

Q3 FY2022 Financial Results Briefing

Sapura Energy Berhad
13th Dec 2021



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Agenda



- 1 Opening Remarks
- 2 Q3 FY22 Financial Performance
- 3 Business Updates
- 4 Closing Remarks
- 5 Q&A Session



Opening Remarks

Q3 FY2022 Key Messages

Challenges..

- Legacy contracts
- COVID-19
- Project execution
- Liquidity

Continue delivering..

- 7 projects completed in Q3, 26 projects completed YTD
- 4 major projects commenced in Q3
- Jerun development at Block SK408 remains on track
- Subsidiary Orderbook: RM7.6 bn; New wins of RM1.8 bn
- Bid book: RM22 bn

Look Forward

- Negotiations on Yunlin and 98/2
- Drawing up Reset Plans; Board Restructuring Taskforce and Advisers appointed (Rothschild & PwC)
- Asset divestment progressing



Q3 FY2022 Financial Performance

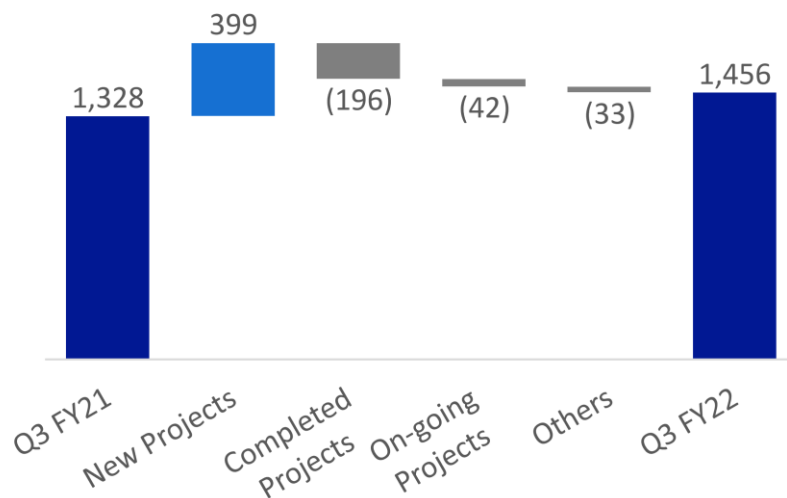
Q3 FY2022 Performance

Group Financial Highlights by Quarters and YTD

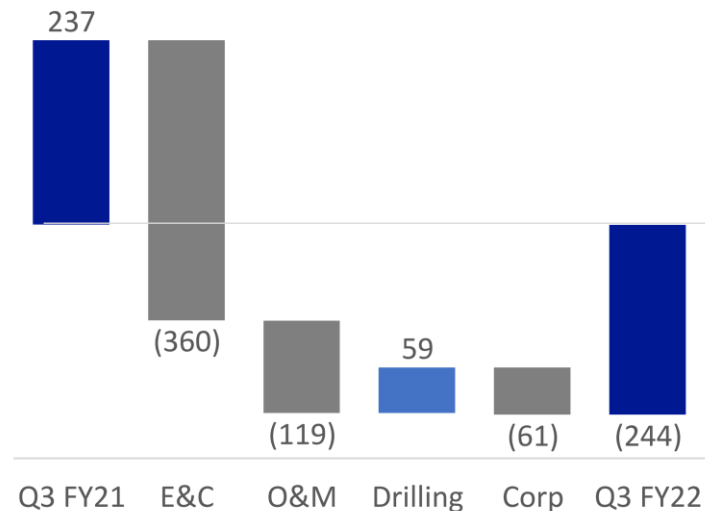
RM in million	Quarter on Quarter			Year on Year	
	Q3 FY22	Q2 FY22	Q3 FY21	YTD FY22	YTD FY21
Revenue	1,456	747	1,328	3,674	3,904
EBITDA	(244)	(1,169)	237	(1,256)	760
EBITDA margin	(17%)	(156%)	18%	(34%)	19%
PATAMI	(669)	(1,517)	17	(2,283)	55

- **Revenue:** Normal burn rate. Q3 FY22 vs Q3 FY21 - contribution from new projects more than offset completed projects.
- **EBITDA:** Q3 FY22 impacted by COVID-19 cost RM131 mn (YTD RM242 mn) and higher project costs, partly offset by higher contribution from Drilling.
- **LATAMI:** Q3 FY22 impacted by an impairment charge of RM212 mn and net foreign currency losses of RM29 mn.

