



BARAKAH

OFFSHORE PETROLEUM

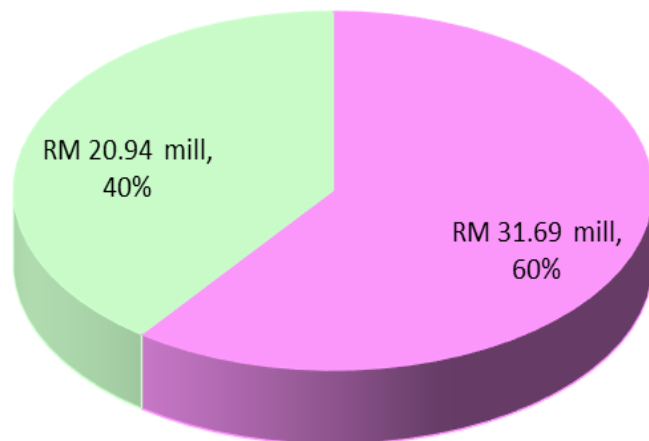


Highlights: Performance Against Preceding Year (Quarter)

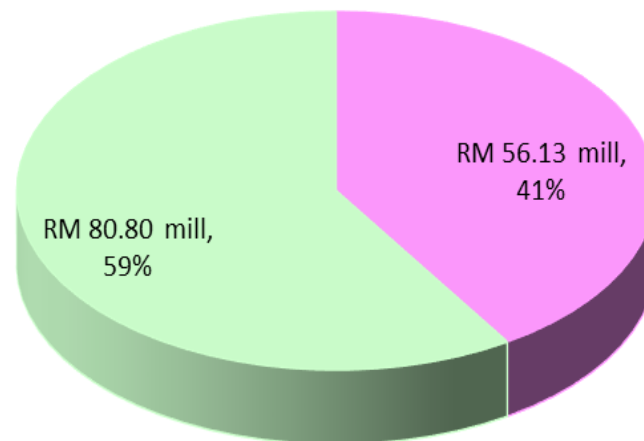
<i>Individual quarter</i>	Q2 2017 RM'000	Q2 2016 RM'000	Variance
Revenue	52,630	136,929	(61.56%)
Gross (loss)/profit	(61,040)	26,552	(329.89%)
(Loss)/Profit before taxation	(81,866)	9,478	(963.75%)
(Loss)/Profit after taxation	(82,121)	7,203	(1,240.09%)
Gross (loss)/profit margin	(115.98%)	19.39%	(698.14%)
EBITDA	(73,589)	19,706	(473.43%)
Total assets	638,109	736,911	736,911
Net assets	334,728	427,286	(21.66%)
Weighted average no. of ordinary shares ('000)	825,438	824,752	0.08%
Basic earnings per share (sen)	(9.95)	0.87	(1,243.68%)
Net assets per share (sen)	40.55	51.81	(21.73%)

Q2 2017 vs Q2 2016 Revenue Breakdown (Individual Quarter)

June'17



June'16



■ Pipeline and commissioning services

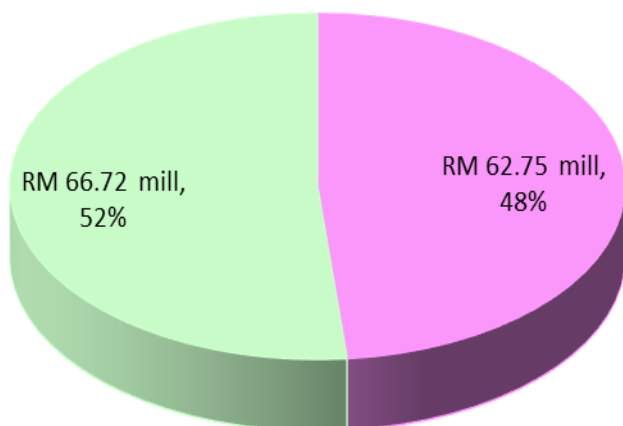
■ Installation and construction services

