

**FINANCIAL RESULTS
FOR THE 6 MONTHS ENDED
30 June 2021**
26 August 2021

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An aerial photograph of two large offshore oil rigs in the middle of the ocean. The sun is high in the sky, creating a bright glare on the water's surface. The rigs are complex structures with multiple towers and platforms. The water is dark blue, and the sky is a lighter blue with some wispy clouds.

INDUSTRY UPDATE

INDUSTRY OUTLOOK

ECONOMIC

- Spread of Delta variant and higher COVID-19 infection rates
- Vaccine rollouts still progressing
- Slower economic recovery
- US Fed withdraws liquidity and strengthening dollar

OIL & GAS

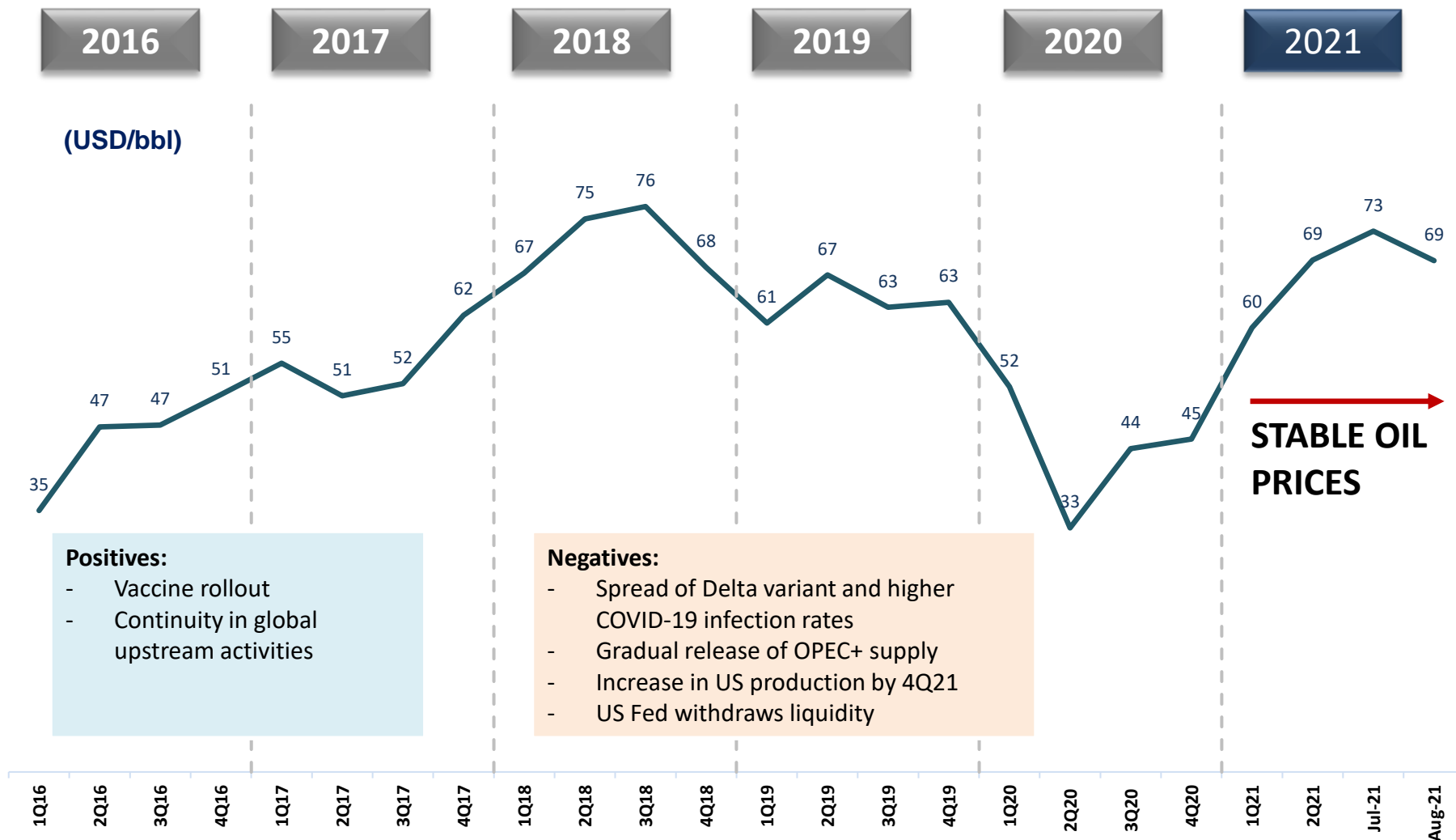
- Global oil demand growth projections face uncertainty
- Moderating Brent oil and Henry Hub natural gas prices
- Gradual release of OPEC+ quota until end 2022
- Increase in rig count and US oil production