Revenue (RM million)



EBITDA (RM million)



Share of JV profit/ (loss)

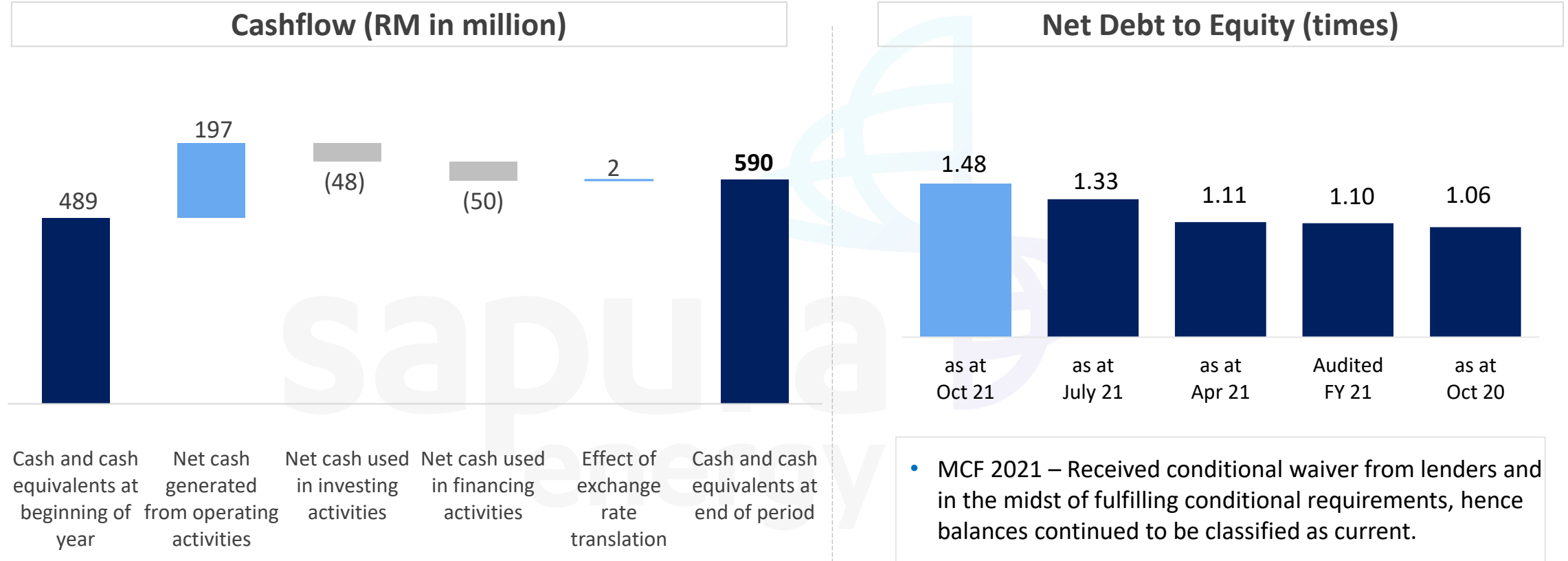
RM million	Q3 FY22	Q3 FY21	Q2 FY22
E&C*	45	41	10
O&M	6	7	2
E&P	15	33	(86)
Corporate**	0.4	-	2
	66	81	(72)

* Brazil JV: Q3 FY22: RM48 mn, Q2 FY22: RM14 mn, Q3 FY21: RM15 mn

**Corporate – Labuan Shipyard Engineering

Q3 FY22 Performance

Cashflow and Balance Sheet Highlights











Business Updates

Highlights

- Ongoing offshore activities in Q3 FY22:
 - Mubadala Pegaga, Hess Phase 3, PCSB Bayan and Enquest Seligi in Malaysia
 - CPOC Andalas in Joint Development Area (JDA)
 - ENI Amoca in Americas
- Completed 4 projects including Total Al-Khalij in Qatar
- Commencement of fabrication for Hess Phase 4A in Lumut.
- Asset utilization in Q3 FY22:
 - Yard utilisation at 36%
 - Key vessel utilisation at 77%

Challenges

- Offshore activities in Taiwan have stopped for the winter season. Commercial discussions for 2022 working season are ongoing with Client.
- COVID-19 disruption still impacting execution.
- Discussions with clients are still ongoing to resolve these disruption issues through commercial settlements.

