



Scomi Energy Services Bhd

News Release

10 August 2015

Scomi Energy Services secures RM140 million marine contracts

Strong USD boosts Company's earnings

PETALING JAYA: Scomi Energy Services Bhd ("SESB" or "the Company"), listed on the Main Market of Bursa Malaysia, is pleased to announce that its Marine Services has secured more than RM140 million worth of contracts in the last four months. The contracts are for transportation of coal and provision of offshore vessel services to clients in Indonesia, Malaysia and Thailand.

"Our target market will remain to be the Southeast Asian region with Malaysia and Indonesia as the key locations for our coal logistics operations. We plan to continue bidding for more affreightment contracts to maximise the utilisation rates of our vessels as the region still presents good opportunities for the business. Demand for coal from Malaysian coal-powered power plants is expected to increase for the next few years. This is in line with the projected increase in total electricity generated for the country," said SESB's President – Marine Services, Mukhnizam Mahmud.

For its offshore services unit, which provides vessel services to the oil and gas industry, the Company is actively bidding for work in India, Myanmar, Indonesia, Malaysia and the Middle East. This strategy of expanding geographic footprint is necessary amidst the current weakened demand.

"We will continue to submit bids for both the offshore services and coal logistics contracts while we take measures to rationalise our business. With a lean and efficient operations structure in place, we are optimistic of our chances despite stiff competition. As a Malaysian-based company, we are benefitting from the

strengthening US dollar, which continues to drive as 95% of our revenue is in that currency,” added Mukhnizam.

SESB’s core businesses which comprise Oilfield Services and Marine Services, have a combined order book of over USD1.7billion.

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About Scomi Energy Services

Scomi Energy Services Bhd, which is listed on the Main Market of Bursa Malaysia Securities Bhd, and its Group of companies are involved in the Energy Services comprising of the Oilfield Services and Marine Services. The Group offers drilling & completion services, development and production services as well as vessels for offshore support and coal logistics. With offices in 20 countries, the Group derives most of its business from its international operations, which is backed by over 60 years of experience in the industry servicing numerous local and multinational companies.

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