



# **15<sup>TH</sup> ANNUAL GENERAL MEETING**

**VELESTO ENERGY BERHAD**

REGISTRATION NO. 200901035667 (878786-H)

**15th ANNUAL GENERAL MEETING**

**28 MAY 2025 at 2:00 p.m.**

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## Delivered the best annual results since 2015

Utilisation

87%

(YTD 2023: 83%)

Highest utilisation  
recorded in a  
decade

USDk/d

Average DCR

118

(YTD 2023: 94)

Recorded the  
highest DCR since  
2015

Asset Uptime

99%

(YTD 2023: 97%)

An exceptional  
performance

RM'mil

PAT

208

(YTD 2023: 100)

PAT surged by 2x in  
2024 against 2023

RM'mil

Net cash position

70

(YTD 2023: Net debt 227)

Fully paid term loan,  
ahead of schedule

sen

Dividend per share

1.25

(YTD 2023: 0.25)

49% of PAT  
Dividend Payout ratio



## Safety Performance

Zero - Fatalities, Major spills  
and LTIs



## Cultural Development

Redefined vision, mission and  
values



## Strategic Partnership

Signed 3 strategic alliances  
with technology providers



## Prioritising sustainability

We remained a top rated ESG  
company

Velesto Energy Berhad is a Malaysia-based multinational provider of services for the upstream sector of the oil and gas industry



## Our key Services

### Drilling services

6

Premium jack-up  
drilling Rigs

### Workover services

2

Hydraulic Workover  
units

52%

One of **PNB's** strategic  
investment companies^

2013

Listed on the **Main Board** of  
Bursa Malaysia

RM1.4bn

**Market capitalisation**  
as at 22 May 2025

SEA

**Experience** in Southeast  
Asia with Solid track  
record

ZERO

**Fatalities, Major spills  
and LTIs**

RM1.4bn

**Orderbook**  
as at Apr 2025

^ As of April 2025

Our focus on exceptional service is matched by an unwavering dedication to safety advancements