DRILLING RIG

- Global upstream CAPEX to see slight uptick in 2021 and 2022
- Jack-up drilling rig demand steady while rig supply decreasing
- Utilization and daily charter rates to increase slowly

Mixed signs on prospects for the medium term

OIL PRICE MOVEMENT - BRENT



**OIL PRICES HAS BEEN HOVERING ABOVE USD60/BBL SINCE 1Q21
BUT SHOWING SIGNS OF MODERATING**

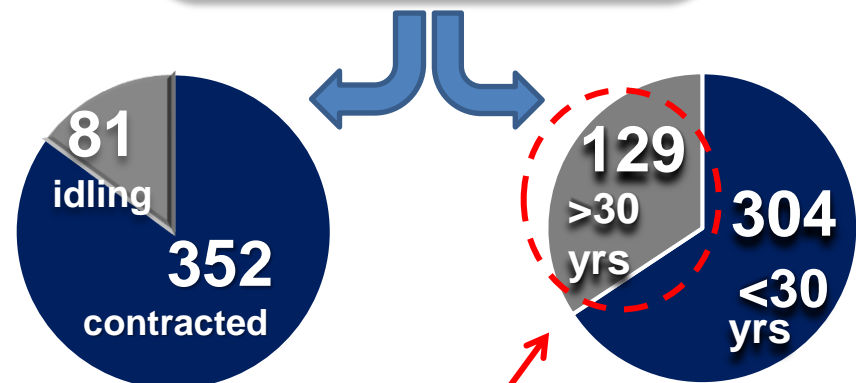
DRILLING RIGS OUTLOOK - SUPPLY



Less rigs available
in the future

Potential Rigs Coming Out From The Yard	Total
2021	10
2022	13
2023	9
Grand Total	32

Source: IHS Petrodata July 2021



Potential to be Retired

DRILLING RIGS OUTLOOK - DEMAND

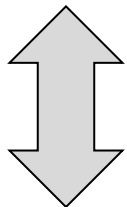
WORLDWIDE JACK-UP DEMAND

REGION	2021A	2022F
Information as at March		
Southeast Asia (Excl. Malaysia)	29	26
Malaysia	8	8
Middle East / India	162	161
Others	153	146
TOTAL	352	341

