

# 14<sup>th</sup> ANNUAL GENERAL MEETING

**30 May 2024, Thursday**

Empowering Growth and Excellence



# DISCLAIMER

This material does not constitute and is not an offer to sell or the solicitation of an offer to buy securities of any company referred to in this presentation in the United States or elsewhere. The Company has not registered and do not intend to register any securities under the US Securities Act of 1933, as amended (the "Securities Act"), and any securities may not be offered or sold in the United States absent registration under the Securities Act or an exemption from registration under the Securities Act.

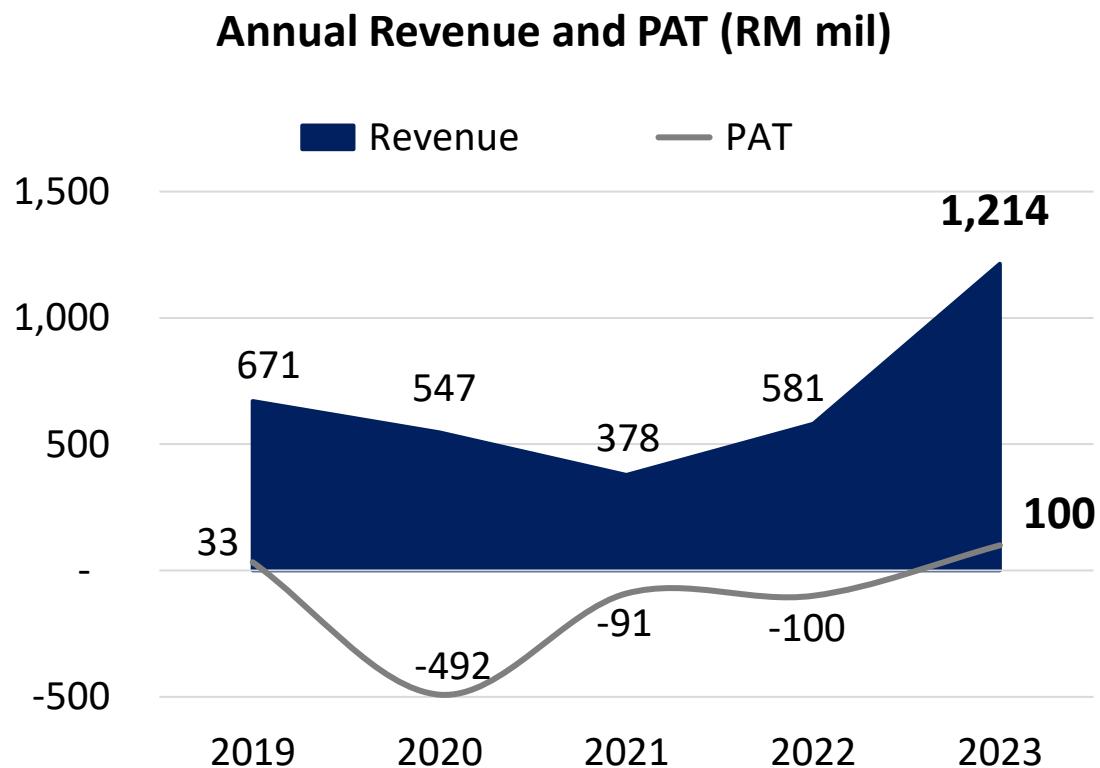
This material may contain forward-looking statements by the Company that reflect management's current expectations, beliefs, intentions or strategies regarding the future and assumptions in light of currently available information. These statements are based on various assumptions and made subject to a number of risks, uncertainties and contingencies. Actual results, performance or achievements may differ materially and significantly from those discussed in the forward-looking statements. Such statements are not and should not be construed as a representation, warranty or undertaking as to the future performance or achievements of the Company and the Company assumes no obligation or responsibility to update any such statements.

No representation or warranty (either express or implied) is given by or on behalf of the Company or its related corporations (including without limitation, their respective shareholders, directors, officers, employees, agents, partners, associates and advisers) (collectively, the "Parties") as to the quality, accuracy, reliability or completeness of the information contained in this presentation (collectively, the "Information"), or that reasonable care has been taken in compiling or preparing the Information. None of the Parties shall be liable or responsible for any budget, forecast or forward-looking statements or other projections of any nature or any opinion which may have been expressed or otherwise contained or referred to in the Information.

The Information is and shall remain the exclusive property of the Company and nothing herein shall give, or shall be construed as giving, to any recipient(s) or party any right, title, ownership, interest, license or any other right whatsoever in or to the Information herein. The recipient(s) acknowledges and agrees that this presentation and the Information are confidential and shall be held in complete confidence by the recipient(s). This presentation is for the purposes of information only and no part of this presentation is intended to be or shall be construed as an offer, recommendation or invitation to subscribe for or purchase, or otherwise making available, any securities in the Company.

# EXECUTIVE SUMMARY

- **Turnaround and Growth**  
Financial Performance
  - **Revenue RM1.2 bil (+109%)** – Highest revenue ever
  - **PAT RM100 mil** from LAT of RM100 mil - highest since 2014
- **Share price increased** to 29.5 sen on 23 May 2024 from 15 sen in Jan 2023 (**+97%**)
- **Dividend** payment of **0.25 sen per share**, first since 2014



# KEY FACTS

**PNB**

**BURSA  
MALAYSIA**



**\*52%  
equity**  
One of PNB's  
strategic  
investment  
companies

**2013**  
Listed on the  
Main Board

**RM2.3 bil**  
Market  
capitalisation  
as at 29 May 2024

## Strong assets based



- 6** Jack-up Drilling Rigs
- 2** Hydraulic Workover Units
- Largest owner and operator** of jack-up drilling rigs from Southeast Asia
- First Malaysian owner and operator** of HWUs since 2001

## Regional presence



- Experience in Southeast Asia** (Indonesia, Vietnam and Thailand)
- Solid track record** with PETRONAS, SHELL, HESS and other international clients