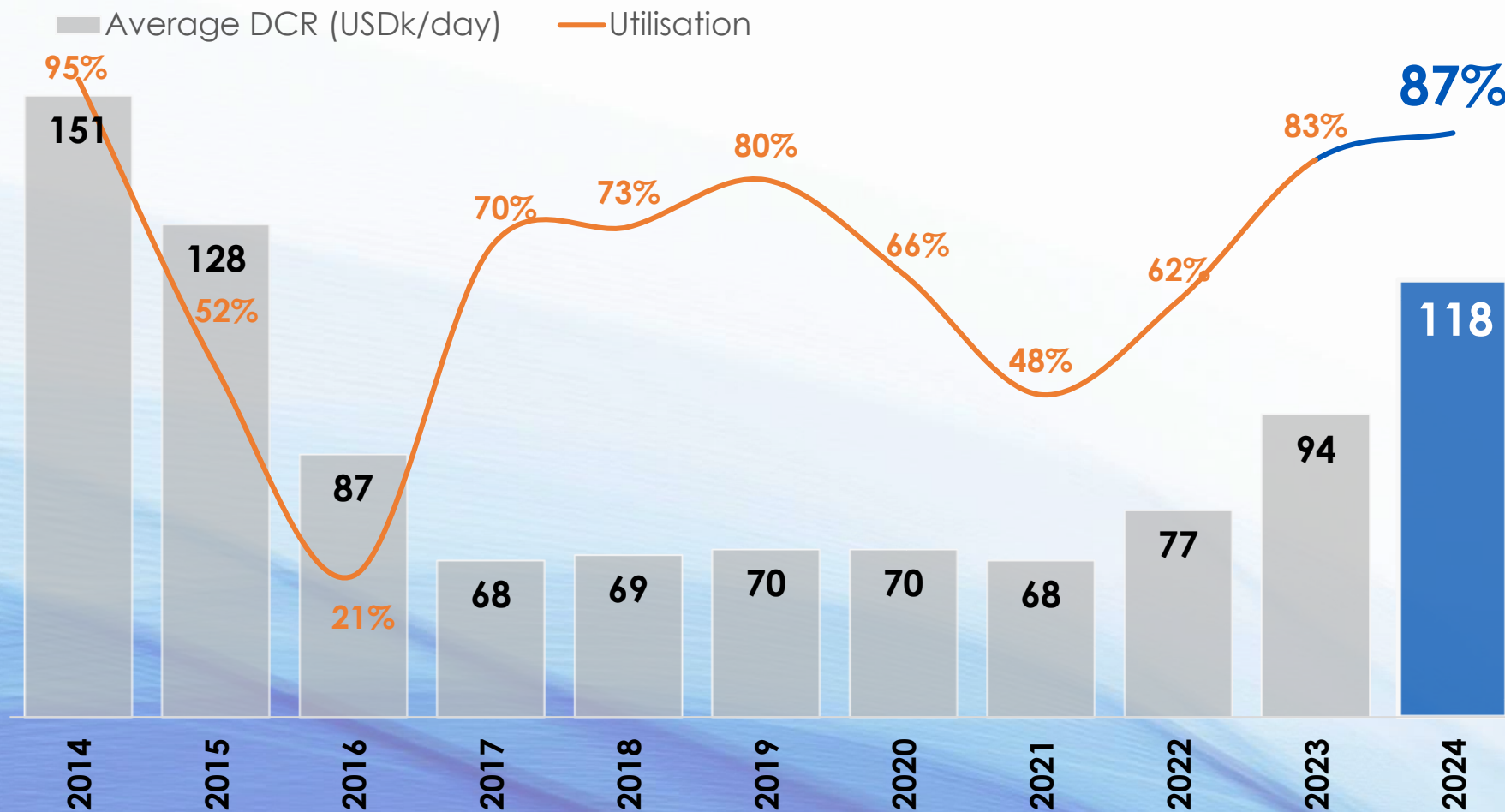


Guiding Principle	Performance Driven, Operations Focused				
Statement of Purpose	We provide extraordinary services that energize and enrich lives				
Enablers	Safety	Service Quality	Technology	Sustainability	
Values	Integrity	Leadership	Excellence	Accountability	Passion

