

An aerial photograph of the Bumi Armada Ombendu FPSO ship, a large red and white offshore supply vessel, sailing on the ocean. The ship features a prominent red hull and white superstructure. A large, octagonal helipad is visible on the deck, marked with a yellow 'H' and the text 'ARMADA OMBENDU FPSO'. The ship is equipped with various antennas and satellite dishes. The background shows the deep blue sea and a white wake.

Bumi Armada Berhad

Financial Results Q4 2023



BUMIARMADA

Q4 2023 Health, Safety & Environment



Armada Sterling

10 years LTI free



Armada Sterling II

8 years LTI free



Karapan Armada Sterling III

6 years LTI free



Armada Olombendo

2 years LTI free



Armada TGT 1

12 years LTI free



FSU Armada LNG Mediterrana

6 years LTI free



Armada Kraken

1 year LTI free



Armada Constructor

6 years LTI free



Armada Installer

13 years LTI free

- Implemented HSE digitalization/online reporting for incident and audit management for Armada Olombendo, Karapan Armada Sterling III and FSU Armada LNG Mediterrana.

Q4 Corporate Social Responsibility

- A Turtle Awareness and Conservation Programme was conducted in collaboration with the Cherating Turtle Conservation and Information Centre, Pahang.
- The program was attended by the Director of Fisheries Pahang, Encik Abdullah bin Jaafar, staff from the Department of Fisheries Pahang, Dr Faiz, and students from the International Islamic University.
- Bumi Armada won two awards from The Edge: The Edge Billion Ringgit Club Corporate Awards 2023 and Silver Award at The Edge Malaysia ESG Awards 2023: Equity Awards.



Q4 2023 Key Operations Update

Armada Kraken

- Completed MPG-3 24,000 hours service
- Completed inspection and repairs in 2P/S OSPW tanks.
- Completed MPG-1 gas trial



Armada LNG Mediterrana

- FSU planned terminal shut down (16 – 18 Oct)
- Annual class certification (BV) and inspection.
- Underwater hull cleaning and chain clearing operations.



Armada Olombendo

- UF Membranes Change Out.
- Test Separator LP Mode Test Run.
- Mini shutdown (WI & Gas System).



Armada Sterling D1



Armada Sterling II (C7)

Armada Sterling V

- First oil on 7th January 2024



Armada TGT

- Annual shutdown (1 – 6 Oct).
- Extensive UTM vessel wide survey .
- Pump Room repairs



UK
Kraken Field

Malta
Marsaxlokk
Bay

INDIA
D1 Field
98-2 Field
C7 Field

VIETNAM
TGT Field

Indonesia
Madura BD Field



Karapan Armada Sterling III

- 4 yearly MIGAS certification renewal of cranes, rotating equipment, electrical equipment and pressure vessels.
- New hypochlorite injection unit installation and commissioning.

Q4 2023 Fleet Highlights

FPSOs and FSU

<i>FPSOs and FSU Average Uptime</i>	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Owned Units* (4)	98%	93%	98%	97%
JV Units* (3)	100%	100%	97%	100%

