



2QFY18
Results Overview

29 November 2018

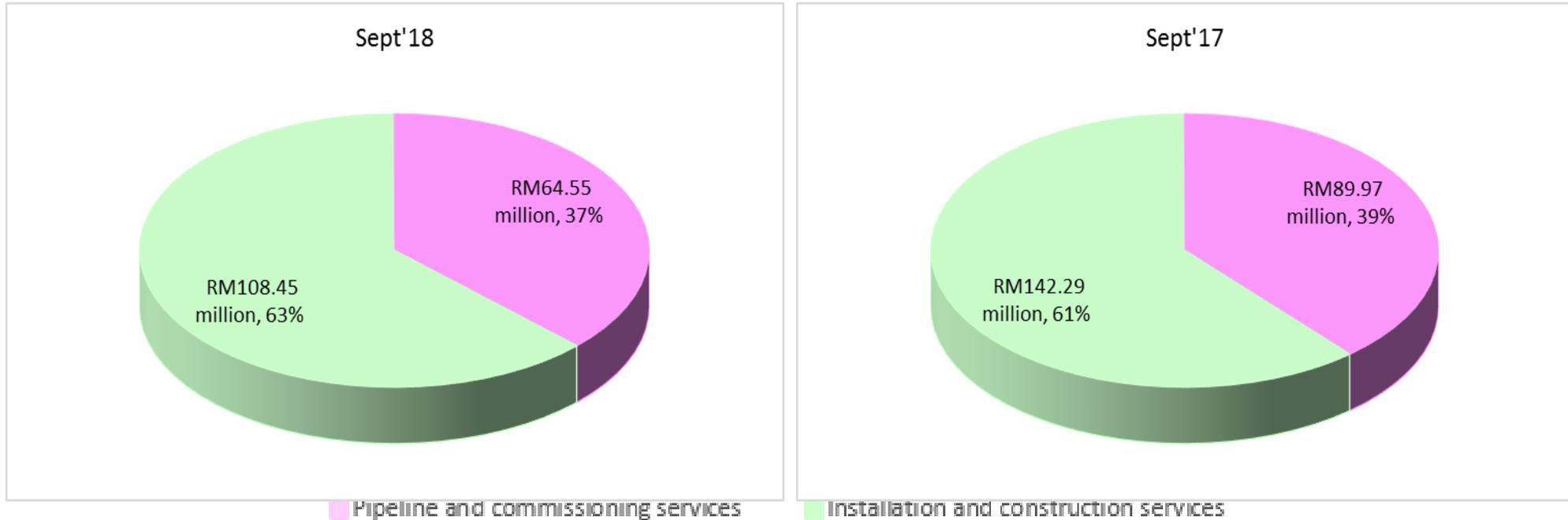
Results Overview: Performance Against Preceding Year (Individual Quarter)

<i>Individual quarter</i>	FYE 2018 Sept'18 RM'000	FYE 2017 Sept'17 RM'000	Variance
Revenue	94,456	102,785	-8.10%
Gross profit/(loss)	1,847	(36,864)	+105.01%
Loss before taxation	(5,098)	(56,661)	+91.00%
Loss after taxation	(5,089)	(56,164)	+90.94%
Gross profit/(loss) margin	1.96%	(35.87%)	+105.45%
EBITDA	2,654	(46,098)	+105.76%
Total assets	501,540	671,196	-25.28%
Net assets	155,110	277,986	-44.20%)
Weighted average no. of ordinary shares ('000)	826,405	825,478	+0.11%
Basic earnings per share (sen)	(0.61)	(6.80)	+91.03%
Net assets per share (sen)	18.77	33.68	-44.27%

Results Overview: Performance Against Preceding Year (Cumulative)