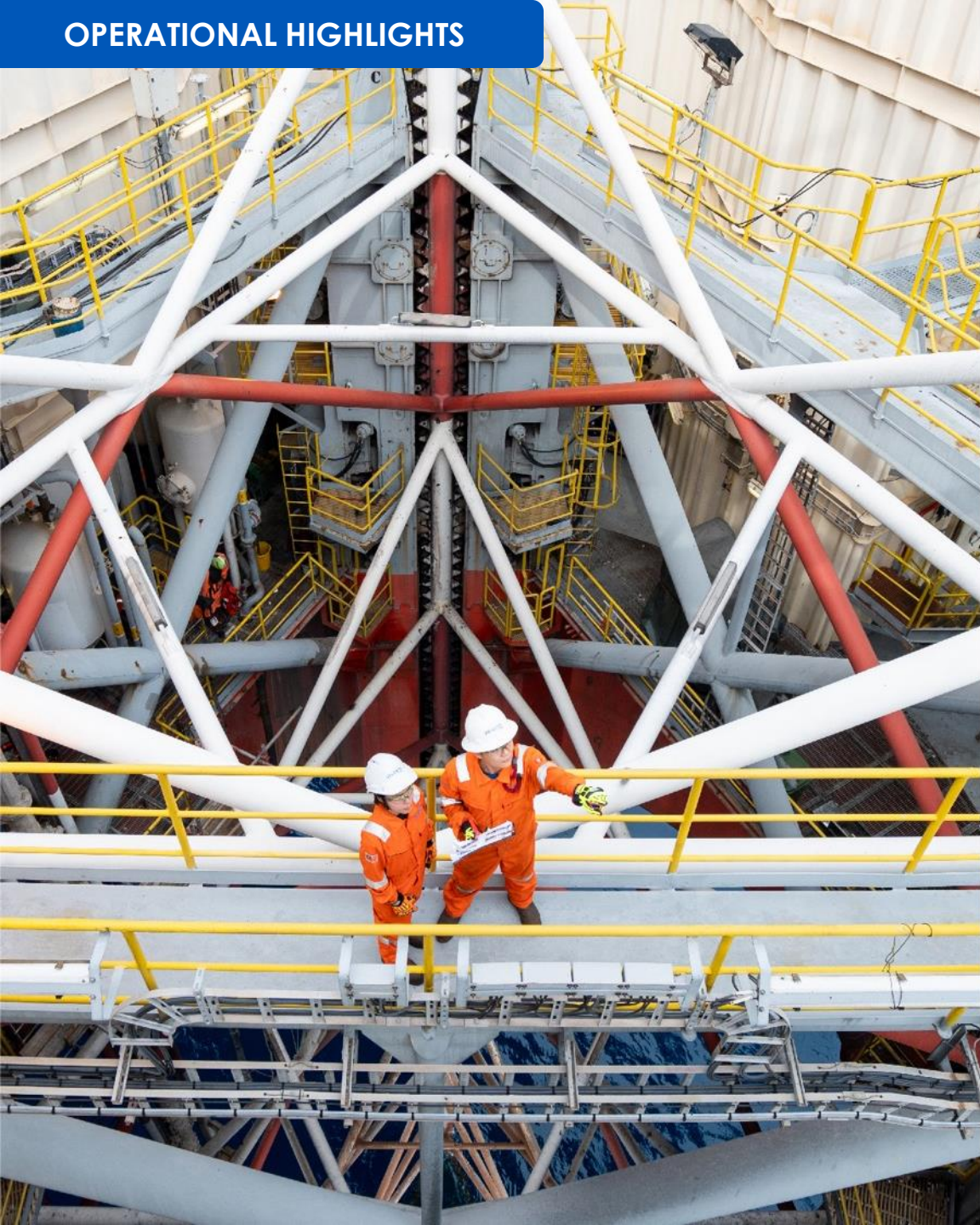


## Annual Utilisation and Daily Charter Rates higher year-on-year

Highest utilisation since 2015 and highest average DCR since 2016

**2024 vs 2023**

- Higher Utilisation of **87%** (2023: 83%) despite completing three (3) SPS during the year
- Higher Average DCR of **USD118k/day** (2023: USD94k) due to higher rates negotiated during renewal of contracts



## Excellent operational performance for all NAGAs in 2024



### Drilling

- Achieved **Zero LTI** in 2024
- Maintained **Operational Efficiency** of **99%** for 2024
- NAGA 5 received a **Focused Recognition** Special Award for 2024 Performance

### Integrated Project Management

- **Completed IRDC** project for Hess in October 2024
- HWU Utilisation at **50%** based on GAIT 6 are working throughout the quarter



Continue maintaining excellent HSE performance in 2024 and 1Q 2025



**Better Safety  
Performance than  
industry benchmark**

#### HSE Performance

Fatality  
**Zero**

Loss  
Time Injury  
**Zero**

Major Spills  
**Zero**



**57**

HSE visits by senior management



#### Red Zone Management

Installed on NAGA 4, reducing human exposure to high-risk areas



#### Awards

IADC Southeast Asia Awards:

- Best Recordable Incident Rate in 2024 and
- NAGA 6 - Most number of years Recordable Incident Free –



# Partnerships are integral to driving value creation, enabling enhanced competitive capabilities to leverage opportunities

Among the notable strategic alliances inked in 2024 and Q1 2025 are:

# 1.



Strategic Memorandum of Understanding with **SLB** to enhance rig capabilities

# 2.



Technology collaboration between **Velessto**, **PETRONAS**, and **NOV** on drilling rig automation system and robotics

# 3.



Strategic engagement for Development Strategic Partnership Model with **PETRONAS Carigali**

We remained a top rated ESG company, with continued trend of improvement as we navigate ever-changing sustainability requirements



1 Recognitions



FTSE4Good

**4.0**

Bursa Malaysia 4-star Rating  
(2023: 3.8)



SUSTAINALYTICS

**Low Risk**

Top 10% of Global Industry Group  
(2023: Low)



**Top 50**

Top 5% PLCs – ranked at NACGSA 2024

**Malaysia GPM Sustainability Awards 2024**

**2**

Awards - Sustainability Leadership & Most Outstanding Project

2 Progress & Performance

2024 COMMITMENT



- To be **Net Zero emission by 2050**
- Reduce 15% absolute emission by 2030** (for Scope 1 & 2)

2024 KEY PERFORMANCE



- Achieved **34% reduction of emission intensity**/ operating days against 2021



- 72.6% of total waste** generated recovered, repurpose or recycle



- Certified ISO 37001:2016 ABMS** group-wide



- ZERO** regulatory non-compliance, incidents of corruption and data breaches

Please refer to our latest Sustainability Report 2024 on the website for more info of performance and initiatives.



- Excellent 4Q 2024 performance capped-off an excellent year
- Maintained resilient financial performance in 1Q 2025 despite headwinds

Key Financial Highlights	Yearly			Quarterly		
	FY 2024	FY 2023	%	1Q 2025	4Q 2024	1Q 2024
<b>Average Utilisation (%)</b>	<b>87%</b>	83%	▲ 4 p.p	<b>67%</b>	82%	94%
<b>Average Day Rate (USD '000)</b>	<b>118</b>	94	▲ 26%	<b>127</b>	126	107
<b>Operational Efficiency (%)</b>	<b>99%</b>	97%	▲ 2 p.p	<b>99%</b>	99%	99%
<b>Revenue (RM mil)</b>	<b>1,360</b>	1,214	▲ 12%	<b>225</b>	276	339
<b>EBITDA (RM mil)</b>	<b>549</b>	369	▲ 49%	<b>113</b>	127	134
<b>EBITDA margin (%)</b>	<b>40%</b>	30%	▲ 10 p.p	<b>50%</b>	46%	39%
<b>PAT (RM mil)</b>	<b>208</b>	100	▲ 108%	<b>53</b>	55	47