TOTAL JU DEMAND



Historical range of Contracted Jack-up Rigs since 2010



445 Highest (in 2014)

380 Average

318 Lowest (in 2017)

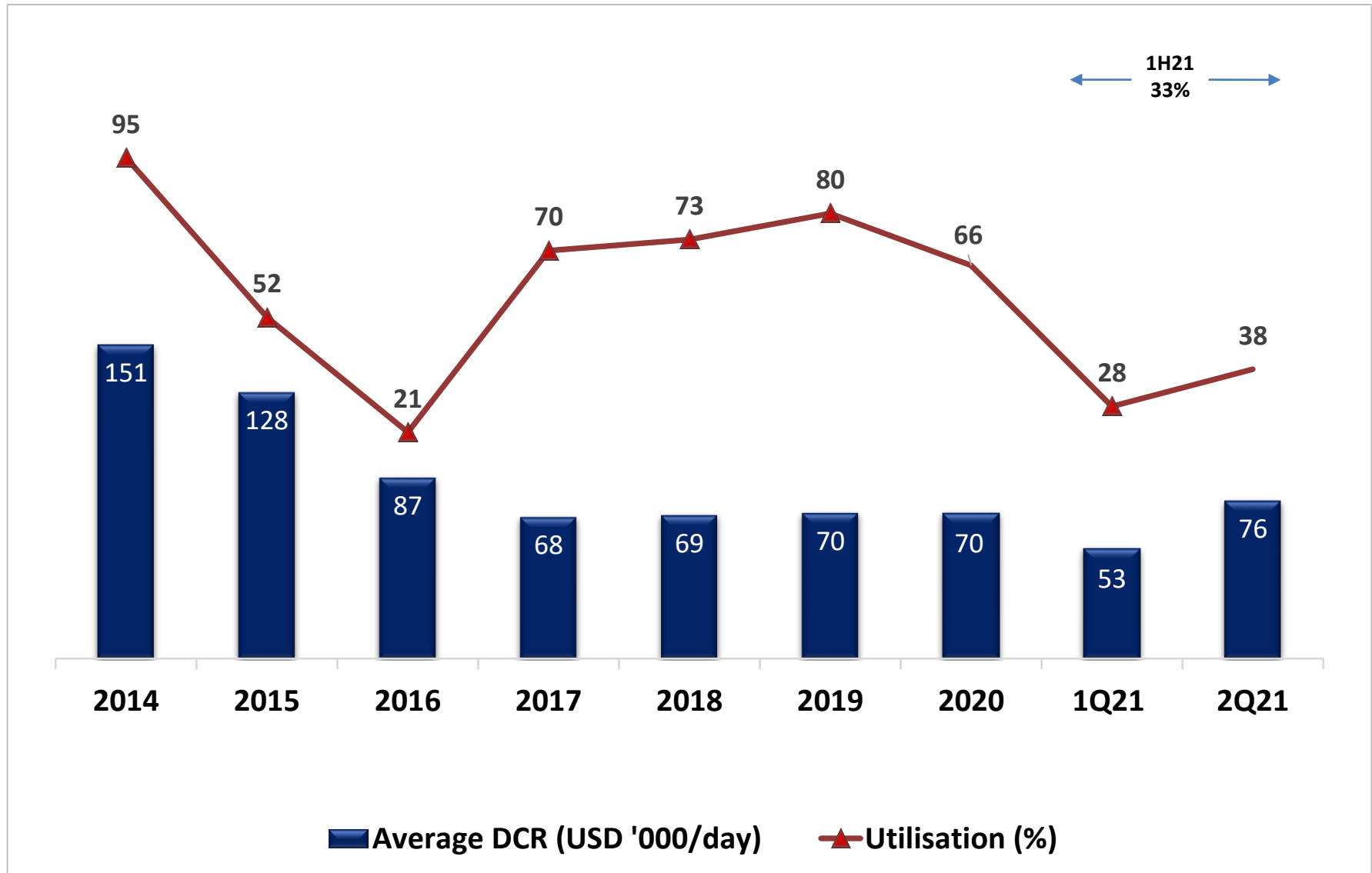
Utilisation in Malaysia

Total Rig in Malaysia	12
Working	8
Average Contracted Rig Utilisation	67%

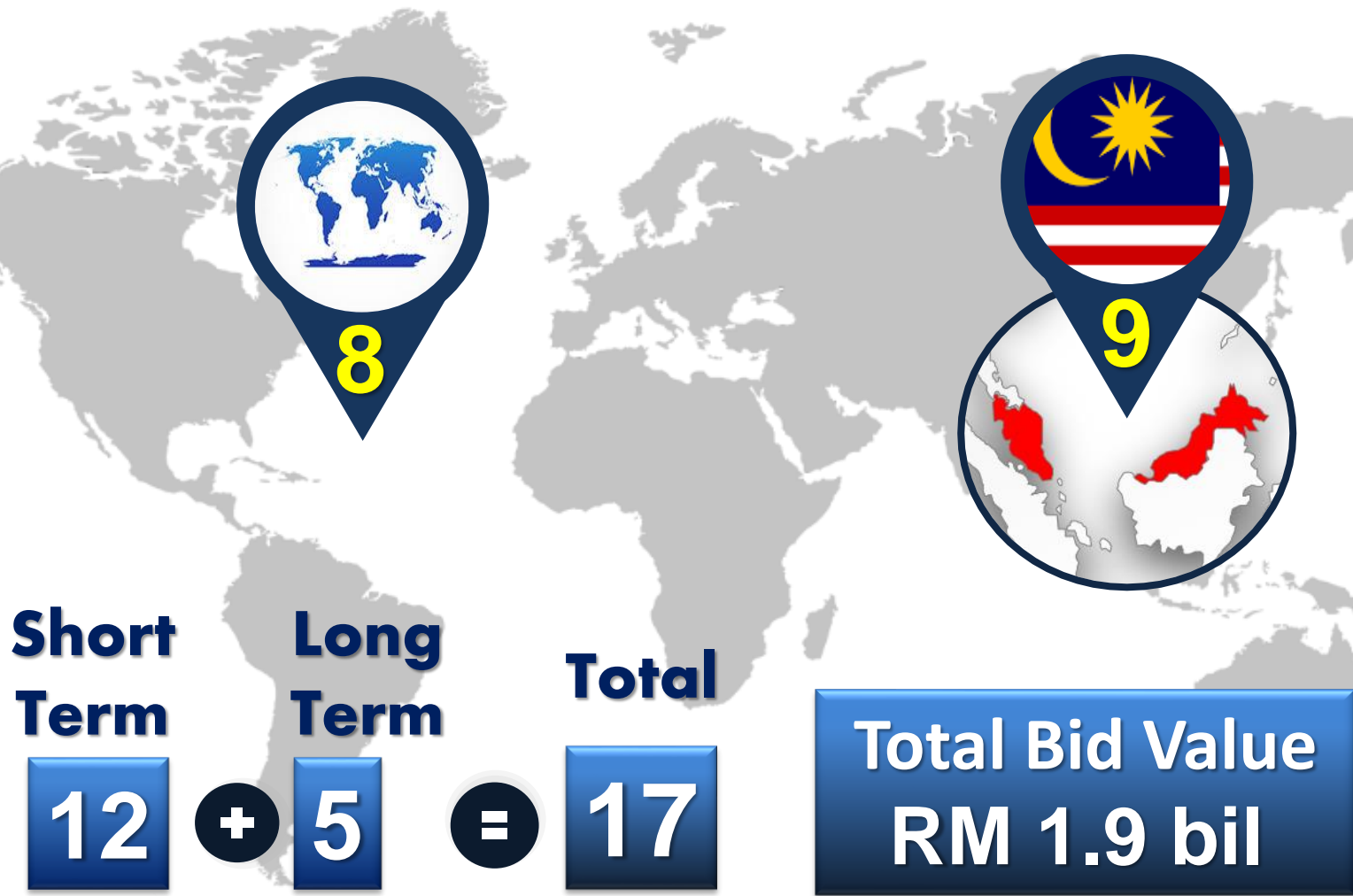
An aerial photograph of two large offshore oil rigs, likely jack-up platforms, positioned side-by-side in the ocean. The rigs have red hulls and complex blue and red steel superstructures. The rig on the left features a green helipad with a yellow 'H' on its deck. The scene is set against a clear blue sky and calm sea, with the sun low on the horizon, creating a warm glow. The text 'COMPANY OUTLOOK' is superimposed in large white letters across the center of the image.