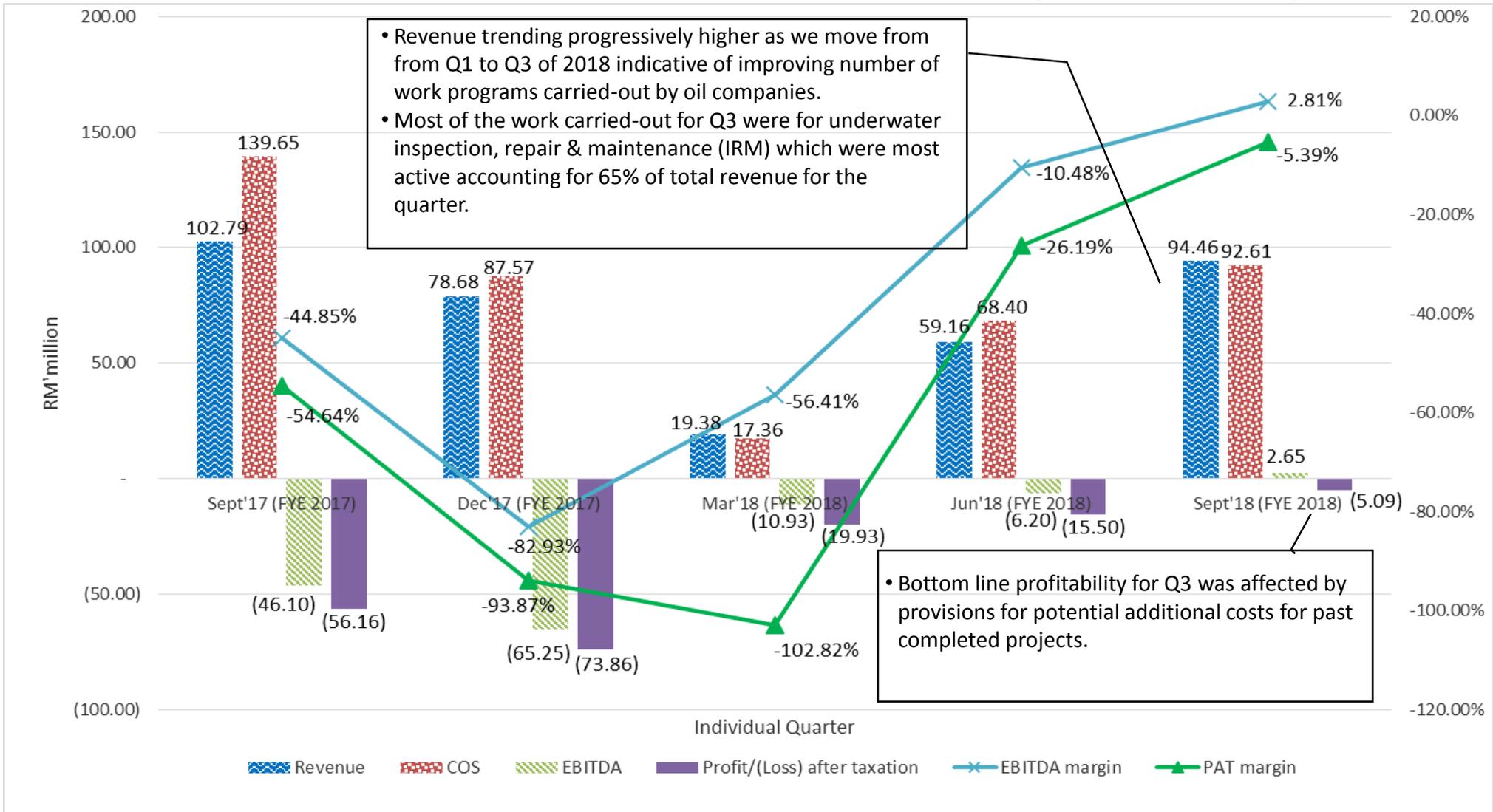
<i>Cumulative quarter</i>	FYE 2018 Jan - Sept RM'000	FYE 2017 Jan - Sept RM'000	Variance
Revenue	173,001	232,257	-25.51%
Gross loss	(5,370)	(80,958)	+93.37%
Loss before taxation	(40,256)	(141,672)	+71.59%
Loss after taxation	(40,513)	(142,896)	+71.65%
Gross loss margin	(3.10%)	(34.86%)	+91.09%
EBITDA	(14,477)	(112,555)	+87.14%
Total assets	501,540	671,196	-25.28%
Net assets	155,110	277,986	-44.20%
Weighted average no. of ordinary shares ('000)	826,405	825,478	+0.11%
Basic earnings per share (sen)	(4.90)	(17.31)	+71.69%
Net assets per share (sen)	18.77	33.68	-44.27%