** Excludes 98/2 vessel*

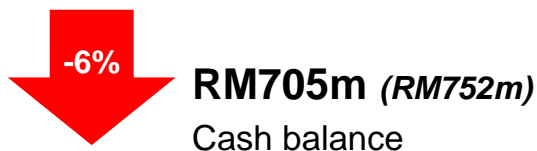
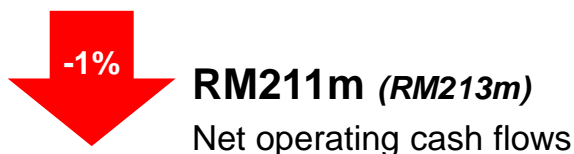
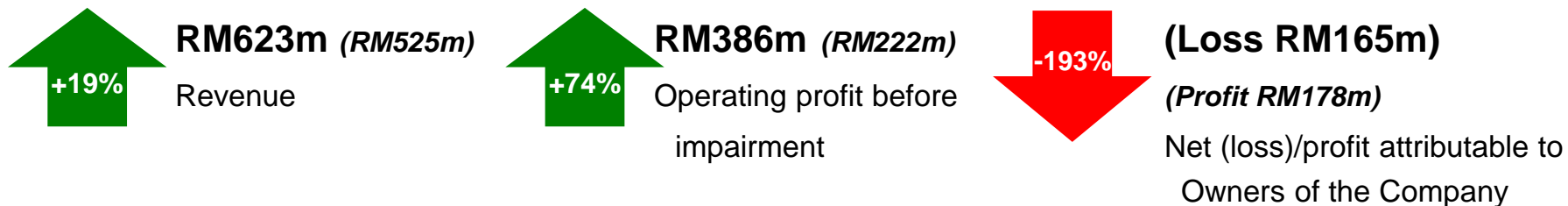
- Steady operational performance in Q4 2023, with Armada Kraken back to pre-transformer issues operations with full redundancy restored.
- Armada Sterling V First Oil achieved on 7 January 2024.

Q4 2023 Financial Performance



Q4 2023 Key Takeaways


Q4 2023 (versus Q3 2023)




- **RM514m** impairment of PPE in Q4 2023.
- Net current liabilities position of **RM1,417m**: refinancing discussions ongoing for Sukuk Murabahah (due in Sept 24).
- **USD57m** debt reduction in Q4 2023.
- Net assets per share of **RM0.94**.

Results Overview – Q4 2023 vs. Q3 2023

RM'm	Q3 2023	Q4 2023
Revenue	524.8	623.0
Operating expenses	(335.7)	(250.6)
Other operating income	33.4	13.9
Operating profit before impairment	222.5	386.3
(Impairment)/Reversal of impairment		
- Property, plant and equipment	-	(514.4)
- Others	0.5	36.4
Operating Profit/loss	223.0	(91.7)
Finance costs	(83.0)	(80.0)
Share of results of JVs and associates	25.1	(3.1)
Profit/(loss) before tax	165.1	(174.8)
Taxation	(0.3)	0.1
Profit/(loss) for the financial period:	164.8	(174.8)
Attributable to:		
Owners of the Company	177.8	(165.5)
Attributable to non-controlling interest	(13.0)	(9.3)
	164.8	(174.8)
Revenue:		
Operations	524.3	621.4
Others	0.5	1.5
	524.8	623.0
Segment results:		
Operations	305.8	480.3
Others	(32.8)	(22.8)
	273.0	457.5


Revenue  mainly due to operational performance of Armada Kraken fully restored in August 2023 and resolution of outstanding issues with a charterer which resulted in higher revenue.


Operating expenses  mainly due to reversal of accrued costs following the resolution of outstanding issues with a charterer and closure of the OSV division.

Other operating income  mainly due to gain on disposal of a joint venture in Q3 2023.

Impairment mainly relates to:

- Impairment of Armada Kraken FPSO and SC assets.
- Reversal of impairment of amount due from a joint venture.