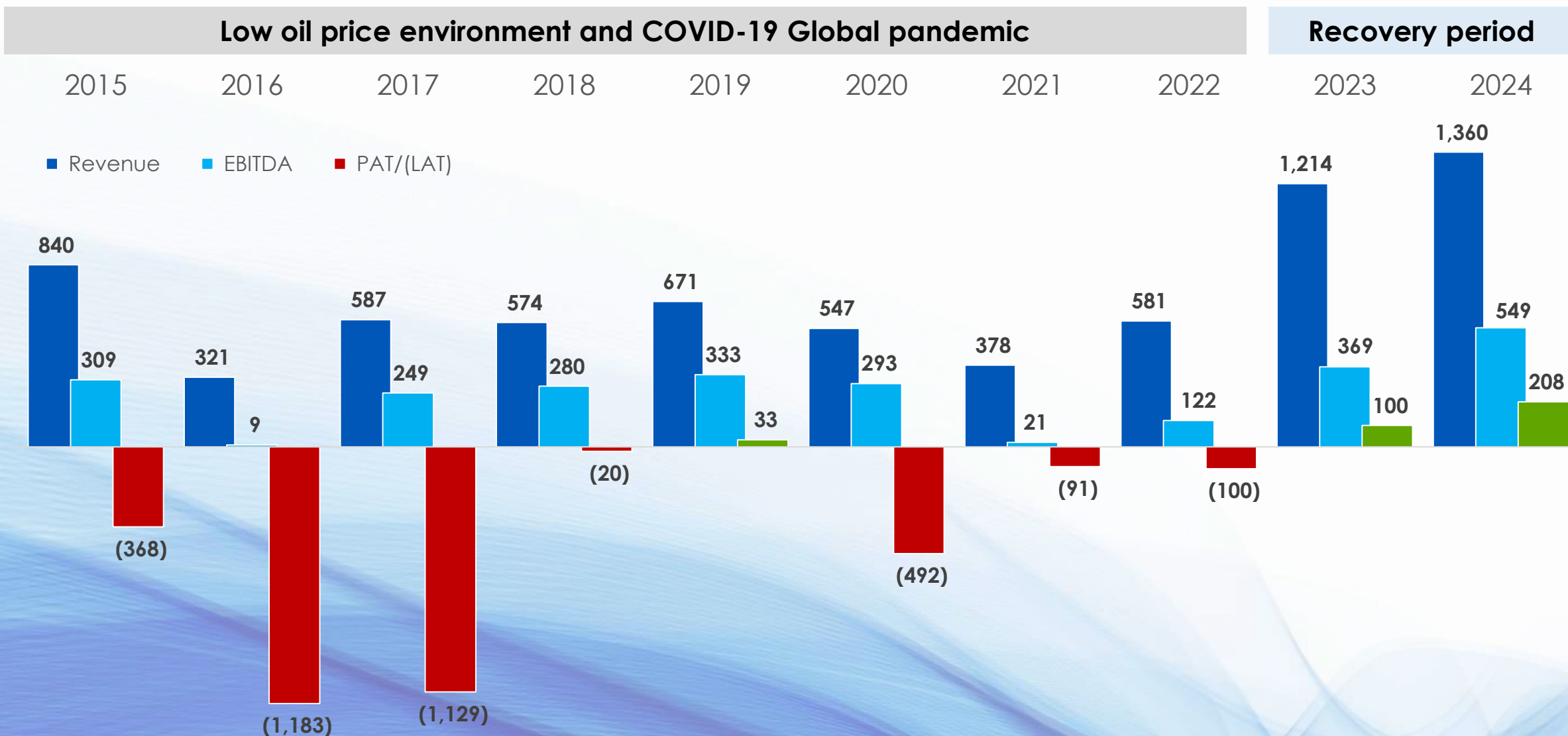
#### Yearly - 2024

- Delivered full-year Revenue of **RM1.36 bil** and PAT of **RM208 mil**
- Based on **87%** utilisation and **USD118k/day** average DCR

#### Quarterly – 1Q 2025

- Achieved a revenue of **RM225 mil** and PAT of **RM53 mil**
- Lower revenue due to lower utilisation and completion of IRDC
- Maintained PAT due to **cost optimisation** to maintain profit margins

## Recovery in profitability and delivered the best annual results since 2015





# Strong operating cashflow has been funding CAPEX, debt repayment and dividends



2024's 2nd Interim Dividend of 1 sen per share, Ex-date on 24 April 2025 and paid on 23 May 2025

## 1Q 2025 Liquidity Information

Total Borrowings  
(RM)

**142 mil**

Cash Balance (RM)

