
22.	Lewek Lark	2010	5,150 bhp
23.	Lewek Leopard	2011	5,150 bhp
24.	Lewek Lion	2010	5,150 bhp
25.	Lewek Lynx	2011	5,150 bhp
26.	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



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.		