

## MEDIA RELEASE

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## SAPURA ENERGY REGISTERS FY19 PROFIT-AFTER-TAX ON DISPOSAL GAIN, DECLARES SPECIAL DIVIDEND

Summary of financial performance:

- **Profit-after-tax and minority interest (PATAMI)** of RM500 million for Q4 FY19; RM208 million for full year FY19
- **Special dividend declared** at 0.5 sen per share
- **Gain on disposal** of RM2.7 billion from sale of 50 per cent equity stake in Exploration and Production through strategic partnership with OMV
- **Provision for impairment** of RM1.5 billion, mainly for Drilling, and Engineering and Construction assets, to enable the Group to be more competitive operationally and economically
- **Current cash and cash equivalents** at RM8.1 billion
- **New contract wins in FY19** of RM9.3 billion; 230 per cent increase from previous year
- **Current orderbook** of RM17.2 billion, the highest in two years; up by 15 per cent from previous year
- Successfully delivered on strategic plans to **strengthen financial position**; raised approximately RM7.6 billion through rights issue and strategic partnership with OMV, to repay Group's borrowings and for working capital
- **Net gearing deleveraged** from 1.7x to 0.6x

Sapura Energy Berhad (Sapura Energy) posted a profit-after-tax and minority interest of RM208 million for the financial year ended 31 January 2019 (FY19), compared to a loss-after-tax and minority interest of RM2.5 billion in the previous year (FY18). This included a gain of RM2.7 billion from the sale of 50 per cent stake in its Exploration and Production (E&P) business, through the strategic partnership with OMV, and a provision for impairment of RM1.5 billion, primarily for Drilling, and Engineering and Construction (E&C) assets. In addition, the Group has declared a special dividend of 0.5 sen per share.

“Our focus for the financial year 2019 was to strengthen our balance sheet and position the Group to capitalise on the emerging opportunities. Despite the challenging year, we successfully completed two major corporate exercises, where we raised approximately RM7.6 billion. This has enabled us to reduce our net gearing to a healthy 0.6x and provided the financial flexibility for the Group to bid for and execute higher value projects, in addition to gaining a strong partner in our E&P business,” said Tan Sri Shahril Shamsuddin, President and Group Chief Executive Officer, Sapura Energy.

“The Board has declared a special dividend this quarter in appreciation of the continuous support from our shareholders. We are confident that our efforts in FY19 have paved a brighter future for the Group,” he added.

For Q4 FY19, the Group posted a profit-after tax and minority interest of RM500 million, including a gain on disposal and provision for impairment, in comparison to a loss-after-tax in Q4 FY18 of RM2.3 billion which included a provision for impairment of RM2.1 billion. The provision for impairment on assets enables the Group to be more competitive operationally and economically.

Group revenue rose by 41.9 per cent from RM1.2 billion in Q4 FY18 to RM1.7 billion in the current quarter, mainly attributable to the higher revenue from its E&C business segment. On a quarter to quarter basis, the Group’s E&C segment recorded an 88 per cent increase in revenue from RM0.7 billion in Q4 FY18 to RM1.3 billion in Q4 FY19, in line with higher activities during the current quarter.

The drilling segment registered an 8.5 per cent higher in revenue at RM250 million in the current quarter compared to RM230 million in the corresponding quarter of the preceding year. This was as a result of higher number of rigs working compared to Q4 FY18.

For its E&P segment, revenue was at RM202 million for the current quarter, compared to RM286 million in Q4 FY18. This was due to lower oil liftings and the effect of the lower average realised oil price achieved in the current quarter compared to Q4 FY18.

In FY20, Sapura Energy will remain focused on growing and executing the orderbook as well as delivering strong operational performance.

New contract wins for FY19 of RM9.3 billion, an increase of 230 per cent from the previous year, has lifted the current orderbook to RM17.2 billion, the highest in two years. Sapura Energy continues to aggressively pursue new opportunities in the Middle East, Africa, Asia Pacific, Europe and the Caspian, and the Americas. The expanding orderbook and focus on execution are expected to further boost asset utilisation, thus contributing to improving the Group’s financial performance.

With the increasing activities, stronger balance sheet and encouraging potential growth prospects, the Board is confident that the Group is strongly positioned to grow further and increase shareholder value.

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### **About Sapura Energy Berhad**

Sapura Energy Berhad is a global integrated oil and gas services and solutions provider operating across the entire upstream value chain. The Group's spectrum of capabilities covers exploration, development, production, rejuvenation, as well as decommissioning and abandonment. With a highly-skilled and technically-capable workforce, strategic world-class assets, and strong project management capabilities, the Group today delivers its integrated solutions and expertise in over 20 countries.

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