Results Overview FYE 2018 Vs FYE 2017 Revenue Breakdown (Cumulative Quarter)



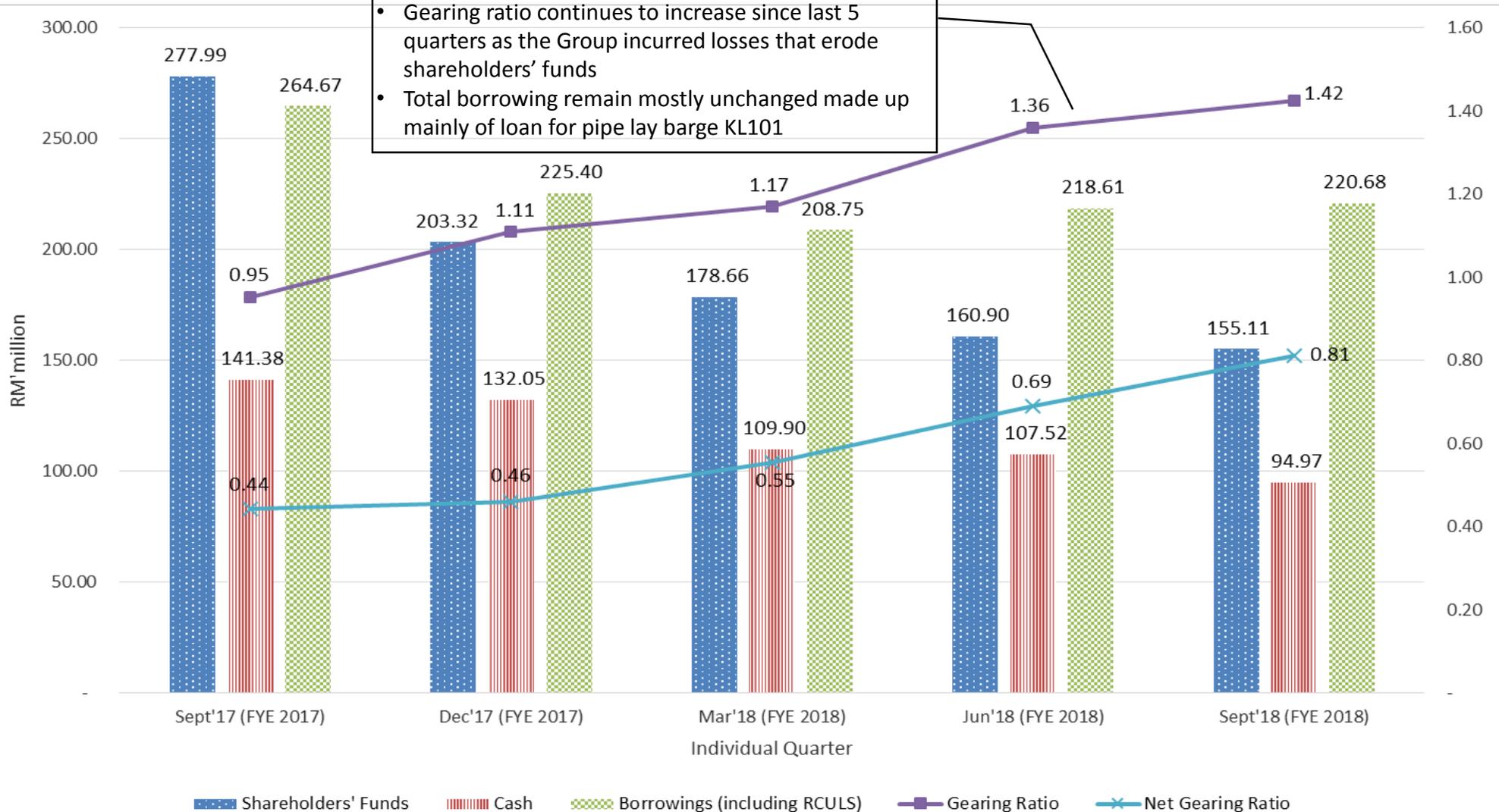
- Trend of segmental revenue breakdown consistent with last year
- Mainly driven by more offshore hook-up and commissioning activities
- Trend is expected to continue on the back of newly secured MCM projects