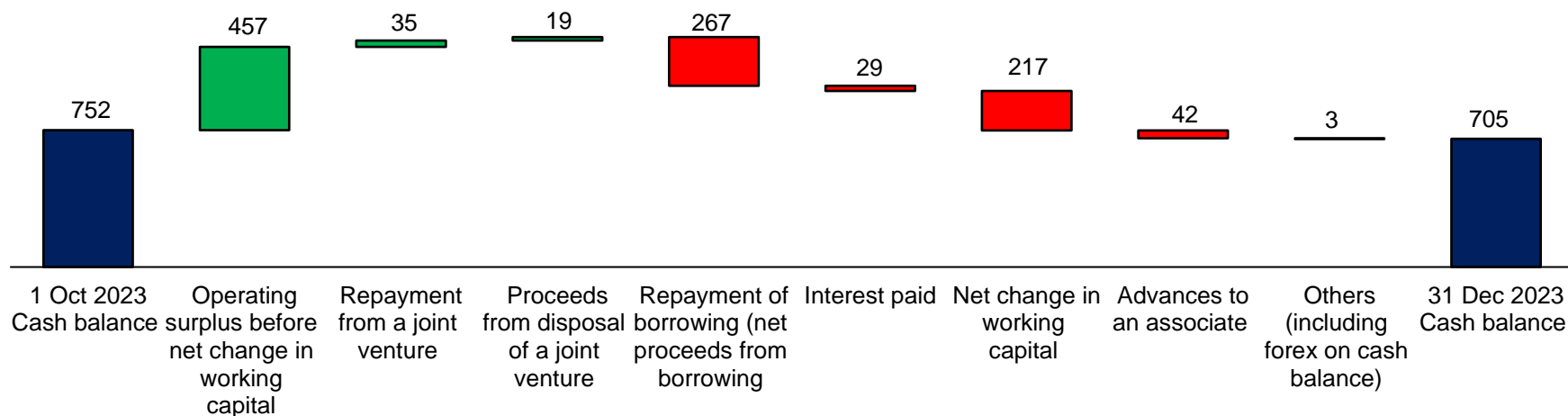
Share of results of JVs and associates  mainly due to losses recognised from an associate which incurred lay-up costs but has not commenced charter hire.

Segment results - Operations  mainly due to higher contribution from Armada Kraken and reversal of accrued costs following closure of the OSV division.

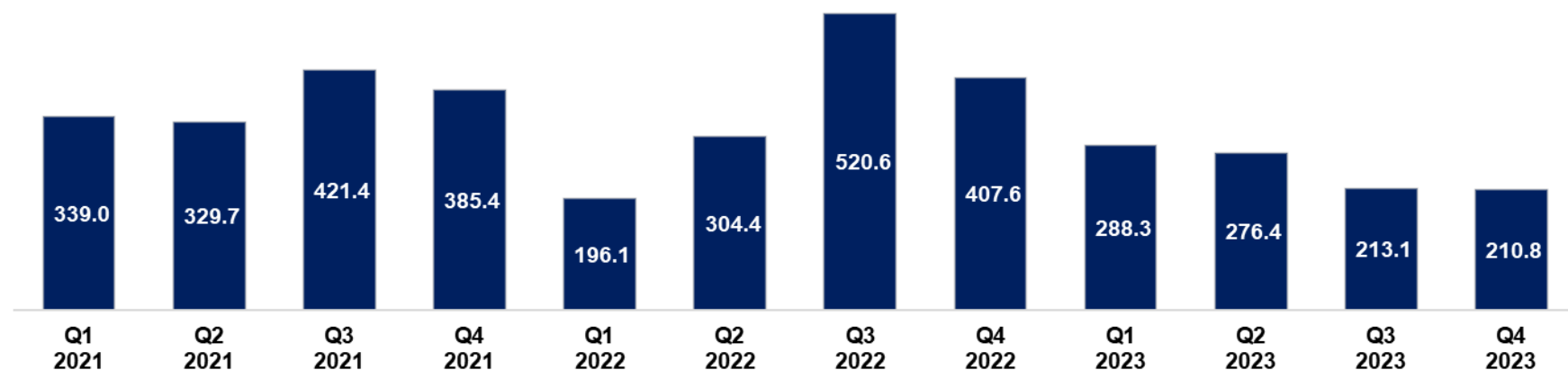
Cash Movement – Q4 2023

(All amounts shown are in RM'm)