Highlights: Performance Against Preceding Year (Cumulative)

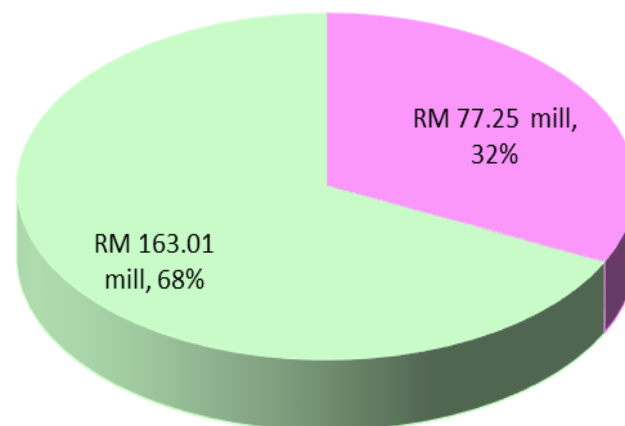
<i>Cummulative 6 months to 30 June</i>	H1 2017 RM'000	H1 2016 RM'000	Variance
Revenue	129,472	240,246	(46.11%)
Gross (loss)/profit	(44,094)	55,343	(179.67%)
(Loss)/Profit before taxation	(85,011)	11,136	(863.39%)
(Loss)/Profit after taxation	(86,732)	8,463	(1,124.84%)
Gross (loss)/profit margin	(34.06%)	23.03%	(247.89%)
EBITDA	(66,457)	29,338	(326.52%)
Total assets	638,109	736,911	(13.41%)
Net assets	334,728	427,286	(21.66%)
Weighted average no. of ordinary shares ('000)	825,438	824,752	0.08%
Basic earnings per share (sen)	(10.50)	1.03	(1,119.42%)
Net assets per share (sen)	40.55	51.81	(21.73%)

H1 2017 vs H1 2016 Revenue Breakdown (6 months to 30 June)