# KEY ACHIEVEMENTS IN 2023

## Empowering Growth and Excellence

### Maximising Assets

- Utilisation: **83%**
- Average DCR: **USD94k**

### Operational Excellence

- Operating Efficiency **97%**

### Technology Adoption

- **Installed NOVOS** (Autonomous Drilling) and Starlink

### HSE Performance

- **Zero** LTI
- **Zero** Major Spills
- Multiple client awards

### Cultural Development

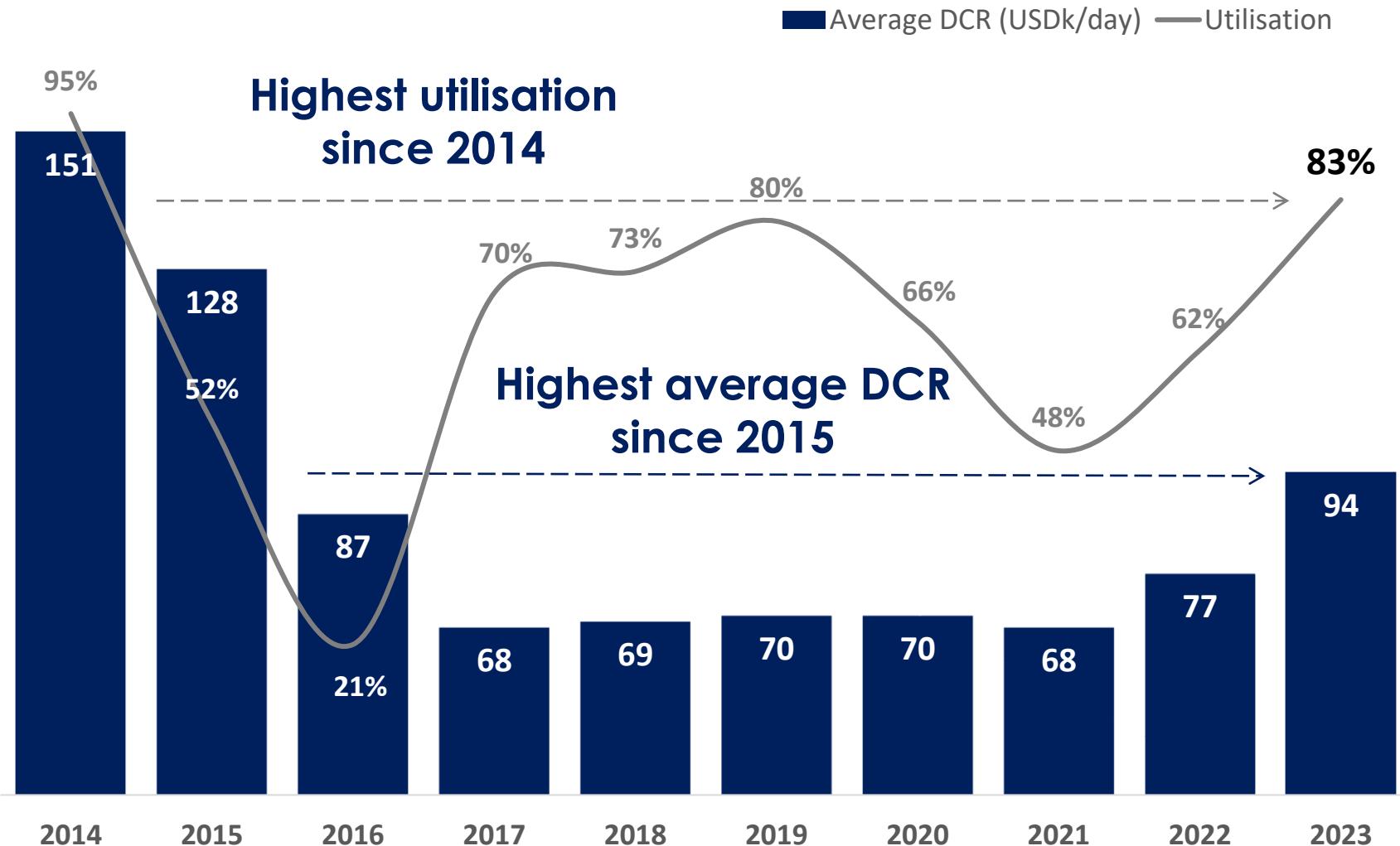
- **iLEAP** Core Values
- **Performance Driven, Operations Focused**

### Sustainability

- **Top-quartile** of FTSE4GOOD Bursa Malaysia index

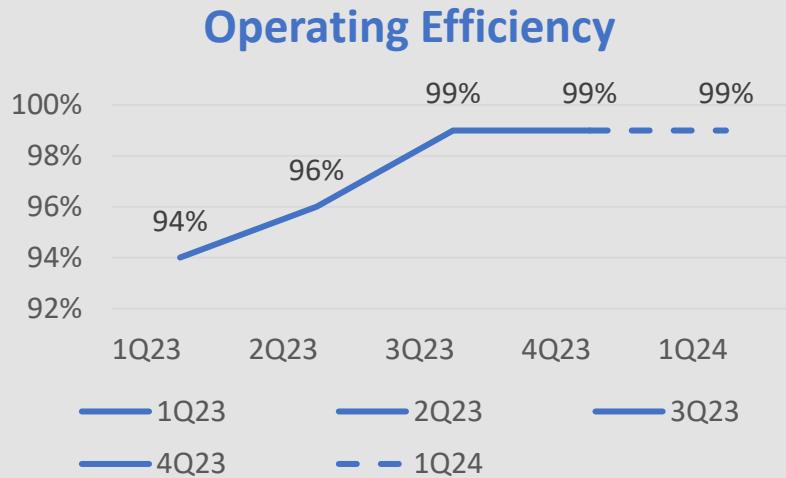
We are achieving our mission to provide quality services to the oil and gas industry and surpassing international standards

# RIG UTILISATION AND AVERAGE DAILY CHARTER RATE



# OPERATIONAL HIGHLIGHTS

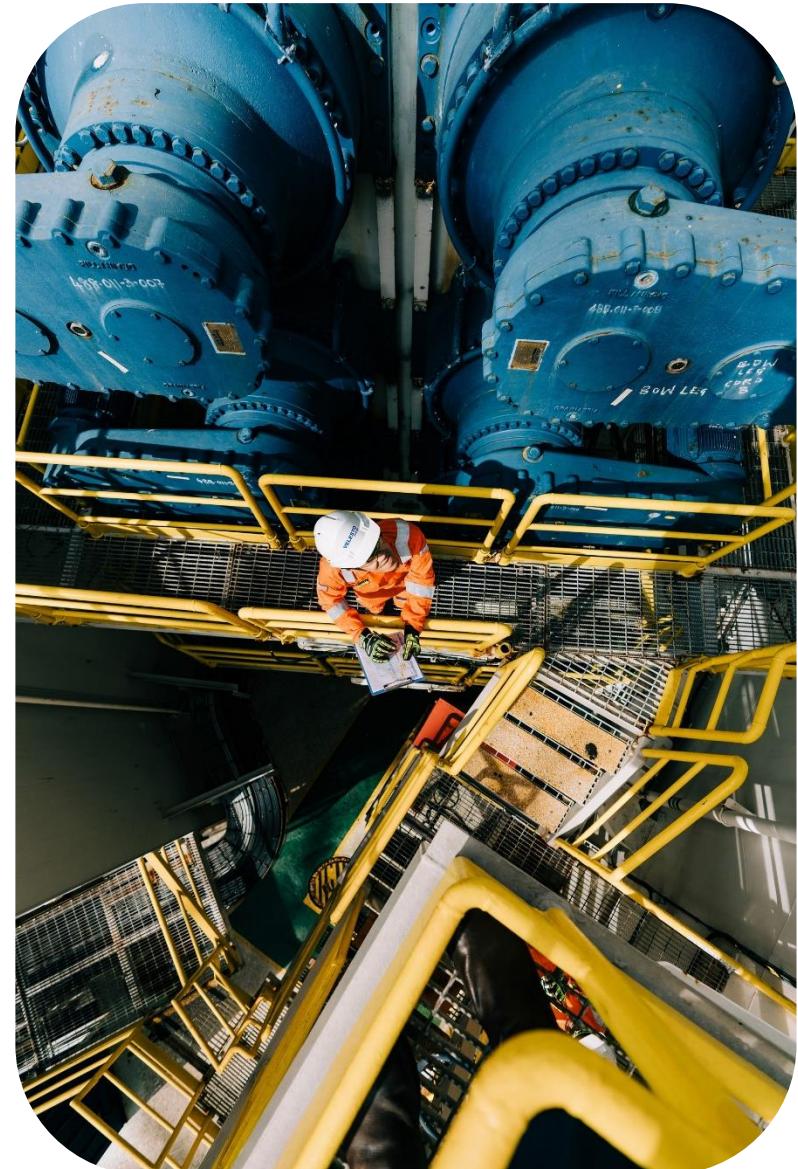
Achieving operational reliability and excellence for our clients



