



Set to Sail...

CARIMIN PETROLEUM BERHAD (908888-K)

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IPO Price
RM1.10 per share

Business Overview

Carimin, established in 1989, is an integrated service provider supporting the offshore oil and gas (O&G) industry in Malaysia. The Group is predominantly involved in the provision of hook up and commission (HUC), production platform system maintenance and upgrading services (PMUS), inspection and manpower supply services. Supporting activities include equipment rental and minor fabrication services.

Carimin supports O&G PSC operators and contractors, engineering and fabrication companies, and supporting services providers. The Group has delivered more than RM1 billion worth of project and services.

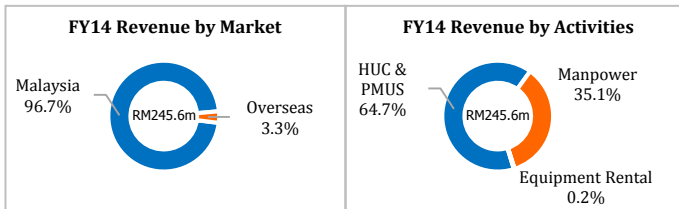
Notable clients include:



Principal Activities

- Offshore HUC & PMUS**
 - Involved in interfacing structures, testing and commissioning of all installed facilities to ensure offshore platform is ready for production
- Manpower Supply Services**
 - Supplies personnel in project development, exploration & engineering, and production/operations (including inspection services personnel to clients)
- Minor Fabrication Services**
 - Operates from its Telok Kalong yard, Terengganu, mainly to support in-house HUC & PMUS operations
- Equipment Rental Services**
 - Provides equipment rental services to support internal operations and to external customers
- Marine Services**
 - Owns Carimin Airis, an Anchor Handling Tug Supply (AHTS) vessel and co-owns SK Deep Sea, an accommodation workboat (AWB), in support of internal HUC & PMUS projects

Revenue Segmentation



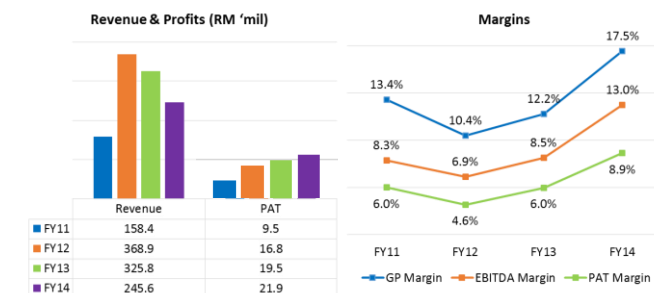
Outstanding Work Value

#	Project Description	Client	Duration	Work Value (RM mil)
HUC & PMUS				
1	Peninsular Malaysia HUC Contract	Petronas Carigali	2013 – 2018	800.0
Manpower Supply Services				
2	Drilling Program	Newfield	2013 – 2015	38.0
3	Other manpower supply contracts	Various PSC	Varied	62.8
Total outstanding work value				900.8

Competitive Advantages & Key Strengths

- Access to Skilled Human Resources**
 - Has up-to-date information on about 1,000 experienced personnel in proprietary database
- PETRONAS Licences**
 - Licensed to supply equipment and services to exploration companies and O&G producers
- Ownership of a Vessel & Investment in a Vessel Owner**
 - Control of vessels enhances the Group's ability to complete works within schedule and in better position to bid for new contracts
- In-house Minor Fabrication Facilities**
 - The minor fabrication yard in Kemaman, Terengganu functions as a "one-stop" centre for maintenance, repairs and support services to support HUC & PMUS projects
- Track Record**
 - Has strong track record of successfully developing and expanding business capabilities since inception in 1989
- Long-term Contracts**
 - Carimin's ability to continuously secure contracts with terms of more than 3 years provides assurance of business sustainability and enables long-term business planning
- In-house Quality Assurance**
 - Carimin is ISO 9001:2008 accredited for HUC & PMUS and manpower supply services in 2011 and received several awards and recognitions in relation to safe operations from its customers

Financial Performance



Profit or Loss Statement (RM' mil)	FY13	FY14	% change
Revenue	325.8	245.6	-24.6%
Gross Profit	39.8	43.1	8.2%
PBT	26.1	30.7	17.5%
PAT	19.5	21.9	12.4%
Net EPS (sen)	11.26	12.64	12.3%
Margins (%)	FY13	FY14	pt change
Gross Profit Margin	12.2%	17.5%	5.3 pt
PBT Margin	8.0%	12.5%	4.5 pt
PAT Margin	6.0%	8.9%	2.9 pt
Key Ratio (times)	FY13	FY14	
Current Ratio	2.27x	2.31x	
Net Gearing Ratio	Net cash	0.08x	
Interest Coverage	38.63x	19.51x	

Financial Year Ended 30 June

IPO Statistics

Issue and Offer Shares	No. of Shares	RM	% ¹
60,700,000 Issue Shares for subscription by:			
- Malaysian Public via balloting	11,694,000	12,863,400	5.00%
- Identified Investors via private placement	46,006,000	50,606,600	19.67%
- Eligible Directors and employees	3,000,000	3,300,000	1.28%
Total number of Issue Shares and Proceeds	60,700,000	66,770,000	25.95%
5,890,000 Offer Shares for subscription by:			
- Identified Investors via private placement	5,890,000	6,479,000	2.52%
Change in Share Capital after Listing	No. of Shares	RM	% ¹
Existing Share Capital prior to listing	173,178,000	86,589,000	74.05%
Issue Shares	60,700,000	30,350,000	25.95%
Enlarged Share Capital	233,878,000	116,939,000	100.0%

¹ based on enlarged number of shares after listing

Utilisation of Proceeds

Total IPO proceeds: **RM66.8 mil**

	RM' mil
35.3	12.0
8.0	8.0
3.5	

■ Purchase New Vessel ■ Develop Minor Fabrication Yard ■ Repay Bank Borrowings ■ Working Capital ■ Listing Expenses

Growth Strategies

- Deliver current outstanding work value efficiently**
 - Secured a HUC & PMUS contract with estimated total value of RM899 mil from Petronas Carigali in November 2013
 - Works commenced in 2014 and RM92.4 mil worth of work orders has been rolled out
 - To implement the remaining RM800 mil worth of work orders until 2018
- Invest in new asset**
 - To purchase an AWB (*Carimin Acacia*) which is scheduled for delivery in 2015
 - New vessel to support in-house HUC & PMUS operations as well as provide vessel chartering services to external customers during period of low utilisation
- Enhance capability and equipment**
 - To develop its minor fabrication yard in by constructing new facilities
 - To purchase new equipment to equip the yard and to expand equipment rental services
- Develop new revenue stream**
 - Carimin owns an AHTS vessel (*Carimin Airis*) and co-own an AWB (*SK Deep Sea*)
 - With the addition of new vessel, Carimin intends to provide marine services to external customer to external customers by 2015

Valuation & Investment Merits

Market Capitalisation at IPO	RM257.3 mil
PE (FY14)	11.8x
P/NTA	1.5x

- Positive policies promoting growth of the industry
- Excellent track record and long-term relationships with many oil majors
- Outstanding work value amounted to RM900.8 mil lasting 5 years until 2018
- Business expansion to acquire new vessel and start marine services by 2015
- Undemanding valuation at historical PE of 11.8x compared to its peers in Malaysia