COMPANY OUTLOOK

RIG UTILISATION AND AVERAGE DAILY CHARTER RATE



CURRENT TENDER ACTIVITIES



As at 30 July 2021

MAJOR SHAREHOLDERS



54.4%

Urusharta
Jamaah

4.9%



3.7%



2.8%



1.6%



and PNB Funds



1.0%

OTHERS

31.6%

*Foreign
shareholding: 4.5%*

As at 31 May 2021

An aerial photograph of an offshore oil platform in the middle of a dark blue ocean. Several support vessels, including tugboats and barges, are positioned around the platform, connected by thick black hoses or cables. A large, dark pipeline extends from the platform towards the top right of the frame. The word "FINANCIALS" is overlaid in large, white, bold capital letters across the center of the image.

FINANCIALS

2Q 2021 KEY FINANCIAL HIGHLIGHTS

AVERAGE
UTILISATION

38%

1Q21 : 28% / 2Q20 : 67%

AVERAGE
DAY RATE

USD76k

1Q21 : 53k/ 2Q20 : 72k

OPERATIONAL
EFFICIENCY

97%

1Q21 : 99% / 2Q20 : 99%

REVENUE

RM84m

1Q21 : 44m / 2Q20 : 141m

EBITDA

RM13m

1Q21 : (8m) / 2Q20 : 62m

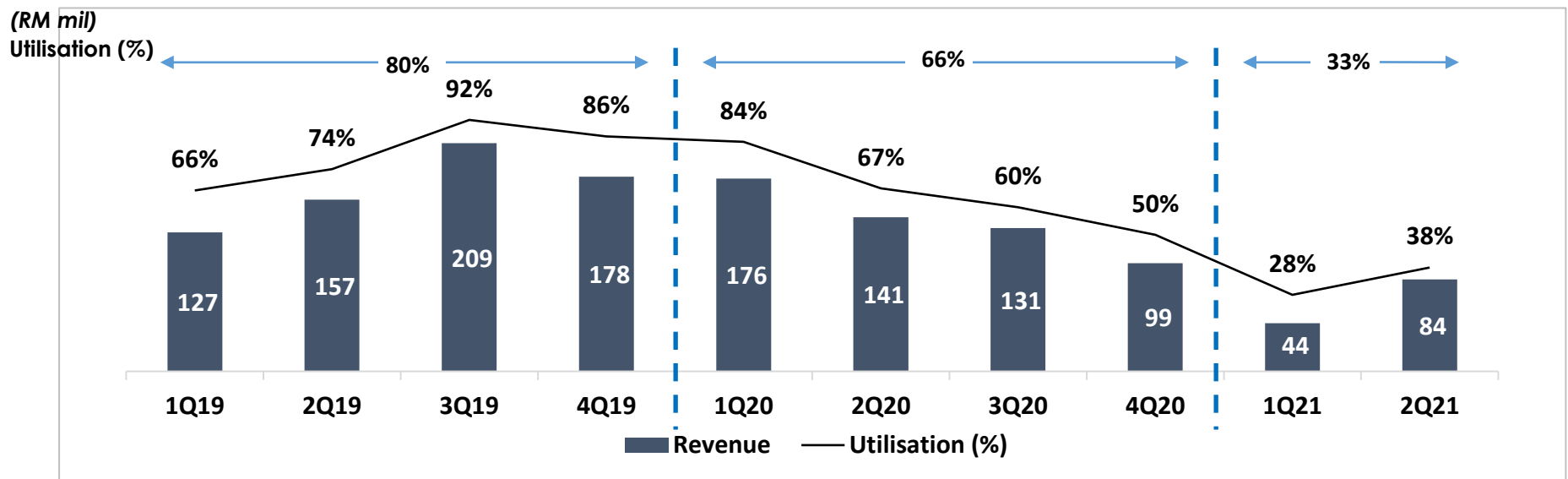
PROFIT AFTER TAX

RM16m¹

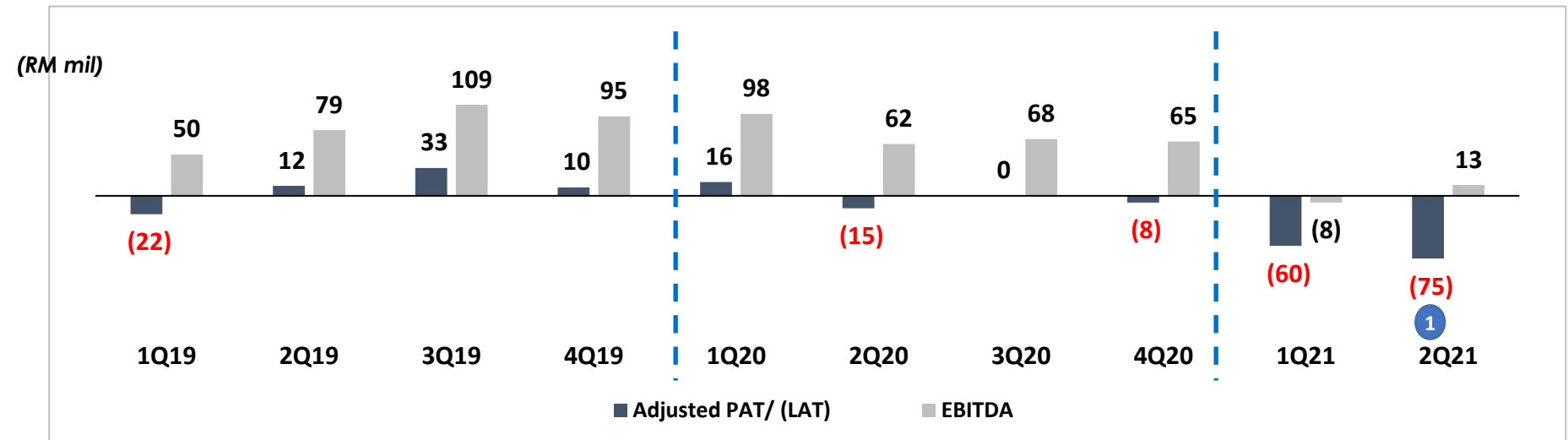
1Q21 : (60m) / 2Q20 : (15m)

¹ Including one-off items i.e. assets written-off of RM461 mil and insurance claim of RM551 mil for NAGA 7