### Outcomes

Petronas **contract renewed** with notice of assignments worth **USD265 mil** at improved and competitive rates.

Received various awards from clients, including **appreciation award** by **PCSB** for **Tembungo A** Wells P&A Campaign



We are continuously adopting new technologies to deliver efficiency to our clients

Previously upgraded **Offline capabilities** on **NAGA 5** and **NAGA 6**.

Completed installation of **NOVOS autonomous drilling** system on **NAGA 4**.

Fitted **Starlink** on **NAGA 8** to provide connectivity for crew well-being

Evaluating semi-autonomous robotic system



# HSE HIGHLIGHTS

Maintaining excellent HSE Performance,  
engaging the industry and receiving client recognition

## Performance

**ZERO**  
Fatality

**ZERO**  
Loss  
Time Injury

**ZERO**  
Major Spills

## Engagement



Participated in Petronas' Monsoon Zero Incident Zero Accident (ZIZA) Campaign

## Awards



Petronas Carigali Sdn. Bhd. (Sabah Asset) – 2023 SPSM Award)



EXXONMOBIL STAR Excellence Award – Gold (Wells Category)



SHELL Malaysia Silver Award for Upstream Safety



MSOSH Award 2023  
- OSH Gold  
- (Class 1)

# SUSTAINABILITY HIGHLIGHTS

## Improved overall ESG Performance in 2023



Rated 4 Stars - top 25% in the ESG index

3.8 ESG Score as rated by FTSE Russell

17.8 (Low ESG Risk)

### 2030 Target

**10% reduction** of operational emission intensity

**30% reduction** of revenue emission intensity

### Achieved by 2023:

**28% reduction** emissions intensity / ops day

**62% reduction** emissions intensity / Revenue (RM mil)

*Note: Against 2021 baseline*



### What will happen next:

- Pledged to achieve Net Zero Emissions by 2050
- Roadmap development for decarbonisation pathways towards 2050

## INITIATIVES / ENGAGEMENT / AWARDS



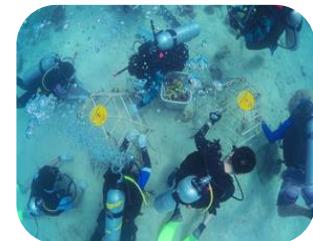
CSR Initiative of the Year - Oil & Gas at 2023 Malaysia Management Excellence Award



MoU Signing with SEDC - Education Empowerment



IADC HSE & Sustainability APAC Conference



Coral Restoration Program at Pulau Perhentian



Teaching Aid Contribution to Rural Schools, Miri



MACC Pledge

On-going Cultural Transformation Journey  
is underway and delivering results



Our ethos:  
**Performance Driven, Operations Focused**

Our focus areas:  
**Safety, Service Quality, Technology and Sustainability**

### ENGAGEMENT



# FY2023 Financial Highlights



# FY 2023 KEY FINANCIAL HIGHLIGHTS

Key Financial Highlights	Yearly	
	FY 2023	FY2022
Average utilisation	<b>83%</b>	62%
Average day rate (US\$dk/d)	<b>94</b>	77
Operational efficiency	<b>97%</b>	97%
Revenue (RM'mn)	<b>1,214</b>	581
EBITDA (RM'mn)	<b>369</b>	122
EBITDA margin	<b>30%</b>	21%
PAT (RM'mn)	<b>100</b>	(100)