Client		Vessels	Location/Field worked
Petrobras	Sapura Esmeralda		Baia de Guanabara
	Sapura Onix		Lula Field, Santos Basin
	Sapura Jade		Marlim South, Campos Basin
	Sapura Rubi		Atapu Field, Santos Basin
	Sapura Diamante		Berbigão, Santos Basin
PetroRio	Sapura Topazio		Frade Field Campos Basin

Key highlights

- 6 vessels were working in Brazil in Q3 FY22:
 - 5 vessels with Petrobras
 - 1 with PetroRio
- Utilization of all 6 vessels in Q3 FY22 was 94%
- Both Diamante and Topazio have successfully secured charter and service contracts with Petrobras for 3.5 years ranging between end of FY22 to FY26
- Sapura Diamante started the contract with Petrobras in September 2021
- Sapura Topázio continues to work for PetroRio, expected start date with Petrobras in February 2022

Hook Up & Commissioning

- 13 projects ongoing in Q3 FY22
 - 8 HUC contracts
 - 5 Topside Major Maintenance long term contracts
- BoBe Year 2021 campaign successfully completed in Sarawak
- CPOC Andalas HUC project completed in MTJDA offshore
- 81% average vessel utilization in Q3 FY22



HTS Gemia



WB Sapura Aman



WB Sapura Duyong



WB Sarku 300



HTS KPV Kapas



WB KPV Redang

Geosciences

- Deepwater Project (PCSB Bestari) completed in September 2021
- 3 projects commenced in Q3 FY22 (JGC EIA, ConocoPhilips Geophysical and ConocoPhilips Geotechnical campaign)
- 63% average utilization for Sapura Wira in Q3 FY22



Sapura Wira
(Geotech & Geophysics Survey Vessel)

Technology Services

- 26 maintenance contracts ongoing in Q3 FY22 (incl. small value projects)
- Executed offshore commissioning of PTTEP's PESA, Mubadala's Pegaga and Hess 3 platform telecommunication packages.
- Completed 1 gas turbine Major Inspection at Melaka Refinery (Quarterly)

Turbomachinery JV

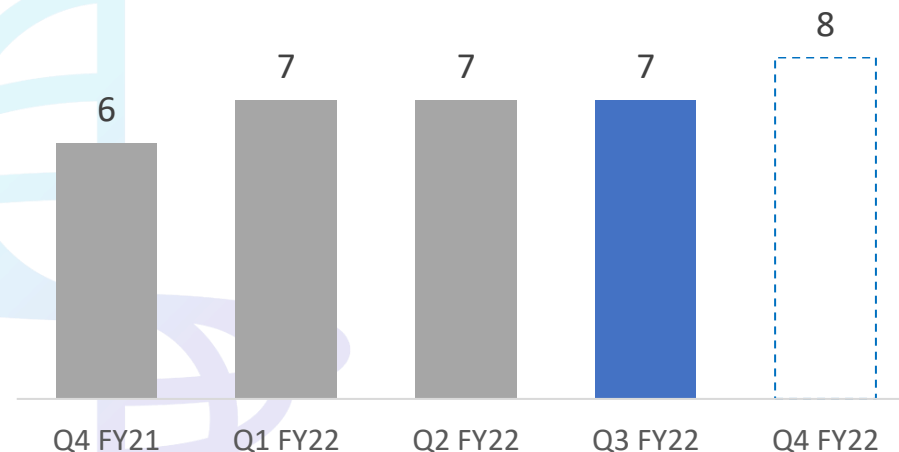
- 11 active projects as at Q3 FY22
- 7 ITBs under Petronas MSA framework – LOA secured for CHOC and ongoing negotiation for balance 6 ITB's and expecting award by FYE 2022
- 6 ITB's under Petronas GTSA framework from 2022 to 2026, Ongoing negotiation.