RESULTS OVERVIEW: INCOME STATEMENT (5 QUARTERS)



RESULTS OVERVIEW: BALANCE SHEET (5 QUARTERS)

- Gearing ratio continues to increase since last 5 quarters as the Group incurred losses that erode shareholders' funds
- Total borrowing remain mostly unchanged made up mainly of loan for pipe lay barge KL101



Orderbook as at 31 October 2018 – Balance of RM1.34 billion
 – Revenue visibility up to 2023

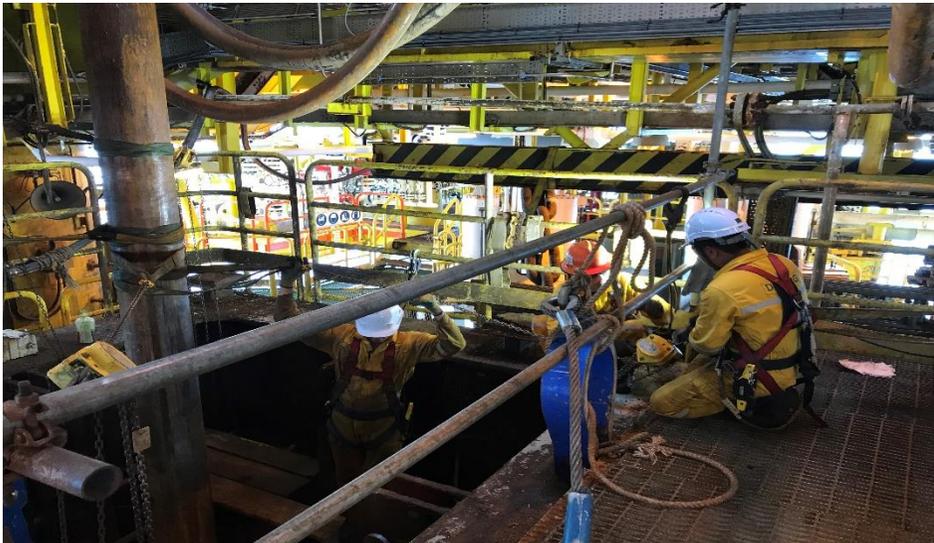
	Projects	Clients	Balance (Firm) RM'm	Balance (Estimate) RM'm	Balance (Total) RM'm	Timing
1.	Pipeline Services	PCSB/Shell	11.4	-	11.4	2018
2.	Sabah-Sarawak Gas Pipeline Maintenance	PCSB/PGB	90.9	-	90.9	2018
3.	Umbrella Transportation & Installations (T&I) 2017-2019	PCSB/Various PSCs	16.1	Bidding for new projects on-going	16.1	2019
4.	Hook-up & Commissioning (HUC) and Topside Maintenance for platforms	Various PSCs	5.6	Bidding for new projects on-going	5.6	2018
5.	EPCC of material handling system	Asean Bintulu Fertilizer	13.7	-	13.7	Up to Q1 2019
6.	Pan Malaysia Maintenance, Construction and Modifications of offshore facilities (MCM) 2018-2023	Various PSCs	21.7	1,178.3	1,200 (From estimated total contract value of RM1.2 billion)	Up to July2023
	Total		159.4	1,178.3	1,337.7	