Cash Balance - Q4 2023



Net Operating Cash Flow

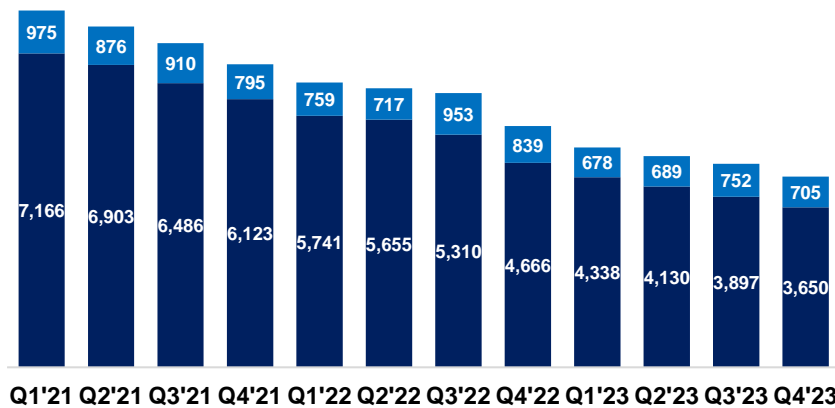


Leverage Reducing Over Time

(All amounts shown are in RM'm)

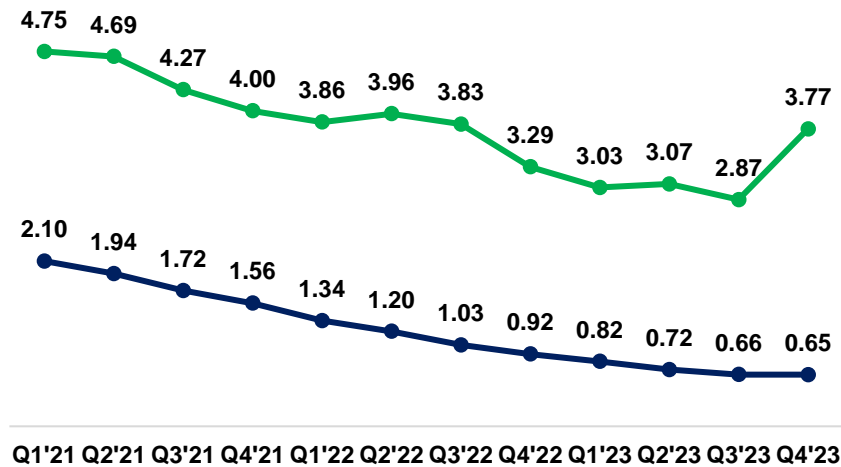
Debt

■ Net Debt ■ Cash



Gearing

— Net Debt to Equity — Net Debt to EBITDA



- Net debt repayment of USD57m in Q4 2023.

- Net debt to equity continues to moderate to 0.65x.
- Net debt to EBITDA increased due to impairment in Q4 2023.

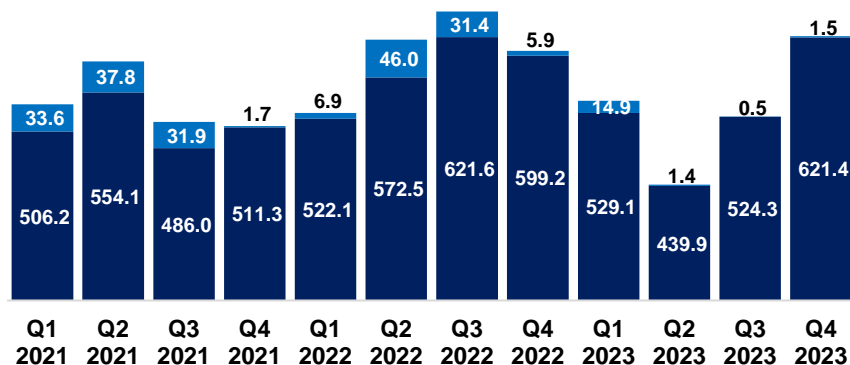
(1) EBITDA is calculated as Net Profit adding back Tax, Finance Cost, Depreciation and Amortisation
(Q4 2021 onwards: EBITDA from continuing operations only)