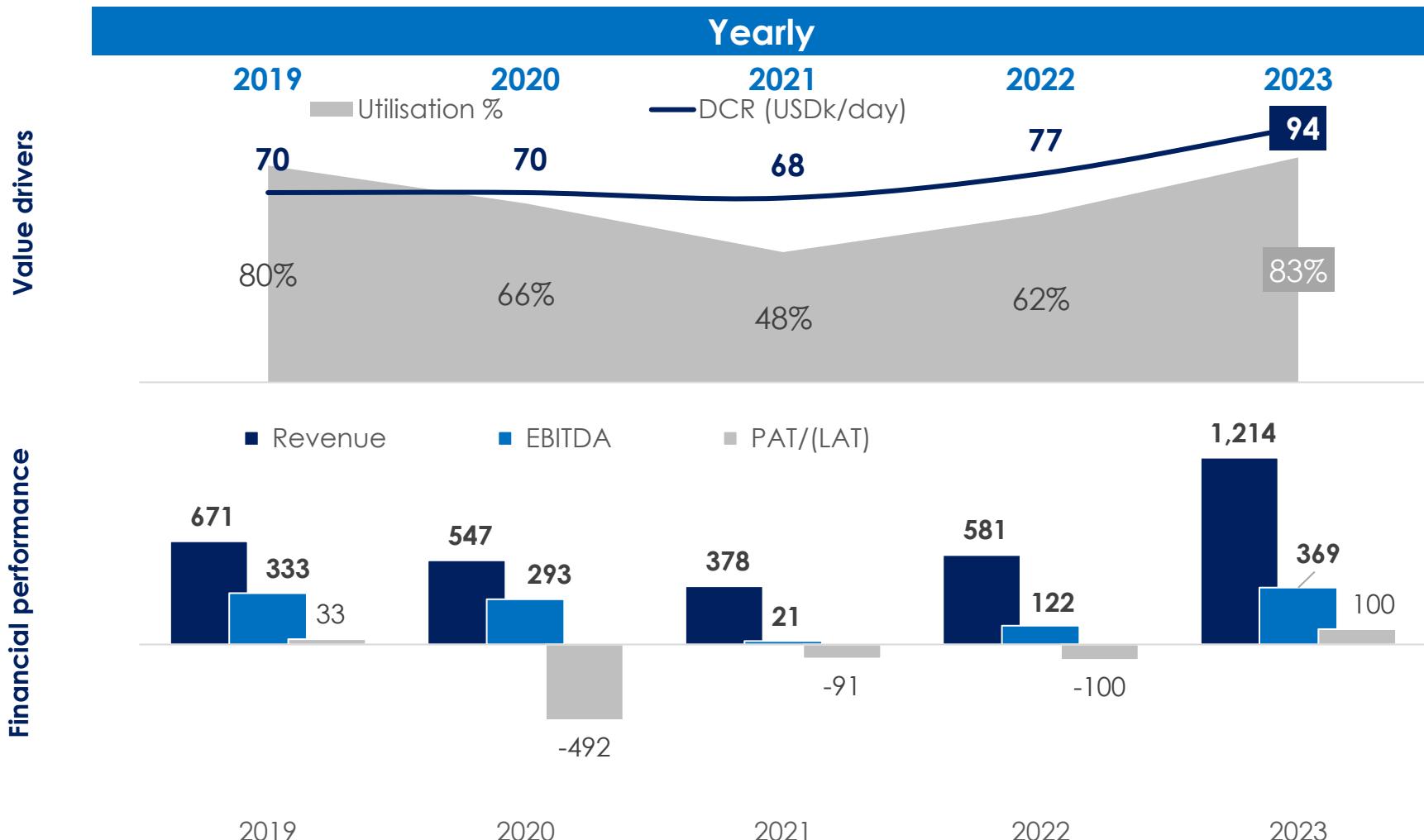
**Year-on-year:**  
Strongest financial performance since 2014

Mainly due to:

- Higher utilisation
- Higher DCR
- IRDC progress

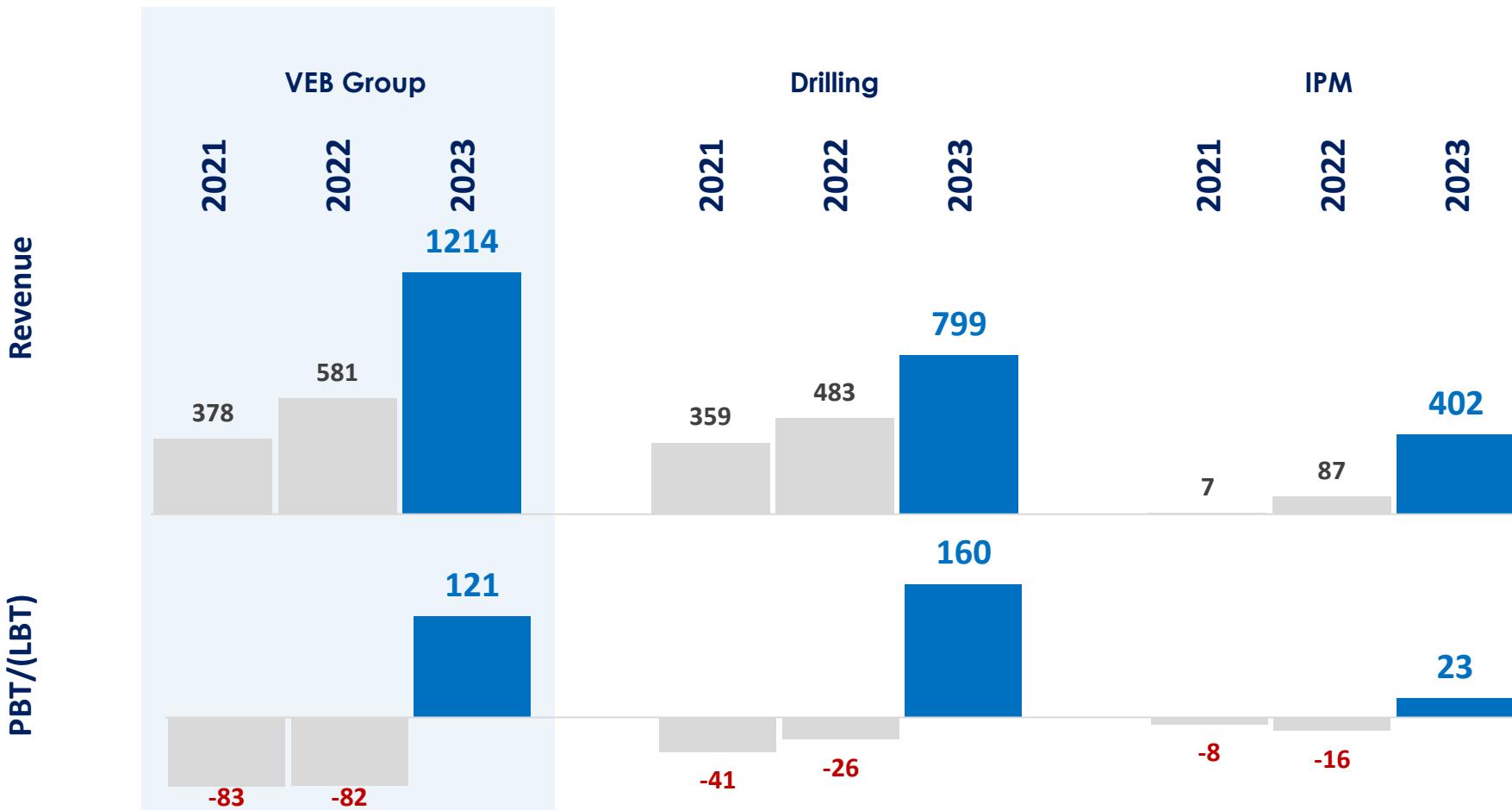
# YEARLY PERFORMANCE

Delivered **highest Revenue, EBITDA and PAT** in recent years  
on the back of **higher utilisation and average day rate**