Drilling

Rigs	Client	Location	Technical Utilisation Q3 FY22 (Operational Performance)
Berani	FOXTROT	Ivory Coast	96.4%
Jaya	CABGOC	Angola	100.0%
Alliance	Shell	Brunei	99.7%
Esperanza	PCSB	Malaysia	100.0%
Pelaut	Shell / PCSB	Brunei / Malaysia	100.0%
T-9	EXXON	Malaysia	100.0%
T-18	PTTEP	Thailand	97.0%

Rig activity Trend

of active rigs in the quarter



No of Secured Rig Days:
 Q2 FY22: 568 days
 Q3 FY22: 557 days

- Robust progress on first Integrated Drilling contract in Malaysia
- Preparing for Pelaut transfer to Malaysia & T-17 new start in Thailand
- Secured RM596 million of extensions or new contracts (T18 PTTEP, Berani Foxtrot, Jaya Chevron)

SapuraOMV – Leading Independent Oil and Gas Company in Asia Pacific

Completed divestment of Peninsular Malaysia assets on 1st August 0001 hrs.

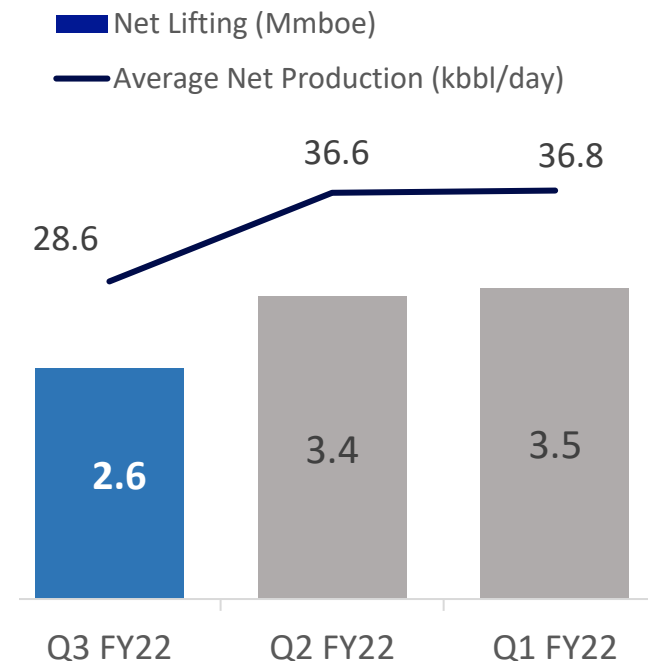
Strong growth prospects in SK408 and SK310 Production Sharing Contracts:

- Lower production in Quarter 3 as a result of the divestment of PM assets and planned shutdown for Sarawak asset for maintenance activities
- SK408 Jerun EPCIC progressing as per schedule. First Steel cut on 25 Oct, three weeks ahead of plan.
- Area Development Plan for 5 smaller discoveries in SK408
- SK310 B14 – Pursue joint development with PTTEP’s Lang Lebah under SIGES Ph2

Significant upside potential from exploration opportunities:

- Malaysia – Pursue exploration opportunities via bid rounds and farm-ins
- Mexico Block 30 – Two exploration well planned FY23
- Western Australia – Expanding footprints with 3 new awarded permits and farm-in into Neptune’s AC/P50; exploration wells planned FY23
- New Zealand Toutouwai discovery – Further appraisal plans being matured

