

### Asian Oilfield Services announce robust Q3FY20 Results

**Revenue up by 73.6% y-o-y at Rs. 86.4 Crore; EBITDA up by 112.8% y-o-y at Rs. 26.6 Crore**

**Net Profit up by 276.3% y-o-y at Rs. 14.0 Crore; Orderbook backlog at Rs. 997 Crore**

**Mumbai, February 14, 2020:** Asian Oilfield Services Limited (“Company”), specializing in servicing the upstream value chain from seismic data acquisition, analysing the data, turnkey drilling, building oil and gas production facility and undertaking O&M of production facility, announced its Un-audited financial results for the quarter and nine months ended December 31, 2019.

#### Key Consolidated Financial Highlights are as follows:

Particulars (Rs. Crore)	Q3FY20	Q3FY19	y-o-y	Q2FY20	q-o-q
Revenue from Operations	86.4	49.8	73.6%	55.5	55.7%
EBITDA	26.6	12.5	112.8%	12.5	112.4%
EBITDA Margin (%)	30.8%	25.2%		22.6%	
PAT	14.0	3.7	276.3%	6.3	122.6%
PAT Margin (%)	16.2%	7.5%		11.3%	
Cash PAT	18.9	9.0	110.4%	11.2	69.0%
Cash PAT Margin (%)	21.9%	18.0%		20.1%	

#### Consolidated Performance highlights for Q3FY20

**Revenue from Operations** for Q3FY20 grew by 73.6% to Rs. 86.4 crore as compared to Rs. 49.8 crore in Q3FY19 on account of robust execution of projects.

**EBITDA** for Q3FY20 was Rs. 26.6 crore as compared to Rs. 12.5 crore in Q3FY19, posting a growth of 112.8%. **EBITDA margin** for Q3FY20 was at 30.8%. The improvement in EBITDA margins was on account of better operating performance.

**PAT** for Q3FY20 was Rs. 14.0 crore, up by 276.3%, as compared to Rs. 3.7 crore in Q3FY19. Diluted EPS for Q3FY20 stood at Rs. 3.67 per equity share.

During the quarter, the company received an **order worth Rs. 570 crore (excluding GST)** from a reputed Indian Oil & Gas Company for **acquisition of 2D and 3D seismic data** of oil blocks located in Rajasthan and Gujarat. The project is to be **executed within two years**.

The **total outstanding order book** as on 31<sup>st</sup> December 2019 is Rs. ~997 crore, of which order for construction of oil and gas facility constitutes 21%, seismic constitutes 58% and O&M constitutes 21%. International orders constitute 21% and Domestic orders constitute 79%.

From the order book, we have **excluded the order worth USD 37 million (about Rs. 259 crore)** which we had received in Q1FY20 for 2D and 3D COP Seismic Acquisition in Republic of Iraq, as the **project is likely to get deferred** due to the ongoing geo-political situation.

**Free Cash and bank balance (net of outstanding debt)** is ~Rs. 52 crore as on 31<sup>st</sup> December 2019. **Consolidated Net Worth** as on 31<sup>st</sup> December 2019 is ~Rs. 163 crore.

#### **Updates on quarterly performance:**

- Ongoing execution of the **Langley turnaround maintenance project, Nigeria** is **progressing very well** and running at a healthy pace. The project is likely to be completed in next fiscal year
- Field activity and seismic data acquisition of **Arunachal Pradesh seismic project** of Oil India Limited was completed in January 2020. The **final report submission** is under process
- **Himalayan seismic project** of ONGC is on track and is expected to be **completed by end of February 2020**
- One of our customers has **encashed performance bank guarantee (PBG) of Rs. 12.25 crore** provided for Manipur seismic project which was under force majeure since 2017. The management believes that the encashment of PBG is against the contractual terms. Hence, the **matter has been referred for arbitration**
- **Mobilization** for the **recently awarded project** for acquisition of **seismic data** of oil blocks located in **Rajasthan and Gujarat** is **under progress and as per schedule**

**On the performance Mr. Ashutosh Kumar, Whole-time Director & CEO, commented,** “We are pleased with what our team has delivered in Q3FY20 despite several challenges and we are confident that our performance will gain further momentum in Q4FY20 and FY21. We also expect to sustain the operating margins going ahead.

Prospects for oil services companies are bright, as more opportunities are likely to come our way due to increased outsourcing of work by Oil & Gas Exploration Companies, as it results in cost savings for them.

Indian Government is looking to aggressively increase the area of oil exploration in India to reduce the dependence on oil imports. 11 blocks were recently offered for bidding on

revamped fiscal terms in the fifth round of Open Acreage Licensing Policy (OALP). The total area on offer is about 19,800 square kilometres. We expect to get a good traction of seismic business from this OLAP round once the bids are awarded as well as from the bids that were awarded from the fourth round of OALP.

We envisage to add more orders going forward with an aim to diversify our revenue streams proportionately across all the three verticals in which we operate. Diversifying into building oil & gas production facilities and providing O&M services to production facilities will go a long way to de-risk our company from seasonality that is intrinsic with the operations in the seismic business.

Over next one year, our focus is to deliver seismic projects and complete Langley turnaround maintenance project, Nigeria. We are quite confident for our performance in coming quarters on the back of strong order book and robust order pipeline.”

#### **About Asian Oilfield Services Limited (Asian)**

Asian Oilfield Services Limited (Asian), incorporated in 1992, specializes in a geophysical range of onshore seismic and drilling services, including acquisition, imaging and field evaluation. It offers two-dimensional (2D) and three-dimensional (3D) seismic data acquisition services. It also provides Operations and Maintenance (O&M) services for offshore production assets like Floating Production Unit (FPU), Mobile Offshore Production Unit (MOPU), Floating Production Storage and Offloading (FPSO), Floating Storage and Offloading (FSO). The Company has the experience of working in various terrains and adverse geo-political environments.

Asian was taken over by its new promoters, Oilmax Energy Private Ltd. (Oilmax), in 2016, in a bid for operational turnaround. Oilmax, the promoter company, is an integrated oil and gas company, with a balanced portfolio spreading from exploration, production, engineering procurement and construction (EPC), operation and maintenance of gas business. Acquisition by Oilmax, brought in 20 years of experience and expertise on board. The new management team are industry veterans, having a successful track record of delivering value in projects.

For more information, please visit [www.asianoilfield.com](http://www.asianoilfield.com)

## **Safe Harbor Statement**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For more information, please contact:

<b>Company</b>	<b>Investor Relations Advisors</b>
<b>Asian Oilfield Services Limited</b> CIN No: L23200MH1992PLC318353  Mr. Sumit Maheshwari, CFO Email id: <a href="mailto:sumit.maheshwari@asianoilfield.com">sumit.maheshwari@asianoilfield.com</a>	<b>Strategic Growth Advisors Pvt Ltd</b> CIN No: U74140MH2010PTC204285  Mr. Pratik Shah / Mr. Parin Narichania Email id: <a href="mailto:pratik.shah@sgapl.net">pratik.shah@sgapl.net</a> / <a href="mailto:parin.n@sgapl.net">parin.n@sgapl.net</a> Tel No: +91 97692 60769 / +91 99300 25733