# YEARLY DIVISIONAL PERFORMANCE

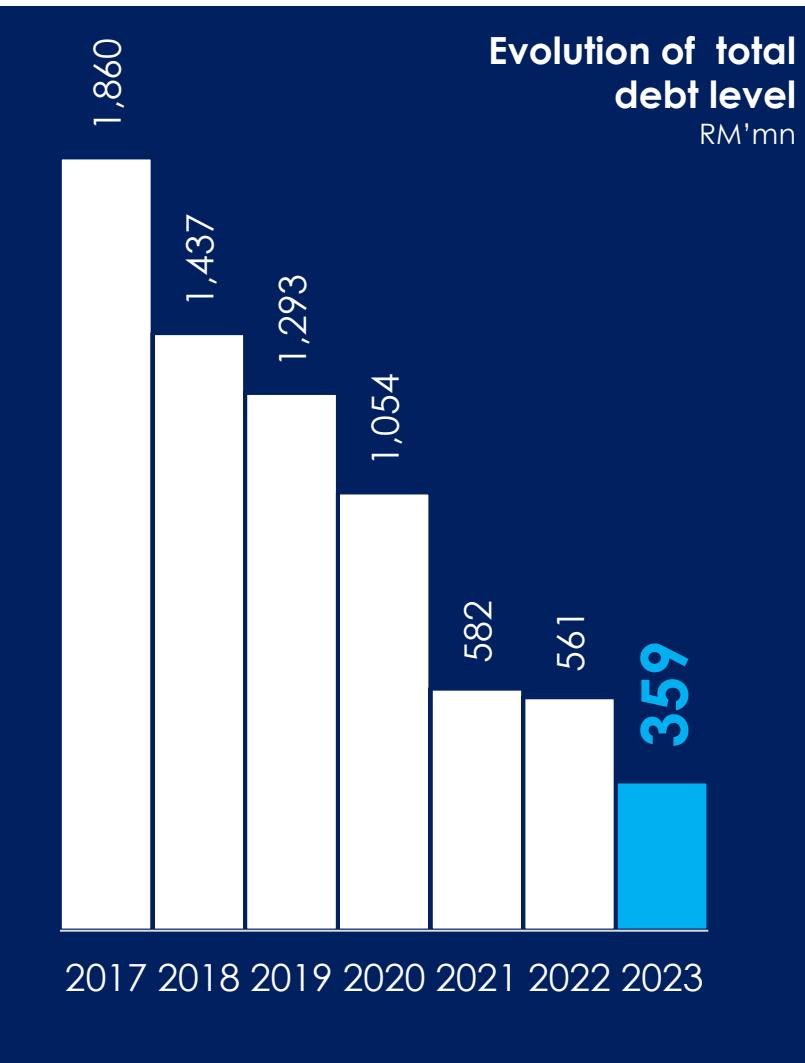
**Drilling Segment** recorded the highest revenue and profit before tax of recent years  
**Integrated Project Management** progressing on iRDC and 2 working HWU units



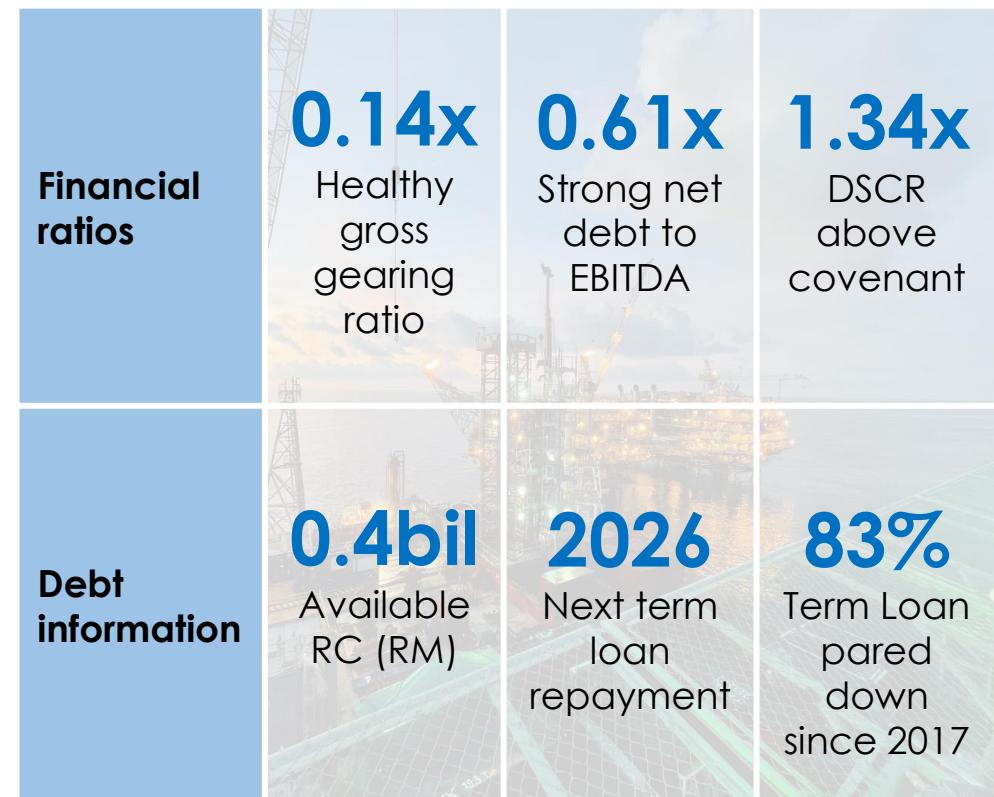
Note: VEB Group includes corporate costs and eliminations

# IMPROVING BALANCE SHEET / DIVIDEND

Reducing total debt levels since 2017



Sustainable debt balance as at 31 December 2023



**First dividend paid since 2014**

Interim Dividend of 0.25 sen per share paid on 25 May 2024

# 1Q2024 Financial Highlights



# SNAPSHOT OF 1Q2024

1Q24 indicates an equally promising 2024

## Utilisation

▲ **94%**

1Q 2023: 90%

## Average DCR

(USDk/d)

