

## **SAPURA ENERGY ANNOUNCES FIRST QUARTER FY2019 RESULTS**

- **Summary of Q1 FY2019 financial performance**
  - **Revenue** of RM1,055 million
  - **EBITDA** of RM228 million
  - **Loss-after-tax** of RM137 million
  - **Current cash and cash equivalents** of RM1.36 billion
  - **Current orderbook** of RM16.7 billion
- **Engineering and Construction (“E&C”) and Exploration and Production (“E&P”) reported profits; Drilling reported a loss-before-tax for the quarter**
- **New contract wins of RM4.5 billion year-to-date, growth strategy on track**
- **The Group remains committed to strengthening its financial position**

Sapura Energy Berhad (“the Group”) today announced its first quarter results for the period ended 30 April 2018, recording a revenue of RM1,055 million, EBITDA of RM228 million and loss-after-tax of RM137 million. The Group’s E&C and E&P businesses have made positive contributions to this quarter’s results whilst the Drilling business made a loss-before-tax amidst a slower recovery anticipated in this segment.

To-date, the Group has won a significant number of contracts bringing the accumulative value in contract wins to-date to RM4.5 billion, including two contracts for its Drilling business. The Group continues to maintain a healthy bid book that will enable its order book to grow further in view of the increase in the global opportunity funnel.

“Fuelled by the continued positive industry outlook, our growth strategy is on track. The Group has been successful in securing a significant number of global contracts since the start of FY2019. Our bid book will continue to remain healthy as we continue to compete in bidding opportunities in an effort to boost our order book,” said Tan Sri Shahril.

“Staying competitive and resilient have been central to our success. We expect to sustain our growth momentum with the same rigour and discipline that will propel the Group to turn the corner and build a sustainable long-term future,” he added.

The Group remains committed to strengthening its financial position. To this end, the Group has identified several initiatives, including the potential listing of the E&P business and a possible capital raising exercise.

“Sapura Energy has always been progressive and dynamic in its strategy and business decisions. These initiatives are part of our overall strategy while we continue to refine our plans to be ready for the upturn and stay ahead of the competition. We believe this is an opportune time for us to consider these initiatives to maximise value for our shareholders, besides strengthening our balance sheet by paring down our debt,” said Tan Sri Shahril.

With a solid strategy in place, the Group's order book has increased to RM16.7 billion having secured contracts across Australia, Malaysia, India, Brazil and Mexico since the start of the financial year. The revenue from the newly secured contracts is expected to be recognised in the current financial year and beyond.

The Group's E&P business also marked significant milestones in Q1 FY2019 including taking Final Investment Decision to develop Gorek, Larak and Bakong as phase 1 of its SK408 gas fields which represents a critical milestone in unlocking the value and providing visibility of our long-term gas monetisation plans. The recent ninth discovery in the Pepulut field further reinforced The Group's commitment to realise the full potential of our highly prospective gas fields in SK408. Additionally, SEB's entry into Mexico's Block 30 with the recent Production Sharing Contract signing and farm-in agreements into five offshore exploration permits in New Zealand provide new growth opportunities for the business in the long term.

### **Q1 FY2019 Business Highlights**

- Final Investment Decision to develop Gorek, Larak and Bakong fields as phase 1 in the SK408 Production Sharing Contract.
- Awarded Block 30 in Sureste Basin, a proven and prolific hydrocarbon province in the Gulf of Mexico, with our joint venture partners.
- Made inroads into New Zealand with a series of farm-in agreements to five offshore exploration permits within the Taranaki Basin region.
- Commenced gas production at the B15 field, a maiden gas development project. First gas production was achieved within two years of the sanction of its Field Development Plan.
- Gas discovery offshore Sarawak within the SK408 Production Sharing Contract. This is the Group's ninth discovery.
- Contract wins to-date (services and drilling):
  - Engineering, procurement, construction and commissioning for Kinarut ERB West Compressor upgrading project
  - Minor engineering, procurement, construction and commissioning for Bokor Betty Brownfield and Rejuvenation project
  - Engineering, procurement, construction and commissioning for Full Field Development Phase 2 Facilities, North Malay Basin
  - Transportation and installation of jacket for the Bokor Central Processing Platform project
  - Offshore/onshore pipeline and terminal works for Fifth Oil Berth Project in Mumbai, India
  - Engineering, procurement, construction, installation and commissioning works of an Integrated Central Processing Platform for Pegaga gas development field in Block SK320, offshore Sarawak.
  - Provision of *Sapura Esperanza* semi-tender assist drilling rig for a contract extension for one well and additional assignment for two wells
  - Provision of semi-submersible self-erecting tender assist rig *Sapura Berani* for three wells
  - Engineering, procurement and construction for SK408 Larak and Bakong Development Project
  - Engineering, procurement and construction for SK408E Gorek development and F6 Brownfield Integrated Module Project
  - Riserless light well intervention services for Montara development area, Timor Sea, Australia
  - Subsea wells and pipeline replacement Project V in India

- Engineering, procurement, construction, installation and commissioning for Berth A2 and modification of Berth D at the Marine Terminal, Jamnagar, State of Gujarat, India
- Engineering, procurement and construction of a gas pipeline in the Gulf of Mexico