June'17



June'16



■ Pipeline and commissioning services

■ Installation and construction services

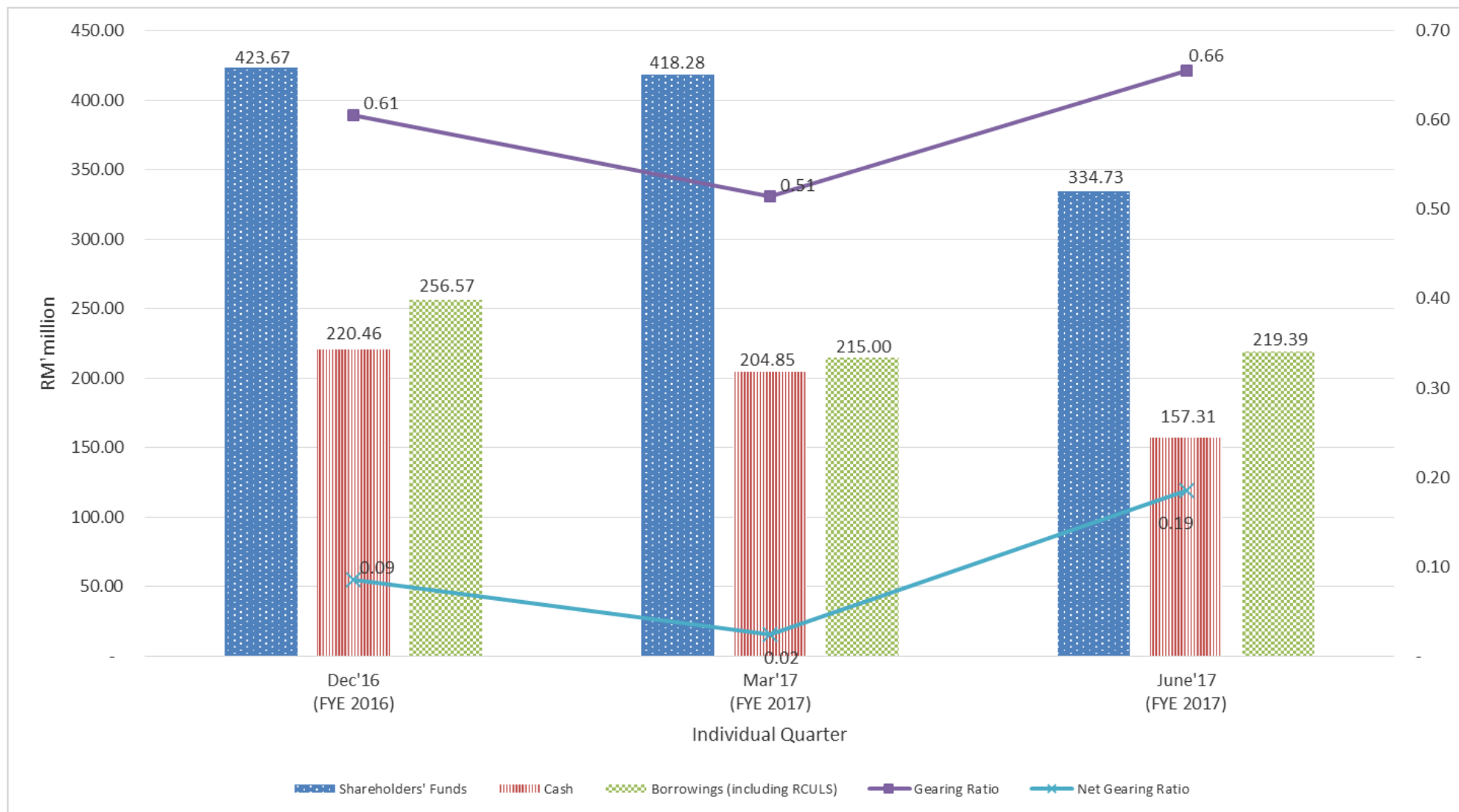
RESULTS OVERVIEW

Income Statement

Significant loss for the quarter mainly due to:

- Lack of revenue due to significantly less project activities carried-out for the quarter as a result of much reduced work orders from contract customers.
- Some of the existing large projects coming to the tail-end such as Pengerang pipeline and the Long-term T&I contract that yielded much reduced margin as compared to the budgeted margin at the beginning of the projects.
- No utilisation of main assets pipelay barge KL101 to offset its cost.
- Slower billings for newly secured contracts as execution timeline is spread more towards 2018.

RESULTS OVERVIEW: BALANCE SHEET (3 QUARTERS)



RESULTS OVERVIEW

Balance sheet

- Balance sheet position still sustainable despite significant reduction in Net Assets and cash balance compared to 31 December 2016 due to loss incurred for the half year 2017.
- Net assets per share at 30 June 2017 was 40.55 sen.
- Cash level stood at RM157.31 million and current ratio stood at 1.89 times at 30 June 2017.
- Gross gearing ratio for 30 June 2017 was at manageable level at 0.65 times. The Group has secured deferment of principal repayment of term loan for its pipelay barge KL101 till end of 2018 to conserve cashflow while the Group work to recover to profitability.

OUTLOOK

Order book

Projects	Client(s)	Est Value (RM'm)	Unbilled @ 31/3	Timing
Hook-up and Commissioning (HUC) and Topsides maintenance for platforms in West and East Malaysia 2015-2018	Petrofac, Repsol & SE, PFLNG, Lundin, KPOC etc	485 (estimate)	82 (estimate)	2017-2018
Pipeline services, West & East Malaysia	Various PSC's	250 (estimate)	115 (estimate)	2017-2018
Underwater Inspection, Repair & Maintenance (IRM) 2016-2018 and Transportation & Installation 2017-2018 and others	Production sharing companies/operators/contractors	280 (estimate)	217 (estimate)	2017-2018
Pengerang Pipeline	Petronas Gas	296	23	<1
EPCC of Pengerang facilities, Kemaman NETSS & Bintulu ABF	PRPC, Petronas Gas, ABF	156	101	2017-2018