CHALLENGES AND OUTLOOK

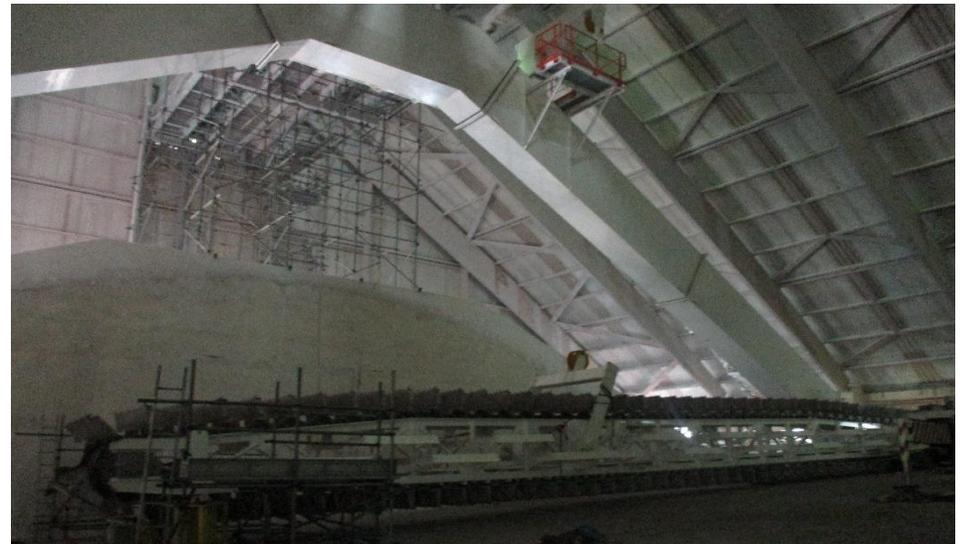
1. The Group announced 2 material litigations during the quarter involving claims made by subcontractors mainly for change orders. The Group are disputing these claims and will continue to defend against these claims.
2. To manage the long standing amount due to creditors, the Group has obtained a restraining order from the Court for 90 days effective from 16 October 2018. This measure was taken by Barakah to manage the debt levels of Barakah Group and allows the Group to negotiate terms with its lenders and creditors without having the threat of any proceedings and actions being brought against the Company.
3. The Group continues efforts to address the factors affecting financial position of the Group
 - Insufficient revenue to cover overhead costs particularly pipe lay barge KL 101 carrying cost.
 - Overhang of trade payables arising from past projects losses.
 - Lack of utilisation of pipe lay barge KL101 and sustained future work visibility for the barge.
 - Balance sheet and cash balance erosion that will need to be regularised.

The Group is working on a regularisation plan to comprehensively address the above matters. Target to address the above matters around middle of 2019.
4. Business outlook is more positive premised on the following factors.
 - Order book balance of RM1.34 billion provides revenue visibility to 2023.
 - Currently bidding for new projects with total estimated value of RM2.4 billion. 80% of bids are for domestic projects comprised of Offshore Transportation & Installation projects and hook-up and commissioning projects.
 - Active participation in pre-qualification for potential future projects bidding.

Production Riser Tensioner for MURPHY



EPCC of Material Handling System for ABF



Underwater Inspection, Repair & Maintenance for PCSB



Sabah- Sarawak Gas Pipeline Maintenance for PGB



Begarding CPP Phase 1B Flowlines for HESS (HUC)



Thank you



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