Financial Performance Over Time

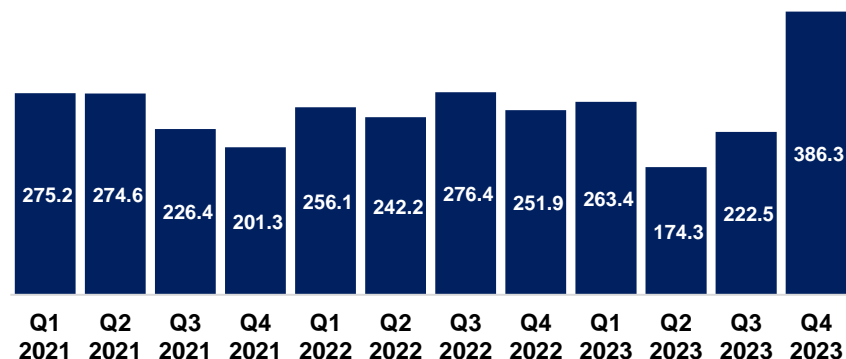
(All amounts shown are in RM'm)

Revenue

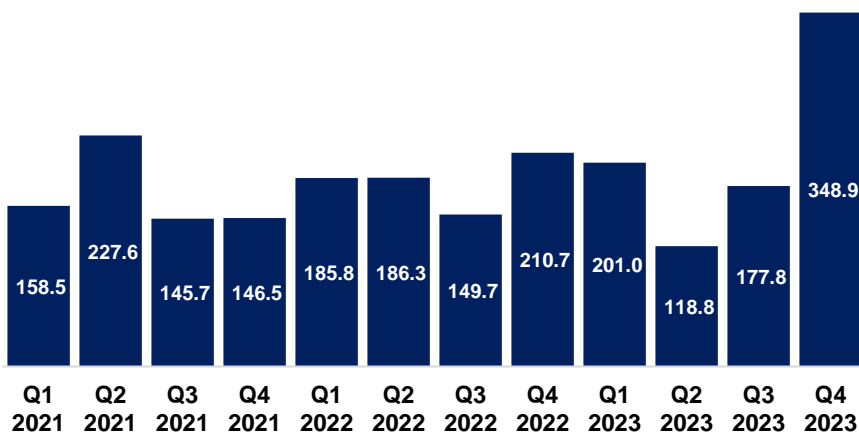
■ Operations ■ Others



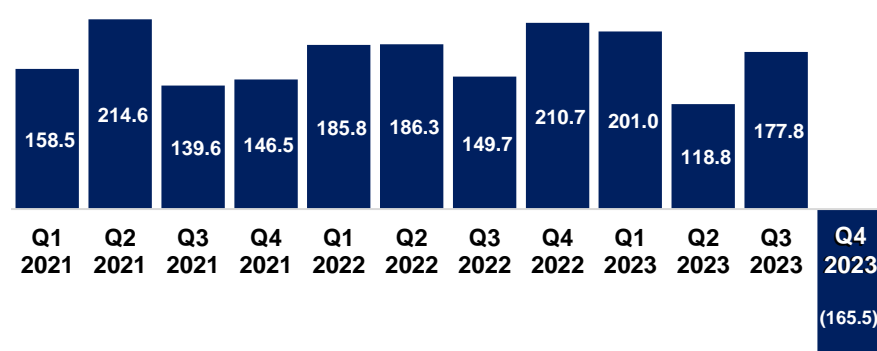
Operating Profit before Impairment ⁽²⁾



Net Profit ⁽¹⁾ before Impairment ⁽²⁾



Net Profit ⁽¹⁾

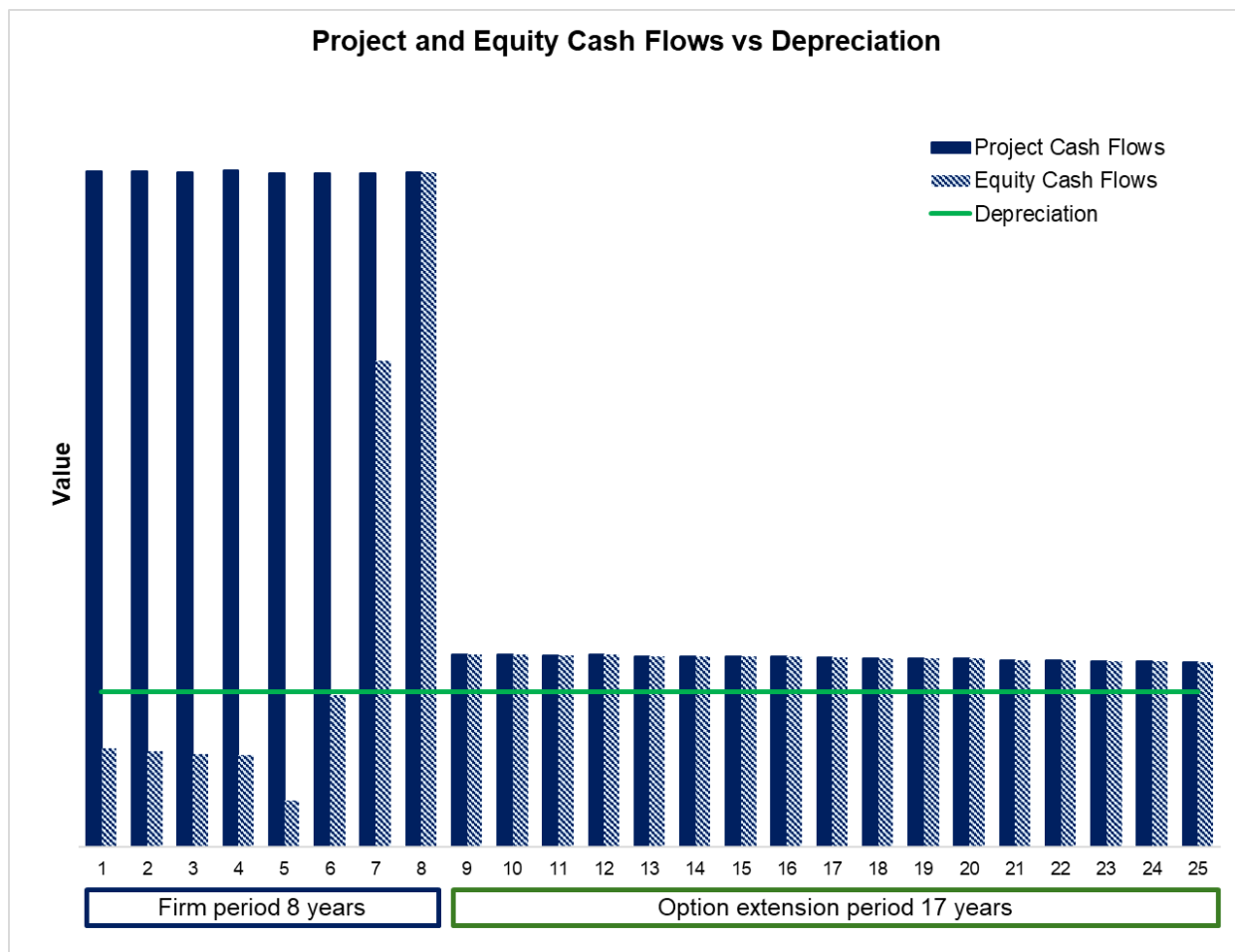


⁽¹⁾ Attributable to Owners of the Company

⁽²⁾ Impairment of vessels

⁽³⁾ All numbers are from continuing operations unless stated otherwise