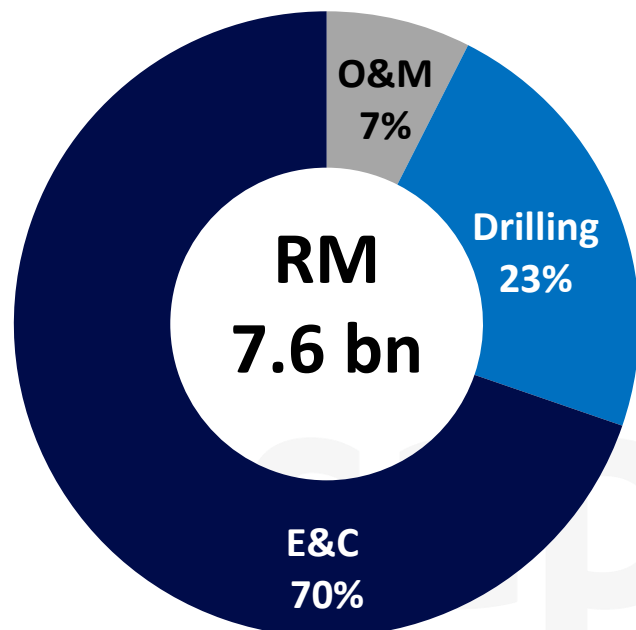
Lifting & Average Production



*Ave. crude lifting price of USD79.9/bbl
(compared to USD42.2/bbl in Q3 FY21)*

Group Orderbook

Order Book By Division

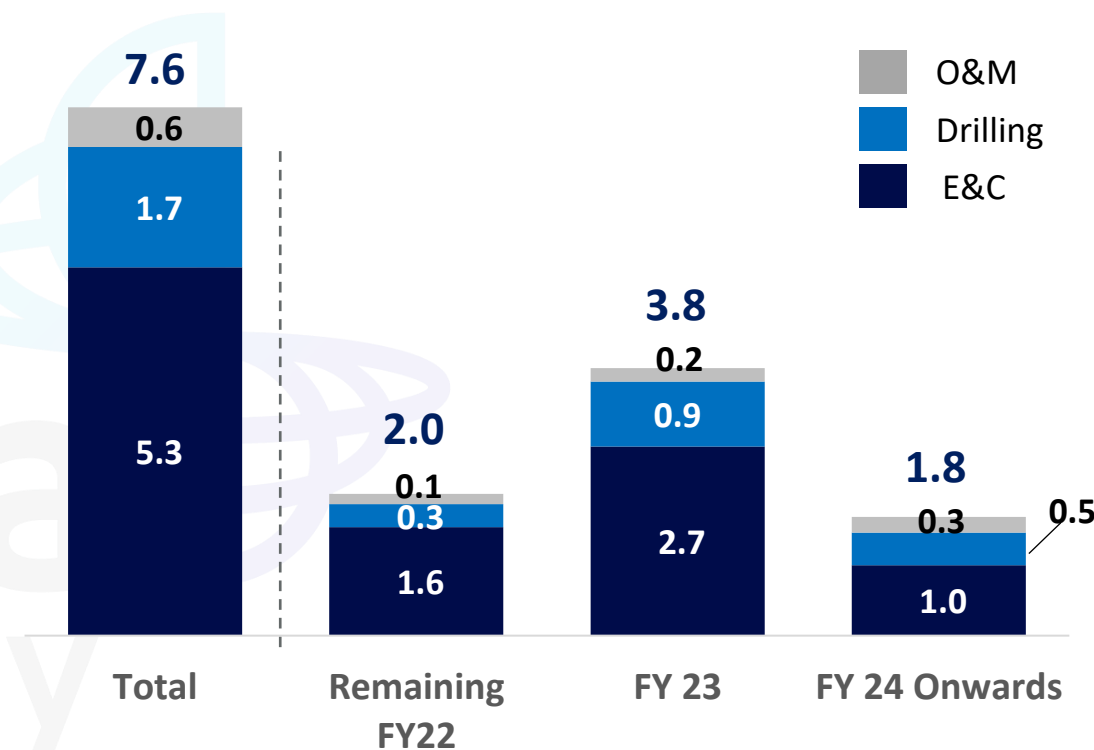


Subsidiaries key contract wins include:

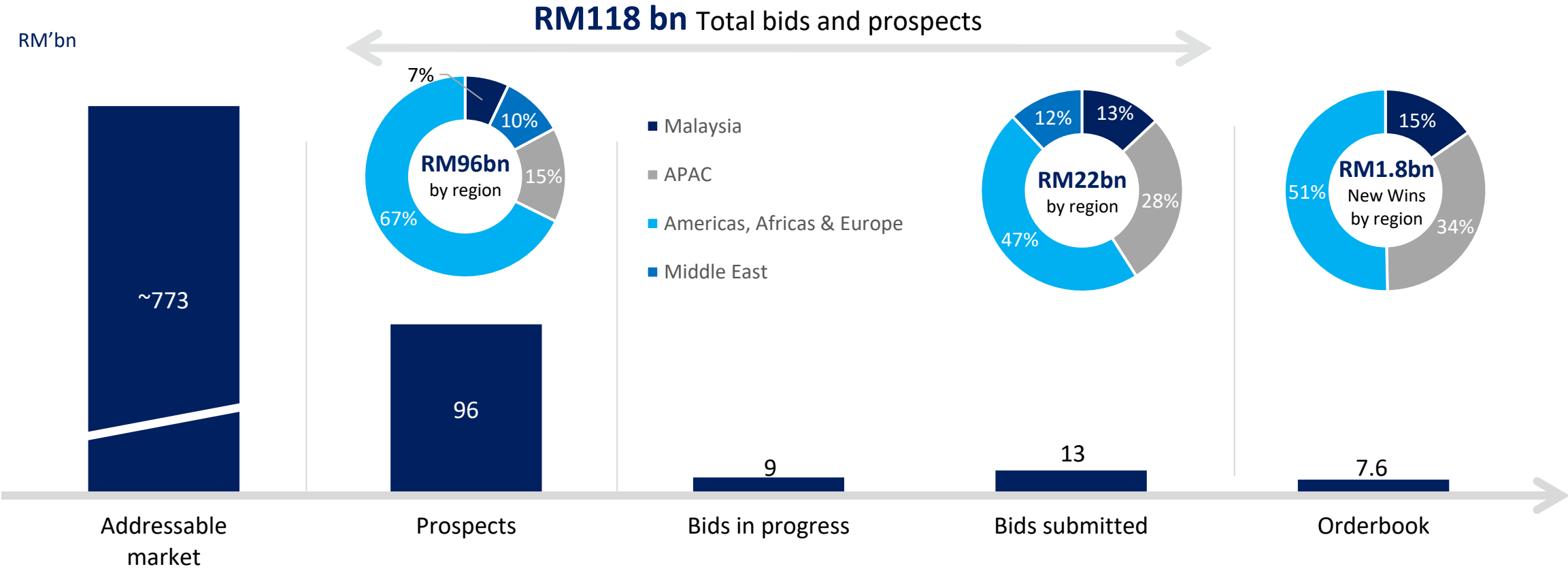
- Chevron 2021 Offshore Pipeline Removal Services (Thailand)
- Tullow Ghana Engineering, Installation & IMR (Ghana)
- Technip-MMHE JV Kasawari Load out, T&I and Pre-Comm of Pipelines (Malaysia)
- PTTEP Drilling T-18 Rig #6 Award (Thailand)

JCE Orderbook stands at RM6.8 bn

Recognition by Year



Business Sustainability Funnel: Focused Bid Book



Addressable market (2021 – 2022):

- EPCI
- SURF
- Drilling
- Offshore Wind

Within existing regions

Prospects and ongoing bids:

- Prospects & Bids split by division: 95% E&C, 3% Drilling, 2% O&M
- Diversified bid funnel across regions and segments for prospects with 46% oil, 46% from gas development projects, 8% renewables
- More selective approach in bidding, focus on margins that commensurate with the Group's risk appetites



Closing Remarks

Summary

Challenges remain..

- Legacy contracts
- COVID-19
- Project execution
- Liquidity

Continue delivering..

- 26 projects completed YTD including 7 in Q3
- 4 major projects commenced in Q3 and another 2 commencing in Q4
- Jerun development at Block SK408 is progressing as planned
- RM1.8 bn new wins; orderbook stands at RM7.6 bn
- Focused Bid book: RM22 bn

Look forward..

- Negotiations on Yunlin and 98/2
- Drawing up Reset Plans; Board Restructuring Taskforce and Rothschild & PwC appointed as Advisers
- Asset divestment progressing