EVOLUTION OF PERFORMANCE - QUARTERLY



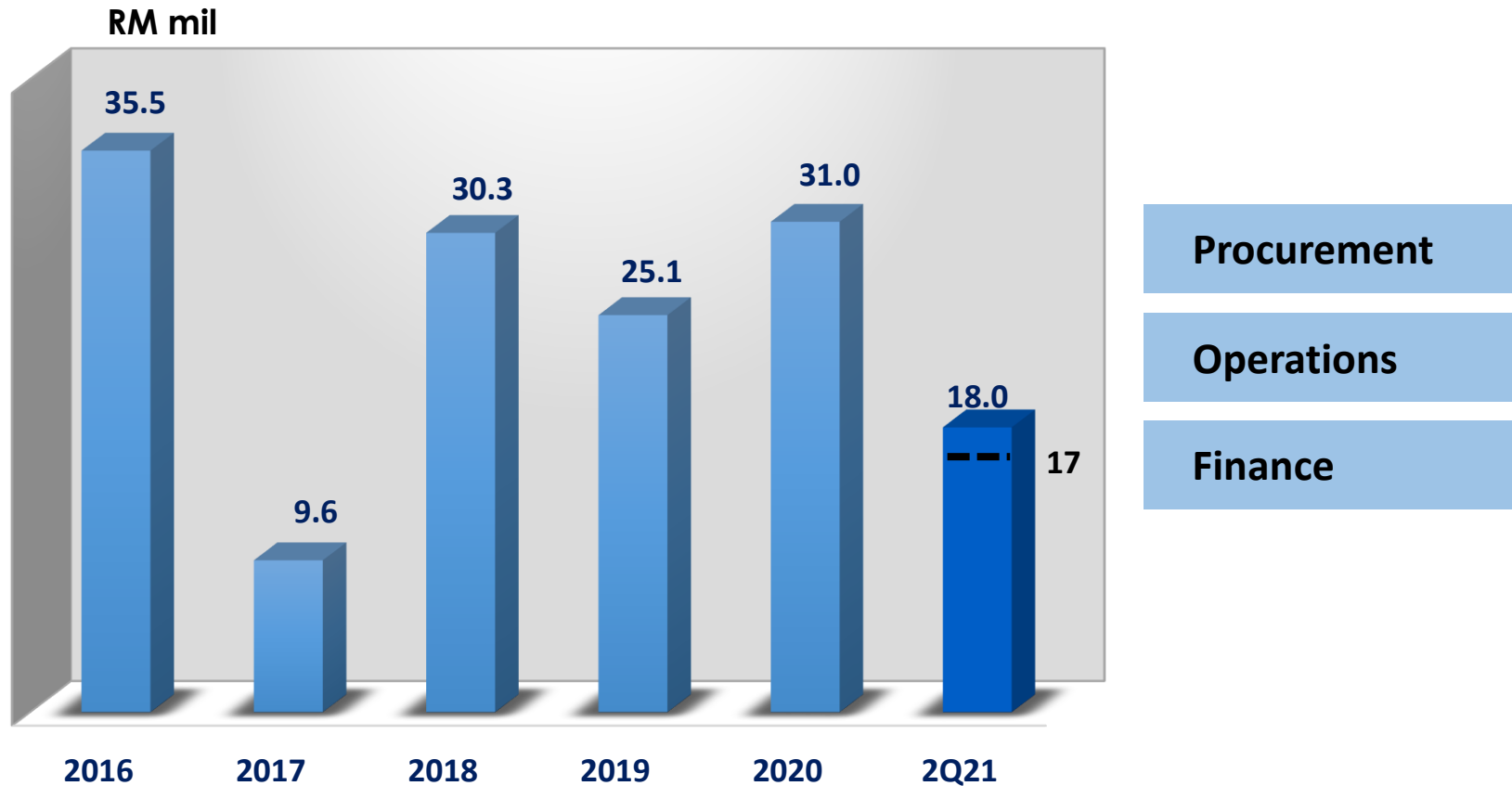
DCR (USD 'k)	69	71	70	71	71	72	72	66	53	76
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¹ Excluding write-off of assets and insurance claim for NAGA 7