Hypothetical - Typical FPSO Cash Flows vs Depreciation



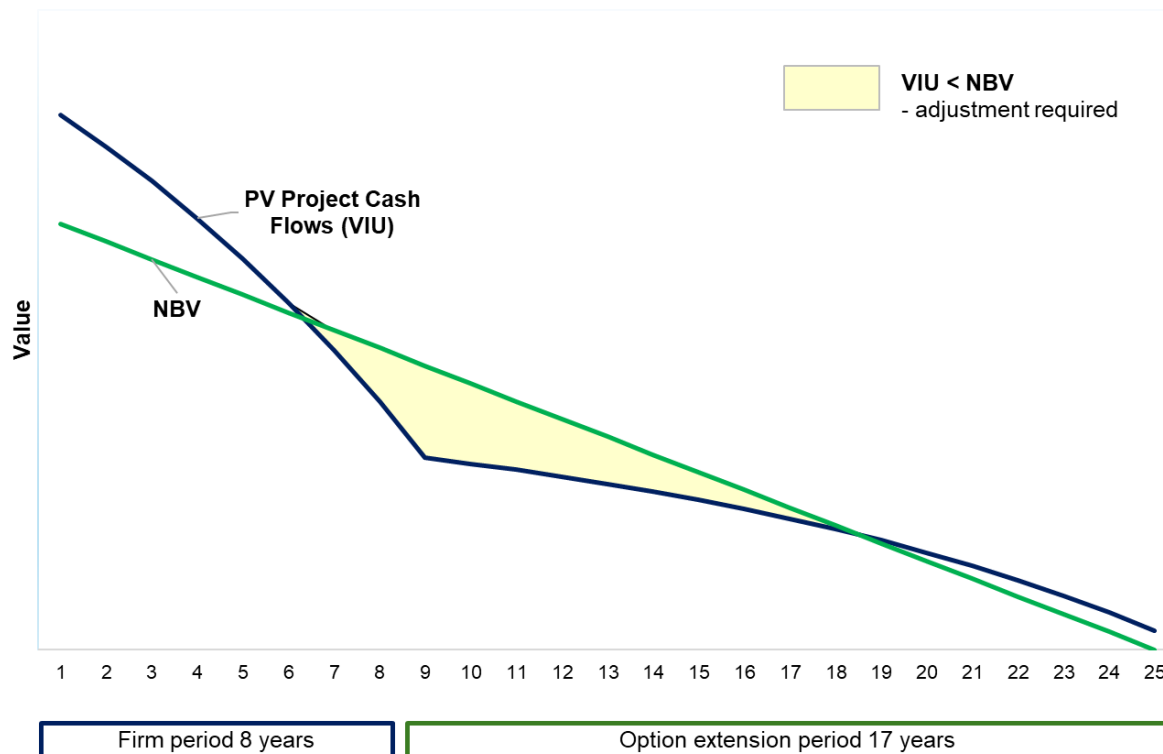
Note:

- Hypothetical example with trends consistent with Kraken. For illustrative purposes only.
- Equity cash flows = project cash flows less debt service

- Charter rate (option period) ~70% lower than firm period per charter agreement, consistent with industry practice.
- During the firm period, project finance loan would have been fully repaid. Note that Armada Kraken project finance loan was repaid in March 2023.