▲ **107**

1Q 2023: 86

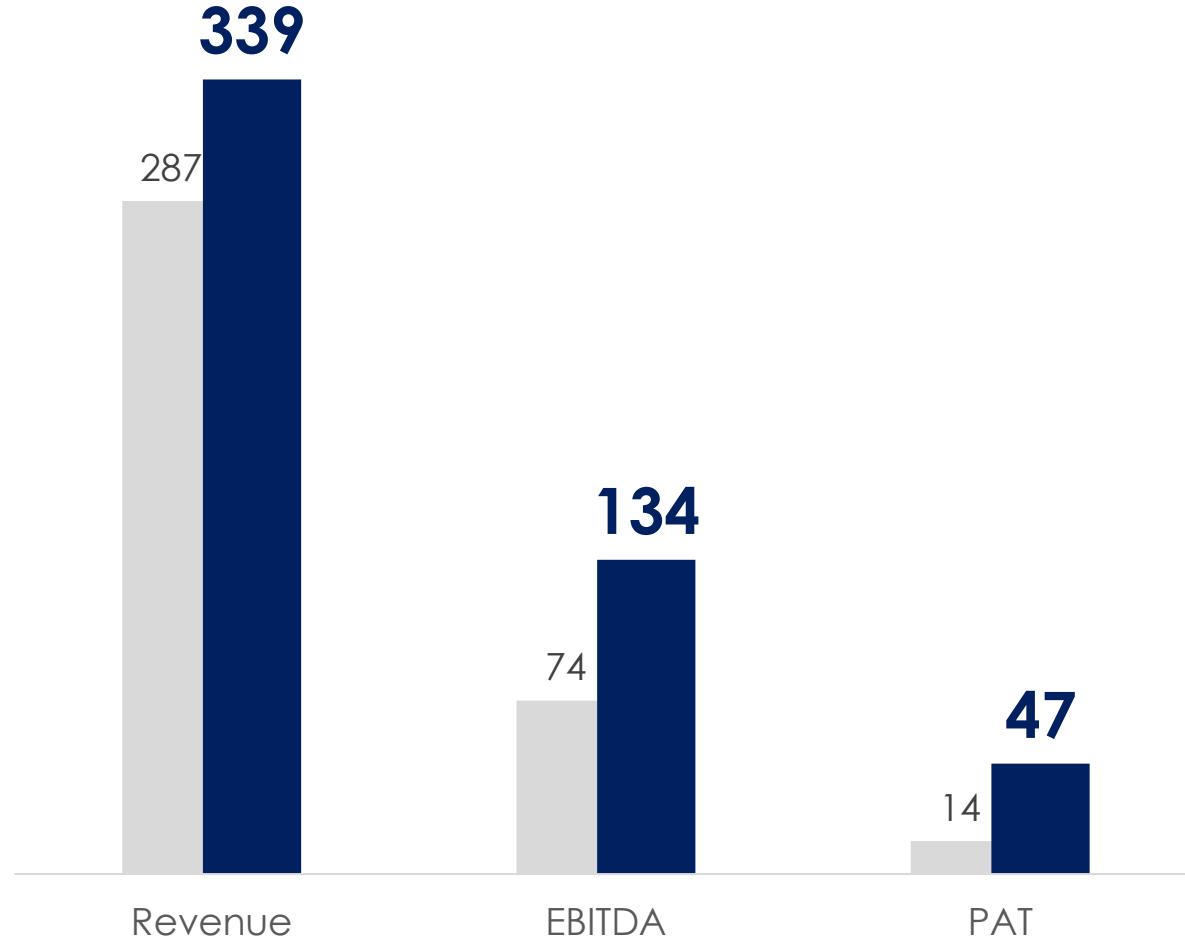
## Operating efficiency

▲ **99%**

1Q 2023: 94%

RM'mn

■ 1Q 2023 ■ 1Q 2024

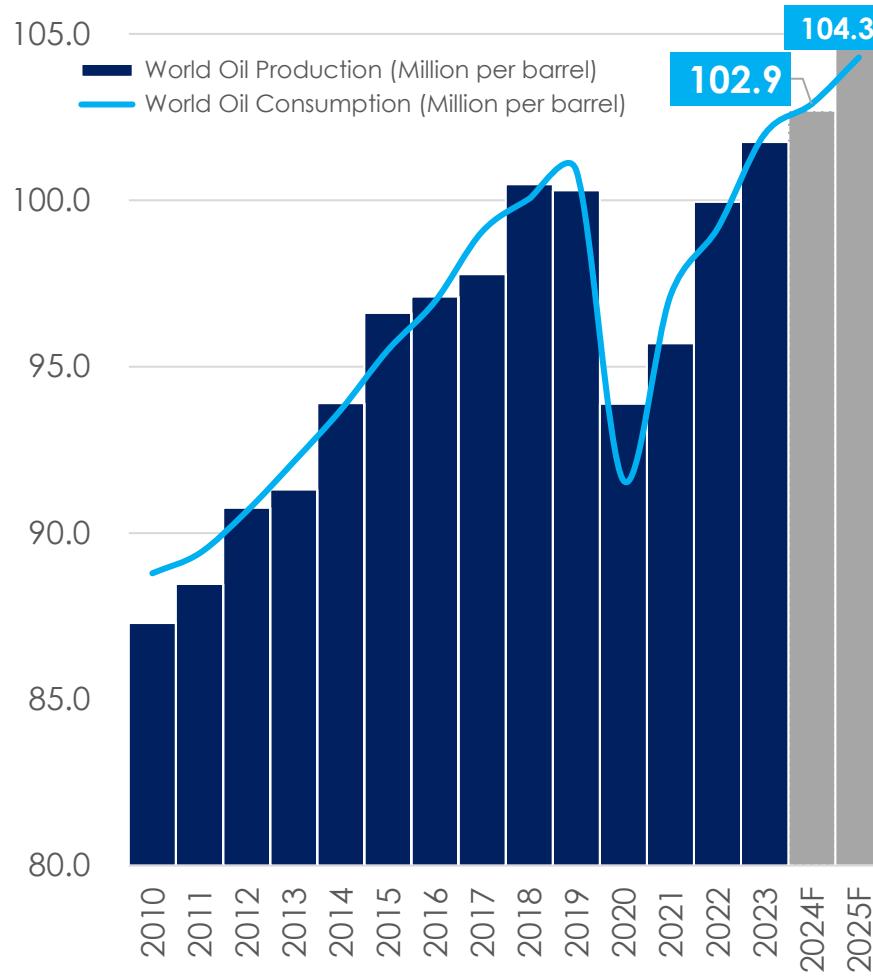


# 2024 Business Outlook



# OIL MARKET OUTLOOK

## World Oil Production and Consumption (mil bpd)



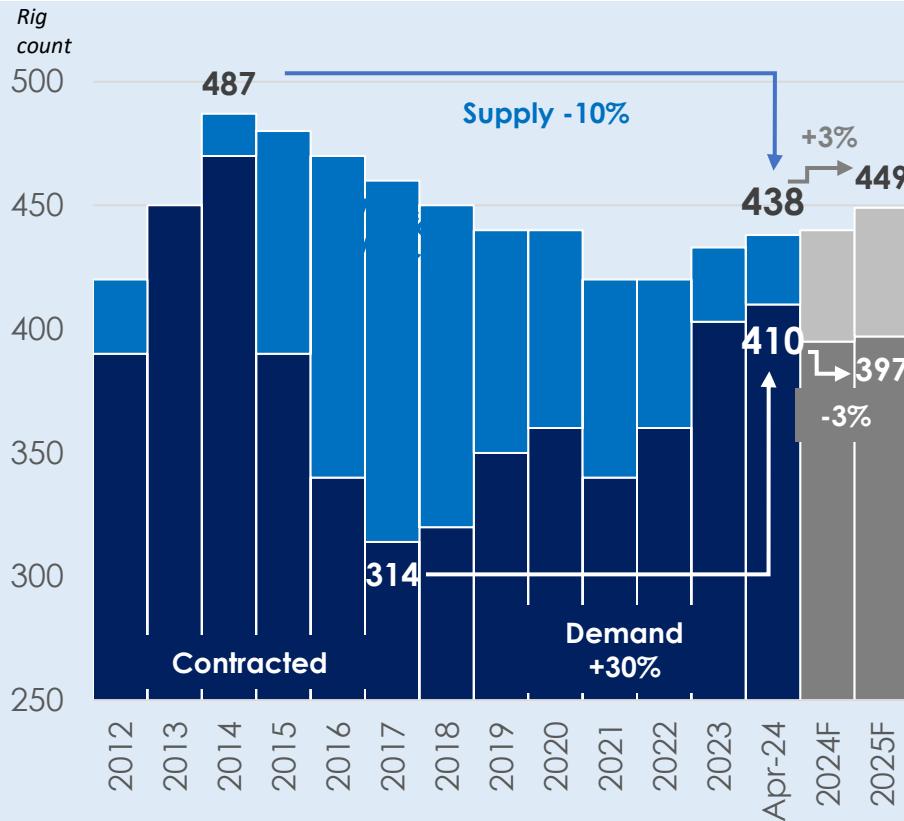
Source: US EIA April-2024

**Global economic conditions remains strong and supportive of oil price and investment**

1. IMF forecast **Global GDP to grow by 3.2%**.
2. US EIA expects **global oil consumption** to increase to **102.9 mil bpd** in 2024 and **104.3 mil bpd** in 2025.