MAJOR COST SAVINGS IN 2Q2021

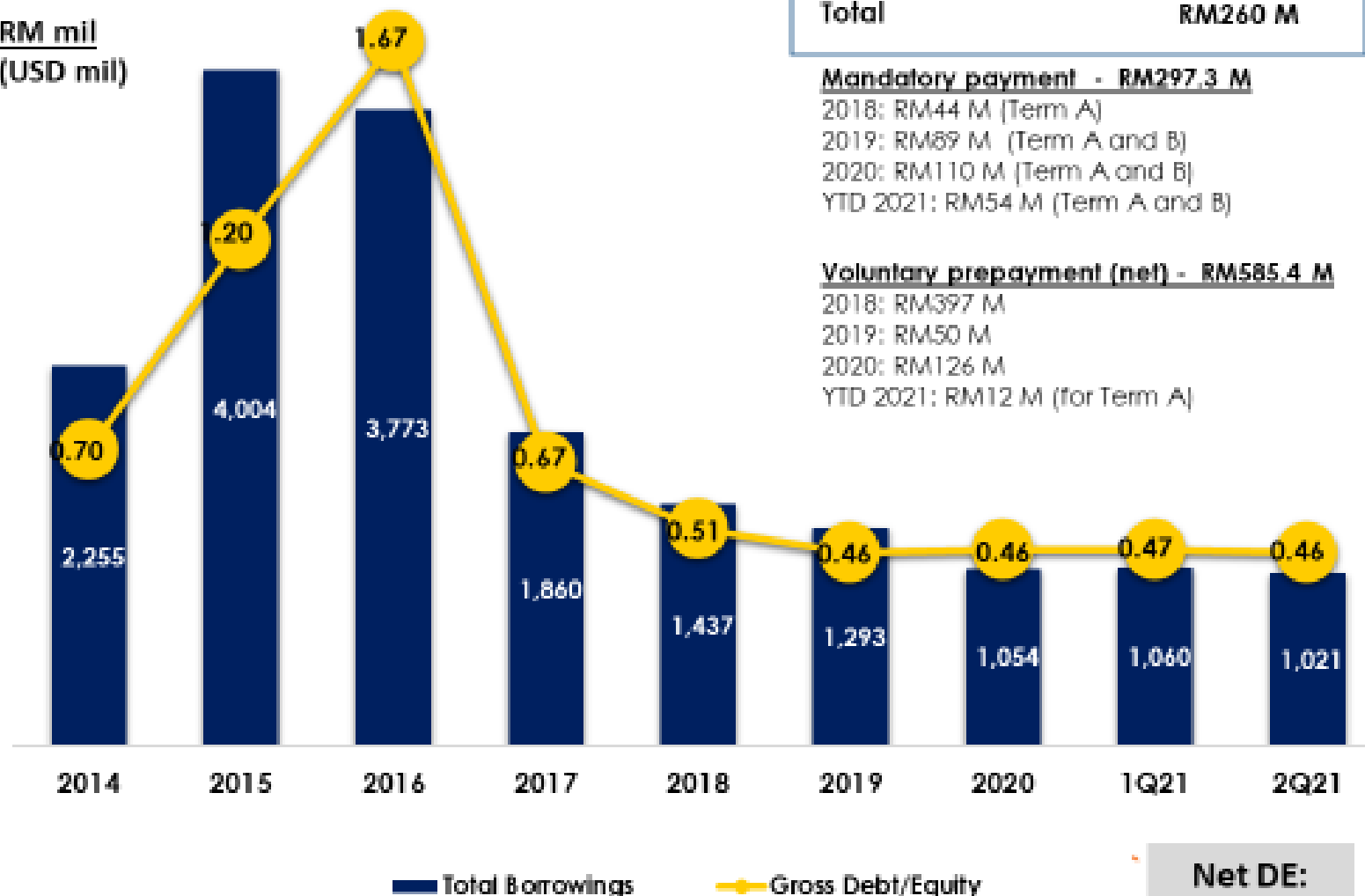
SAVED RM18m in 2Q2021



ALREADY EXCEEDED 2021 TARGET

MAINTAINING LOW DEBT/ EQUITY RATIO

RM mil
(USD mil)



Cash & cash equivalents RM156 M
Short-term placements RM104 M
Total RM260 M

Mandatory payment - RM297.3 M

2018: RM44 M (Term A)
2019: RM89 M (Term A and B)
2020: RM110 M (Term A and B)
YTD 2021: RM54 M (Term A and B)

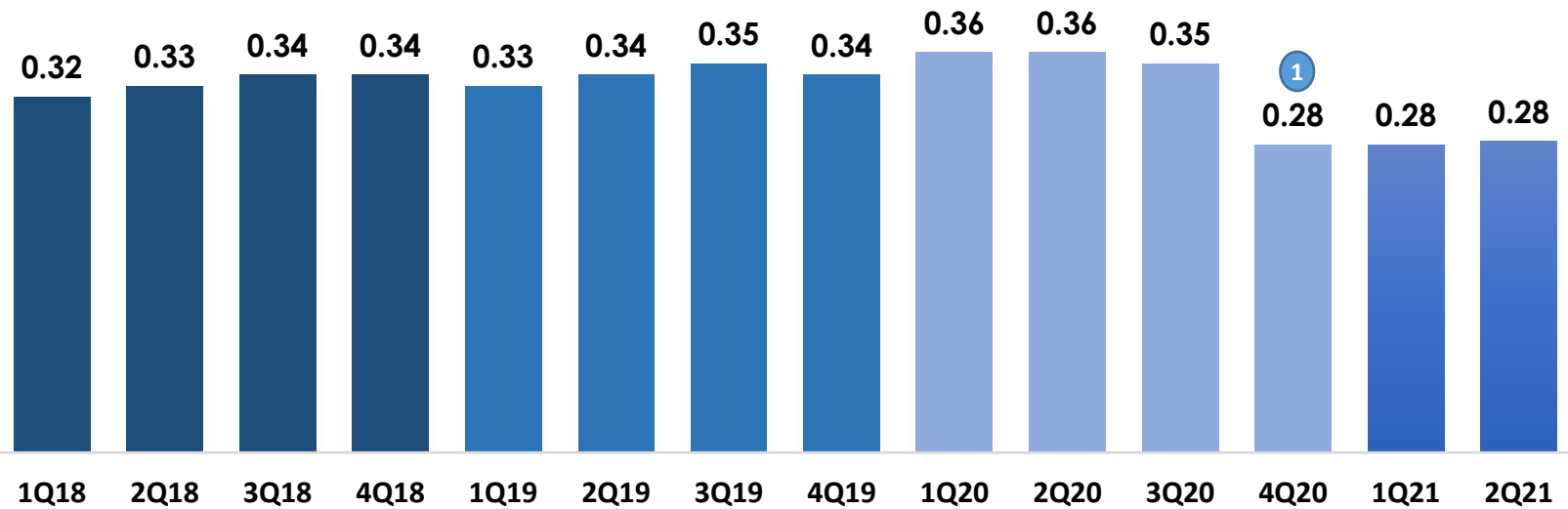
Voluntary prepayment (net) - RM585.4 M

2018: RM397 M
2019: RM50 M
2020: RM126 M
YTD 2021: RM12 M (for Term A)