- Vessel cost is depreciated on a straight-line basis, in accordance with accounting policies.
- Commentary
 - During the firm period, equity cash flows spike after repayment of project finance loan.
 - Equity cash flows higher in option period than firm period after project finance loan has been fully repaid.

Hypothetical - Adjustment to FPSO Carrying Value

PV Project Cash Flows (VIU) vs NBV
Before Impairment



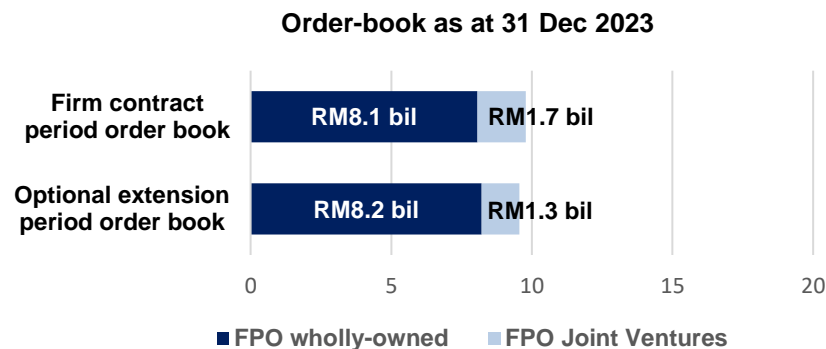
Note: Hypothetical example with trends consistent with Kraken. For illustrative purposes only.