3. Bloomberg consensus predicts **Brent Oil price** to remain above **USD80/barrel** up to 2026.

# GLOBAL JACK-UP DRILLING OUTLOOK

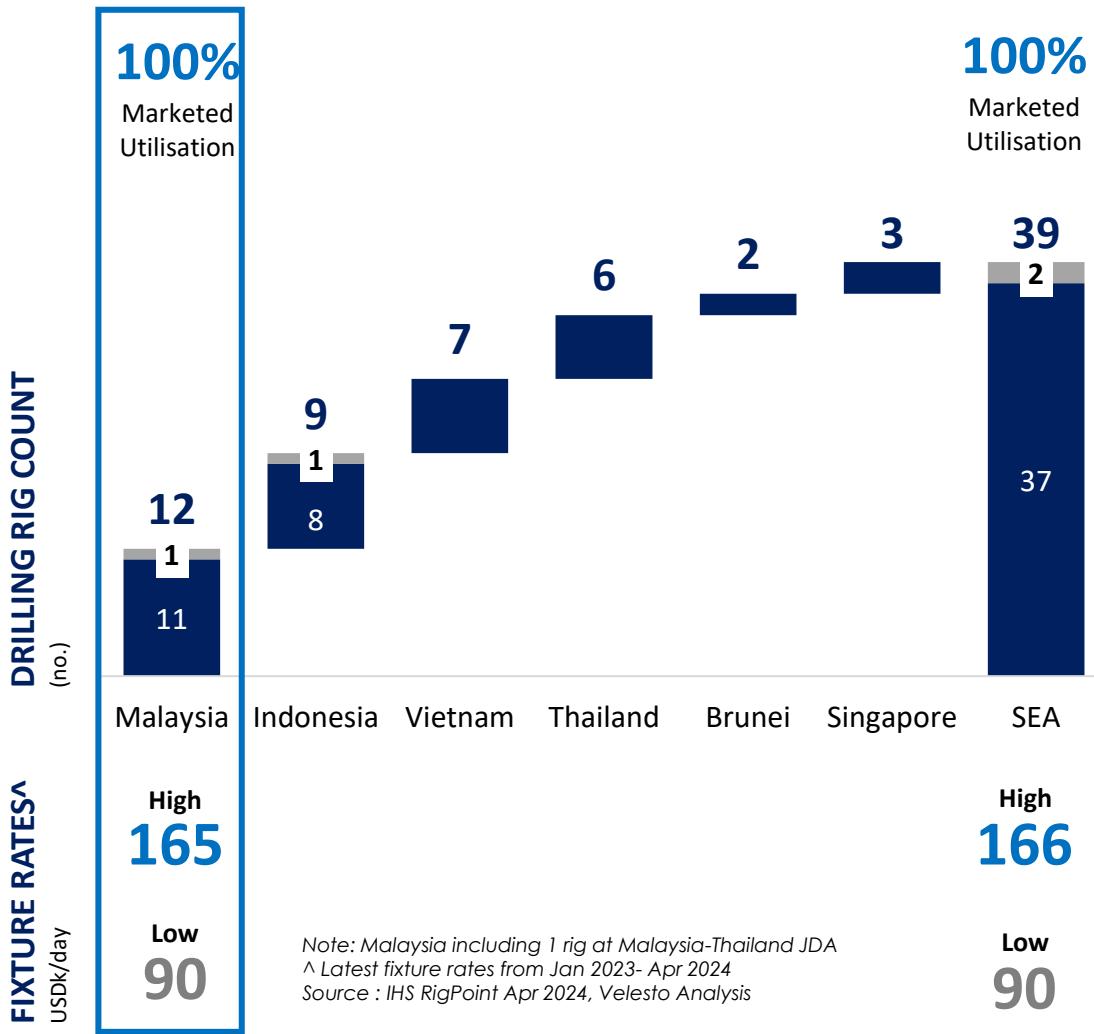
## Jack-up Rig Supply & Demand



Global jack-up rig demand and supply fundamentals remain strong for 2024/5

1. **Marketed utilization** is very high at **94%**, but could weaken due to market developments.
2. Saudi Aramco has **suspended 22 rigs**. Some rigs could **potentially compete** with us in SE Asia.
3. We are **monitoring the current situation** for future bidding strategy.