**Net DE:
0.33**

NET ASSET PER SHARE

RM



¹ Due to impairment and accelerated depreciation of assets

Share Price
25/08/2021

RM 0.140

Market Capitalisation
25/08/2021

RM 1.15 billion

KEY FINANCIAL RATIOS

Financial Ratios	2014	2015	2016	2017	2018	2019	2020	1H21
Utilisation (%)	95	52	21	70	73	80	66	33
Average Daily Charter Rate (USD' 000)	151	128	87	68	69	70	70	68
Revenue (RM mil)	1,015	840	321	587	574	671	547	127
Revenue growth (%)	37.6	(17.2)	(61.8)	82.9	(2.2)	16.9	(18.5)	(59.8)
EBITDA (RM mil)	443	309	9	249	279	333	293	5
EBITDA margin (%)	43.7	36.8	2.9	42.4	47.1	49.2	53.1	3.9
PAT/ (LAT) (RM mil)	252	(369)	(396)	(145)	(20)	33	(492)	(44)
Earnings/ (Loss) per share attributable to equity holders of the Company (sen)	11.7	(17.1)	(54.5)	(36.8)	(0.2)	0.4	(6.0)	(0.5)
Total borrowings (RM mil)	2,254	4,004	3,773	1,860	1,437	1,293	1,054	1,021
Gross debt to equity ratio (x)	0.70	1.20	1.67	0.67	0.51	0.46	0.46	0.44
Net debt to equity ratio (x)	0.34	0.91	1.42	0.43	0.37	0.33	0.31	0.33
EBITDA / Interest (x)	16.99	4.83	0.08	1.80	3.18	4.09	4.52	n.a.

SUSTAINABILITY OUTCOMES 2020

3 GOOD HEALTH
AND WELL-BEING



4 QUALITY
EDUCATION



5 GENDER
EQUALITY



7 AFFORDABLE AND
CLEAN ENERGY



8 DECENT WORK AND
ECONOMIC GROWTH



14 LIFE
BELOW WATER



Workforce

660 employees

(79% Malaysians)



Zero fatalities and
Zero major spills



Women

44%
Directors

42%
Senior Management



Local Suppliers

RM120 mil



11% Reduction
in rig energy
consumption



VELESTO-INSTEP
DRILLING ACADEMY

291 trained

SUSTAINABILITY ACHIEVEMENTS 2021



MSWG-ASEAN Corporate Governance Award 2020

- Excellence Award for CG Disclosure (Market Cap above RM300 million to RM1 billion)
- Industry Excellence Award



FTSE4Good

Included in
**FTSE4Good Bursa
Malaysia Index**



Tier 1 (Setting the Pace)

for Sustainability disclosures
by BURSA Malaysia



4-stars (Top-quartile)

ESG ranking by Bursa
Malaysia and FTSE Russell

A wide-angle photograph of the ocean under a blue sky with scattered white clouds. In the distance, an offshore oil rig is visible on the horizon. In the lower-left foreground, a red and white support vessel is moving across the water, leaving a white wake. The text "MOVING FORWARD" is overlaid in large, white, bold, sans-serif capital letters in the center of the image.

MOVING FORWARD

CURRENT OUTLOOK

Mixed outlook on global economy due to heightening risk of COVID-19 situation and slower recovery

Global oil production is increasing due to release of OPEC+ quota and increasing US oil production

Brent oil price has moderated to around USD70/bbl from a high of USD75/bbl

Both oil and gas price are weakening but are well above 2020 levels

PETRONAS Domestic CAPEX budget for 2021 has increased to RM22-25bil from RM17 bil in 2020

WHAT ARE WE DOING

Continue to pursue contracts in the domestic market

Continue to tender in regional and global markets

Continue to improve operational and financial efficiencies

Increase automation and digitalisation

Enhance cost cutting measures and prioritising expenses

Developing new capabilities and expanding asset workscope

An aerial photograph of a large offshore oil rig, specifically a jack-up rig, floating on a dark blue sea. The rig has a complex structure with multiple levels, including two prominent green helipads with yellow markings. The rig is positioned in the center of the frame. Overlaid on the image is a dark horizontal band containing the text "THANK YOU" in large, white, sans-serif capital letters.

THANK YOU



Q & A