
Corporate Presentation

December 2016



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Kim Heng is

An Established Integrated Offshore &
Marine Value Chain Services Provider

Presentation Outline



- + Company Overview
- + Financial Highlights
- + Future Plans

Company Overview

KIM HENG OFFSHORE & MARINE
CORPORATE PRESENTATION



Offshore Rig Services



Construction and fabrication works of sections or components of drilling rigs & drillships



Installation of offshore production modules and systems



Afloat repairs, maintenance and refurbishment of offshore rigs, platforms & vessels



Supply of offshore drilling and production equipment

Marine salvage & oil spill response

Can mobilize & deploy resources at short notification for any emergency responses 24/7. Services include:

- + Oil spill management services (IMO Tier 1 to IMO Tier 3 Certified)
- + Emergency Salvage Response
- + Cargo Recovery
- + Oil Spill Response & Pollution Control
- + Underwater Services, including Seabed Surveys
- + Wreck Removal, Slug Disposal & Tank Cleaning



Supply Chain Management

- + Provision of offshore supply vessels and heavy-lift equipment
- + Provision of logistics, general shipping and crew management



Vessel Sales & Newbuild

- + Purchase and refurbishment of vessels for onselling
- + Newbuilding of vessels



Construction of McDermott LB32 pipelay barge



Retrofitting of Jascon 25 pipelay barge



Construction of APC Aussie 1 pipelay barge

Heavy Lift Equipment

- + Provision of heavy equipment both for sale and rent
- + Import and export of heavy equipment
- + These include crawler cranes, lorry cranes and mobile cranes



Experienced Management Team



Mr. Thomas Tan

Executive Chairman
and CEO

Responsible for overall operations, sales and marketing activities, customer service, securing new projects and negotiating contracts for the Group. Has more than 35 years of experience in the offshore oil & gas industry



Ms. Yeo Seh Hong

Executive Director and
COO

Responsible for overall operations, sales and marketing of products and services, product development and review, tenders and proposals and overseeing of the Group's activities to ensure compliance with safety requirements and ISO standards. Has more than 25 years of experience in the offshore oil & gas industry



Mr. Michael Law

CFO

Oversees the finance and accounting function of our Group, which includes the review and evaluation of the Group's business performance, cash flow management, and budgeting



Mr. Tan Keng Hoe
Melvin

General Manager Supply
Chain Management

Responsible for supervising and managing of materials & logistics of the Group. Has more than 26 years of experience in the offshore oil & gas industry



Mr. Heng Aik Soon

General Manager for Yard

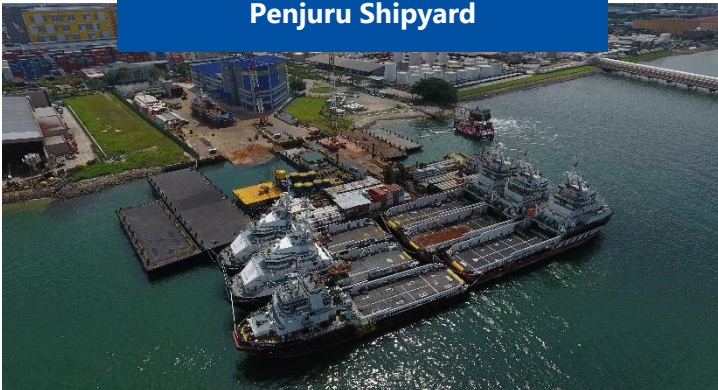
Oversees the Group's offshore support services, vessel construction and yard management. Has more than 17 years of experience under his belt in the field of marine engineering, specialising in shipbuilding and vessel repair

Supporting Infrastructure

Our Yards

- + With a combined waterfront of 205 metres, our shipyards at 9 Pandan Crescent and 48 Penjuru Road enable us to carry out afloat repairs, fabrication, newbuild, painting and blasting works
- + Yards and fabrication workshops are well-equipped with crawler, gantry and overhead travelling cranes, forklifts, prime movers, CNC cutting, welding and drilling machines