# REGIONAL JACK-UP DRILLING RIG OUTLOOK



**Regional Jack-up Drilling Rig market remains very tight**

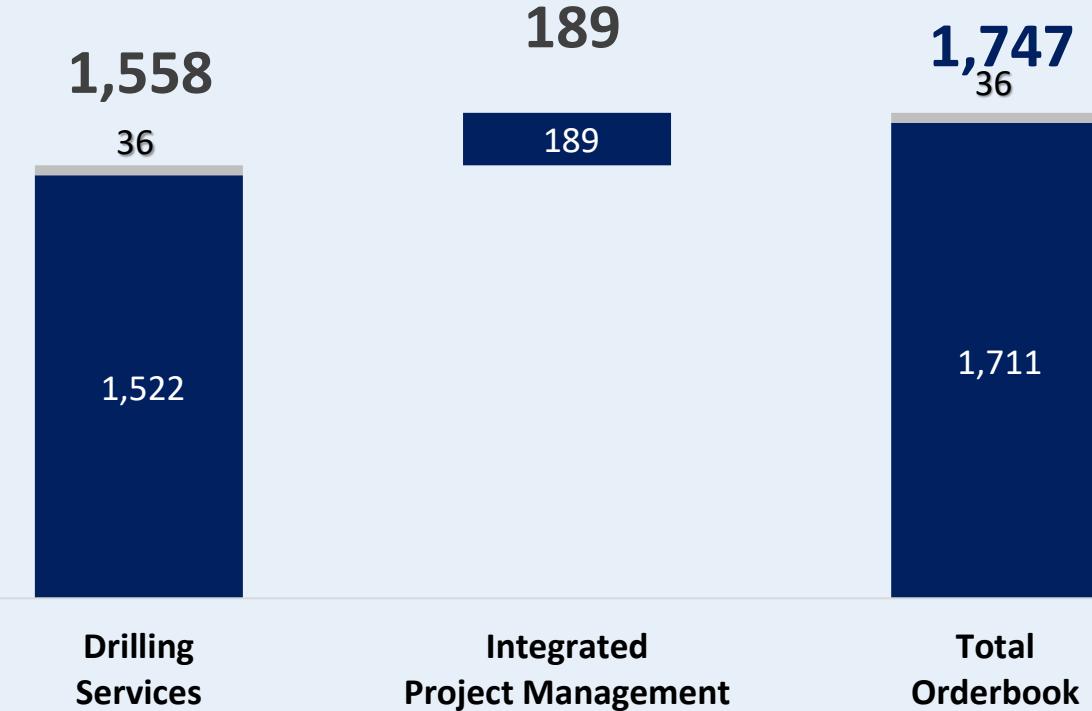
- Marketed utilization** in Malaysia and SE Asia remain at **100%**.
- Benchmark fixture rates** in Malaysia has increased to **USD165k per day**.
- We expect SE Asia market to **remain robust**.

# LATEST ORDER BOOK STATUS

**Our current Order Book of RM1.7 bil,  
providing earnings visibility for the next two years**

■ Firm ■ Option

RM'mn



Including drilling  
services for i-RDC

*Including HWU, IWS and  
non-drilling services for i-  
RDC*

As at April 2024

**Current Clients**

**PCSB**

**HESS**

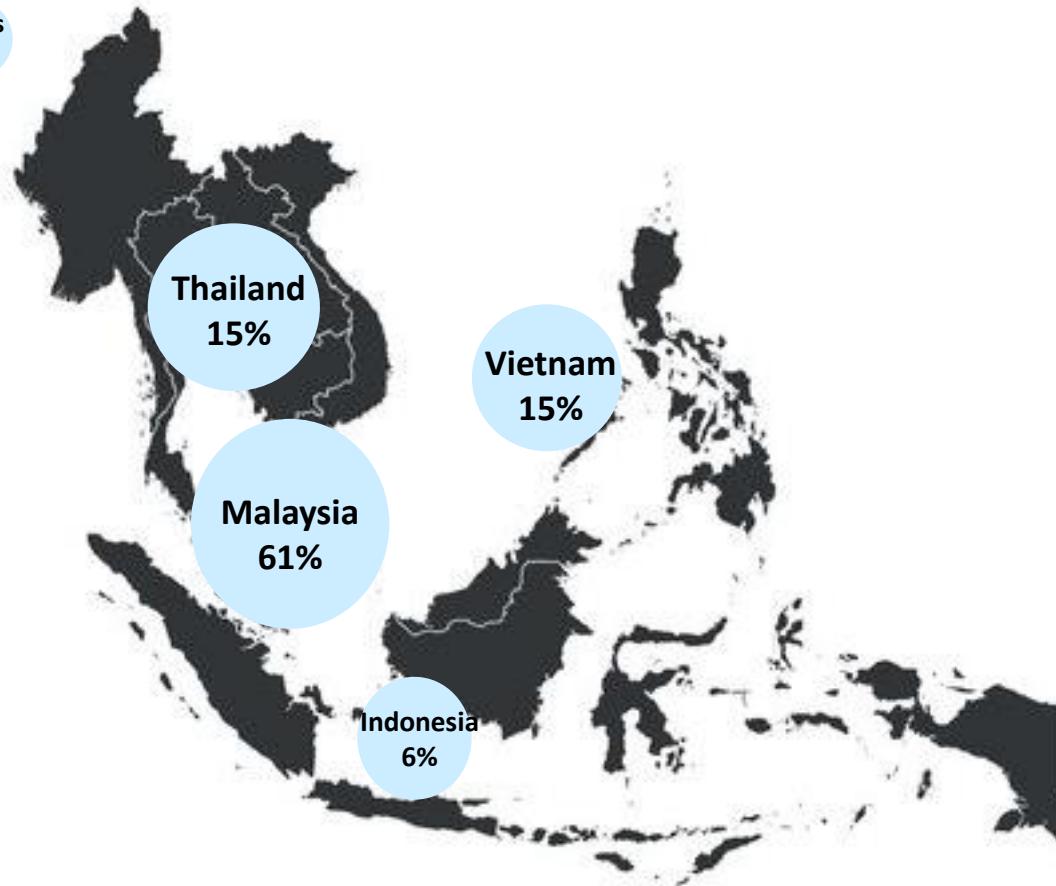
**CARIGALI HESS**

**EXXONMOBIL**

# CURRENT TENDER ACTIVITIES

We continue to tender for opportunities in Malaysia and SE Asia.  
Our focus is on long-term opportunities in 2026 and beyond.

Others  
3%



4.6

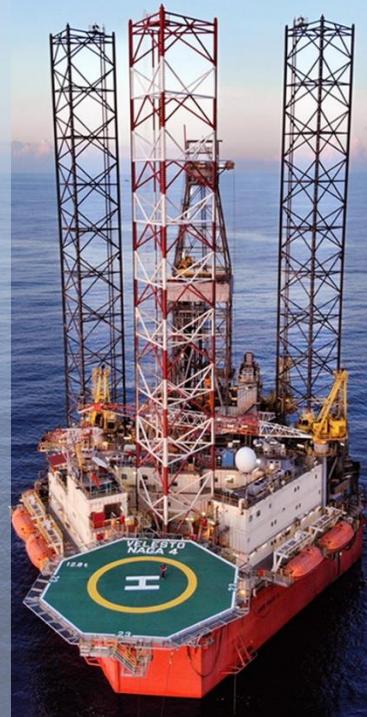
RM Billion

Total prospect value

	Short term <12 months	Long term >12 months
No of tenders	14	7
Value (RM b)	1.4	3.2

As at April 2024

- **Great turnaround performance** in FY2023
- Performance Driven, Operations Focused **cultural transformation** is delivering results.
- On-going efforts to **secure future earnings** through longer term contracts and competitive rates.
- On-track for an **equally promising** FY2024.



**THANK YOU**