Grand total **538**



Pipeline & Commissioning



Installation & Construction

OUTLOOK

- Order book balance as at August 2017 was RM538 million.
- Timing of conversion of order book to revenue is within 2017-2018.
- Challenging outlook expected to remain for second half of 2017 based on existing projects timing of execution.
- Bids submitted amounted to about RM950 million with timing of work activities under bidding are towards 2018-2019.
- Active pre-qualifications and market surveys conducted by potential clients indicates more activities expected from 2019 onwards.

OUTLOOK

Management focus for the immediate and intermediate terms include:

Immediate term

- Collaboration with Samling group of companies for business opportunities and resource sharing.
- Increased effort to get immediate utilization of pipe-lay barge KL 101.
- Continue with further cost optimisation and cash preservation.

Medium term

- Collaboration with global technology owners to offer and create new products and services within oil and gas industry.
- Increased business development effort to capture opportunities for long-term contracts.

PROJECT PICTURE

Underwater Inspection Repair & Maintenance



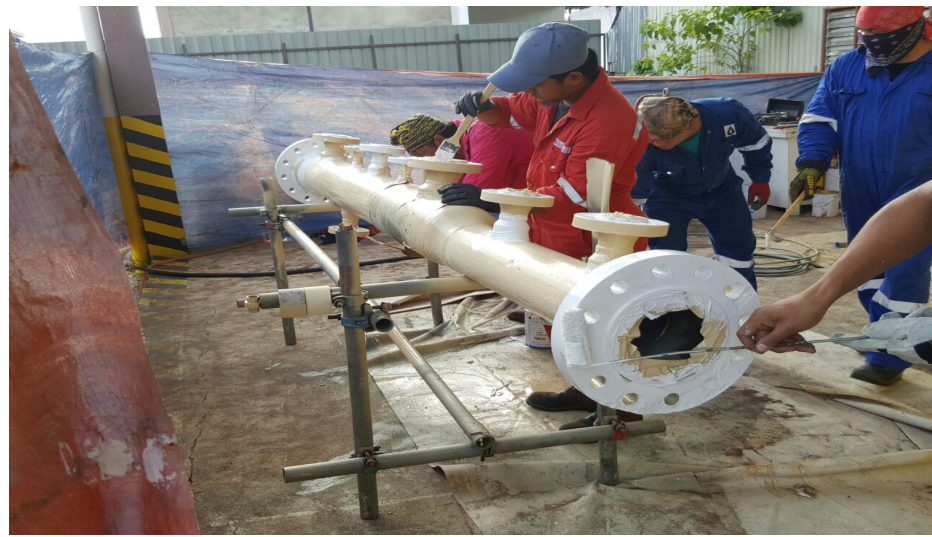
PROJECT PICTURE

LCOT EDPR at Labuan Crude Oil Terminal for Sabah Shell Petroleum Corp



PROJECT PICTURE

SKO Pig Trap Maintenance



PROJECT PICTURE

SSGP Pipeline KP233 Verification dig- up



PROJECT PICTURE

Water Piping for fire fighting system for Pengerang RAPID (GRE)



Thank You



Contact us:

Firdauz Edmin Mokhtar

Chief Financial Officer

Email : firdauzedmin@barakah.my

Abdul Rahim Awang

Chief Corporate Officer

Email : abdulrahim@barakah.my

Barakah Offshore Petroleum Berhad

No. 28, Jln PJU 5/4, Dataran Sunway,
Kota Damansara, 47810 Petaling Jaya,
Selangor Darul Ehsan.

<http://www.barakahpetroleum.com>

Tel : +603-6141 8820

Fax : +603-6141 8857