- Adjustment required even though there has been no change to the contracted charter cash flows.
- Value-in-use (VIU) reduces significantly approaching end of firm period and becomes lower than NBV.
- VIU is sensitive to changes in discount rate. Discount rate used is 8.5%.
- Note that the failure of hydraulic submersible pump transformers in Q2 2023 (remediated in August 2023) does not affect VIU (future cash flows).

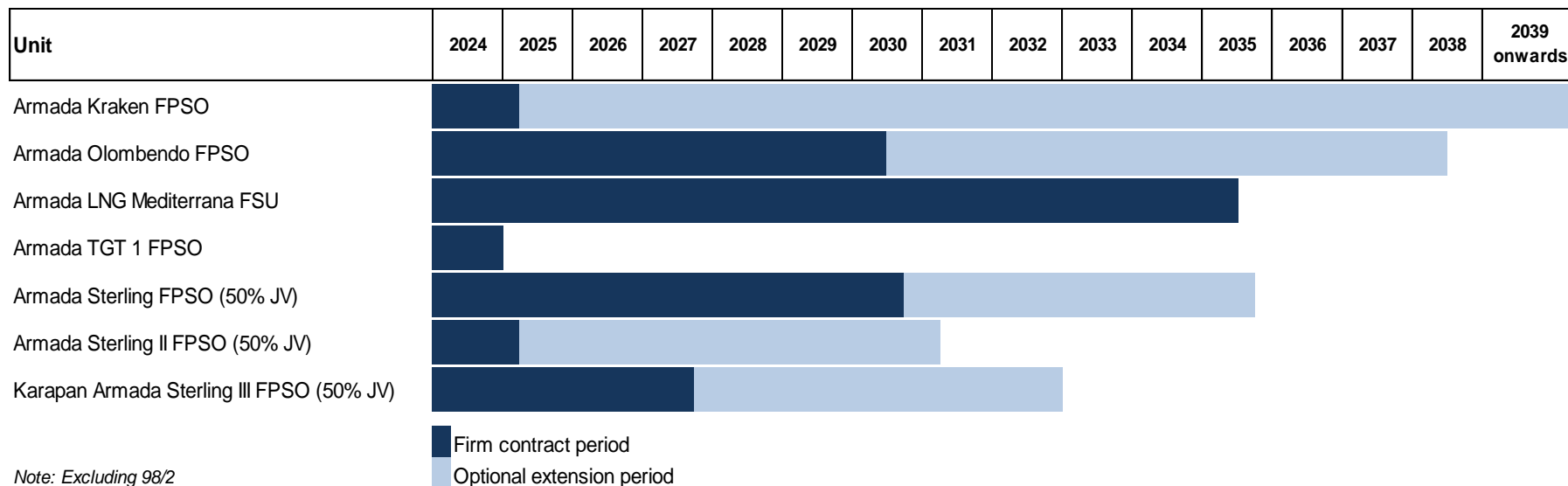
Order-Book as at 31 Dec 2023

➤ 84% order-book from wholly-owned FPO units

- Robust firm order book of **RM9.8b**
- Certain contracts contain extension options beyond firm contract period with a total potential value of **RM9.5b**



Charter Period of FPO Units



Note: Excluding 98/2

2024 Outlook

We are pursuing new opportunities in targeted markets. We will continue to focus on the following areas to improve the prospects of the organisation:

Safety

ESG

Growth

Relationships

Performance

Disclaimer



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Q & A



NET
ZERO
2050



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Thank You



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