Penjuru Shipyard



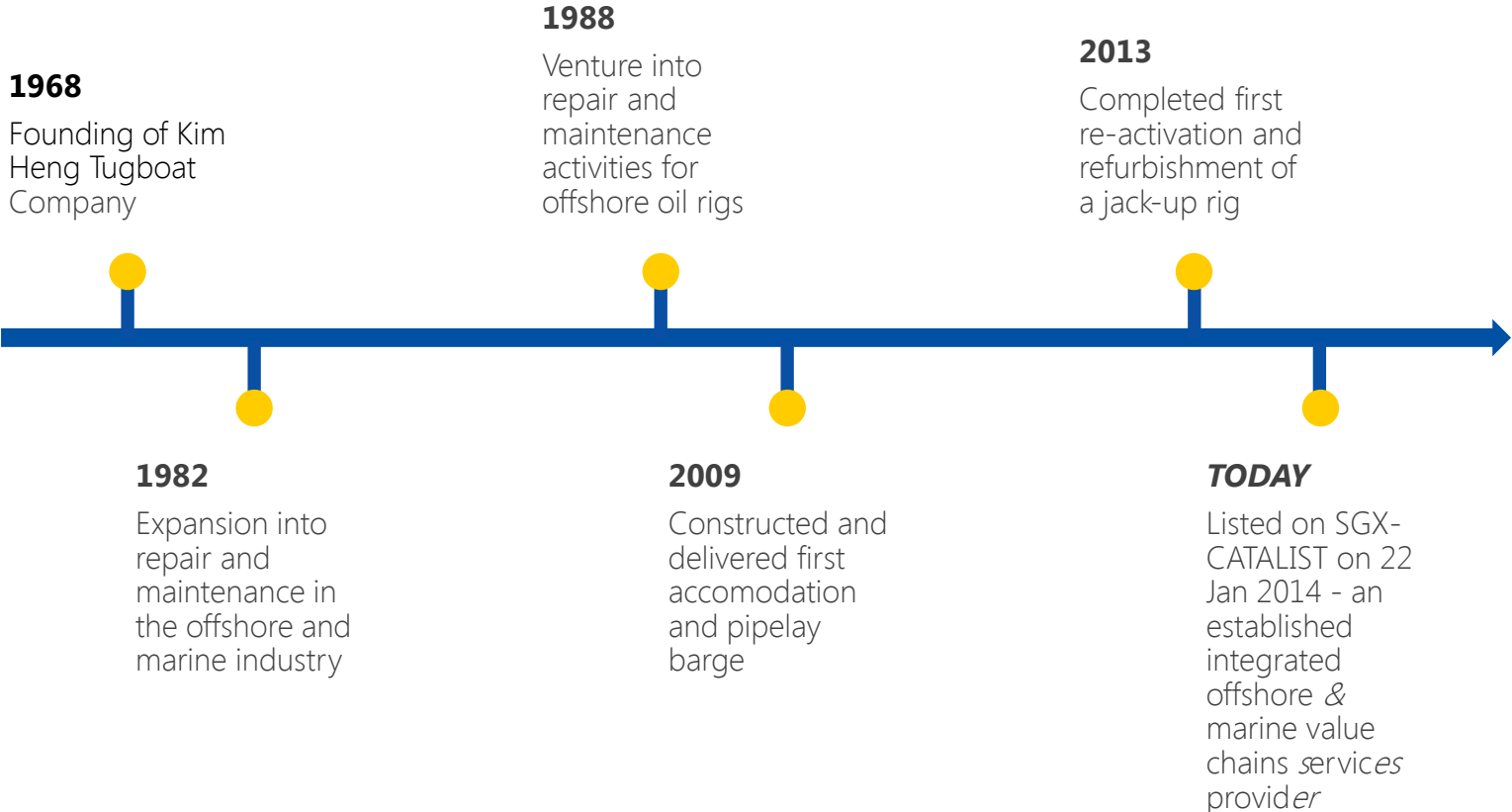
Land Area: **19,512m²** Waterfront: **68m**

Pandan Shipyard



Land Area: **34,125m²** Waterfront: **137m**

Corporate Milestones



A Worldwide Customer Base

- + Kim Heng currently caters to world renowned customers from over 25 countries in the regions of Southeast Asia, USA, Latin America, Australasia, Middle East and Europe.

Our prominent customers include:



Transocean Ltd



Seadrill Limited



Noble Corporation



McDermott International, Inc



Saipem S.p.A

Financial Highlights

KIM HENG OFFSHORE & MARINE
CORPORATE PRESENTATION



Financials

Profit and Loss

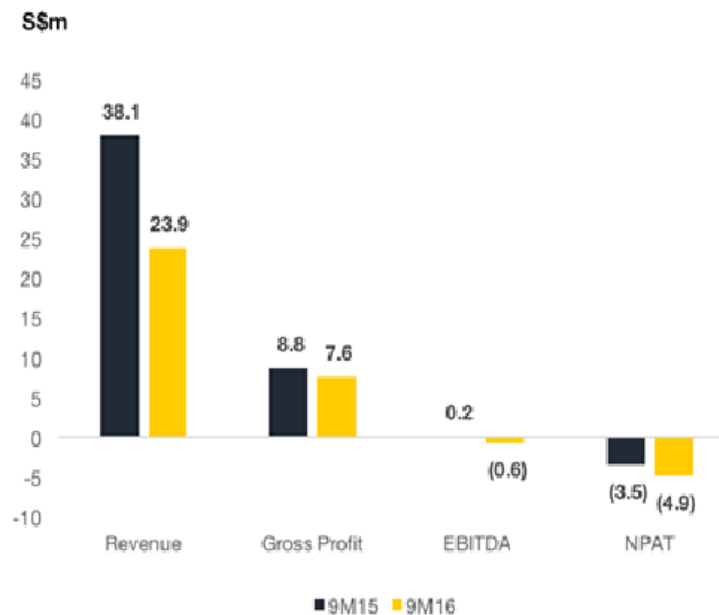
S\$'000	FY2011	FY2012	FY2013	FY2014	FY2015
Revenue	69,388	86,728	84,813	77,978	51,757
Gross Profit	31,860	37,177	36,454	26,964	13,550
Gross Profit Margin (%)	45.9%	42.9%	43.0%	34.6%	26.2%
Profit/(Loss) before taxation	20,913	21,102	20,346	5,814	(4,722)
Profit/(Loss) for the year	18,528	17,285	17,093	5,617	(4,934)
Net Profit Margin (%)	26.7%	19.9%	20.2%	7.2%	-9.5%
EPS (cents)	3.4	3.1	3.1	0.8*	(0.7)*

*Computed based on post-IPO share capital of 710,000,000 shares (pre-IPO share capital: 550,000,000 shares)

Financials

9M16 vs. 9M15

S\$'000	9M15	9M16
Revenue	38,099	23,897
Gross Profit	8,768	7,630
Gross Profit Margin (%)	23.0%	31.9%
Loss before taxation	(3,460)	(4,860)
Loss for the period	(3,460)	(4,874)
EBITDA	165	(615)
EPS (cents)*	(0.5)	(0.7)



*Computed based on post-IPO share capital of 710,000,000 shares (pre-IPO share capital: 550,000,000 shares)

Financials

Balance Sheet

S\$'000	As at 31 December 2015	As at 30 September 2016
Current assets	49,092	36,992
Non-current assets	84,050	90,032
Current liabilities	21,201	19,975
Non-current liabilities	22,128	24,306
Total equity	89,813	82,743
NAV per share (cents)*	12.6	11.7
Net Gearing Ratio	Net Cash	0.04x
Current Ratio	2.32x	1.85x
Quick Ratio	2.28x	1.74x

*Computed based on post-IPO share capital of 710,000,000 shares (pre-IPO share capital: 550,000,000 shares)

Potential Future Opportunities

KIM HENG OFFSHORE & MARINE
CORPORATE PRESENTATION



Potential Future Opportunities

Enhancement of yard facilities and expansion of fleet. Future plans may include:

- + New fabrication and engineering workshop
- + Construction of quayside jetty
- + Wharf improvements
- + Expansion of subsea equipment and maintenance services

Productivity improvements:

- + Leaner corporate structure
- + Better human resource management

Expansion and diversification of our offerings in the offshore O&G industry:

- + Exploring potential M&As, JVs and/or strategic alliances

Investment Merits

- + **Established brand name.** Kim Heng has a track record of over 40 years in the offshore & marine space.
- + **Key institutional investors.** Lead investor was Credence Capital Fund II and pre-IPO investor was Zana Asia Fund.
- + **Strategic waterfront yard facilities.** This is complemented by wide range of vessels and equipment.
- + **One-stop solutions provider.** This is primarily to rig and offshore platform owners in the offshore oil & gas and marine value chain.
- + **Engagement with leading global blue-chips.** Customers include Transocean Ltd, Seadrill Limited, Noble Corporation, McDermott International, Inc. and Saipem S.p.A.
- + **Experienced management team.** Team possesses long-standing business relationships with customers & suppliers.
- + **Engineering capabilities.** Coupled with technically skilled workforce.
- + **Healthy balance sheet with minimal leverage.** Management has also shown prudent cost management during the industry downturn.



Thank You!