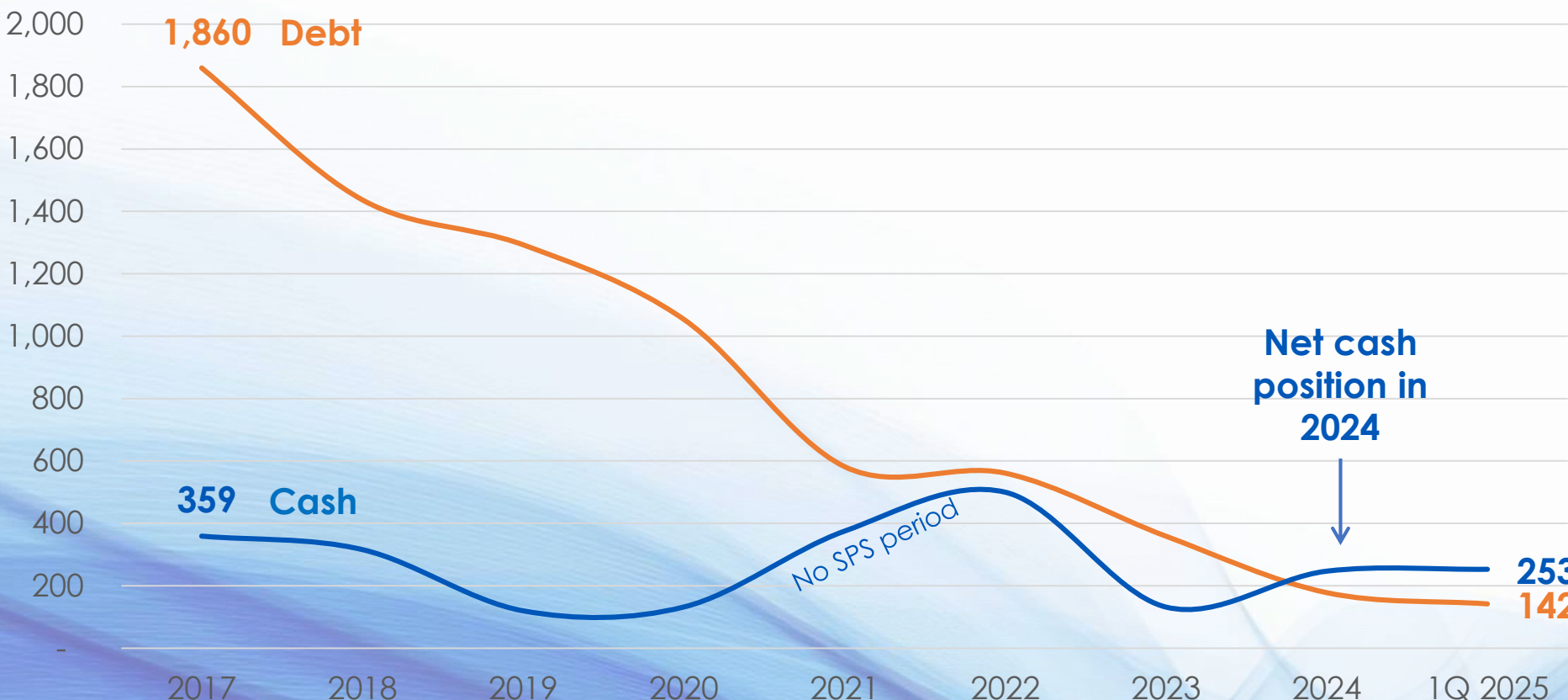
**253 mil**

Gross Debt to Equity  
Ratio

**0.05x**

## Reducing total debt levels since 2017 and net cash position in 2024

RM'mn



# 2025 LOOKING AHEAD

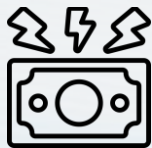


Given the macroeconomic outlook, oil price consensus is forecasted at USD69 per barrel



## OPEC+ increase production

by 411,000 bpd in May and June 2025



## Trade tension and tariff policies

US tariffs and trade tensions may weigh on global growth and inflation



## Multiple geopolitical uncertainties

India - Pakistan, US - Iran Nuclear Talks, US - Syria, Ukraine - Russian and Israel - Palestine conflict

**2025-2026 Brent Price** (USD/bbl)

**66 - 69** ▼

(Pre Tariff: 75-71)

**GDP Growth**

**2.8%** ▼

(Jan 2025: 3.3%)

**2025 Global oil supply**

**104.1** ▼

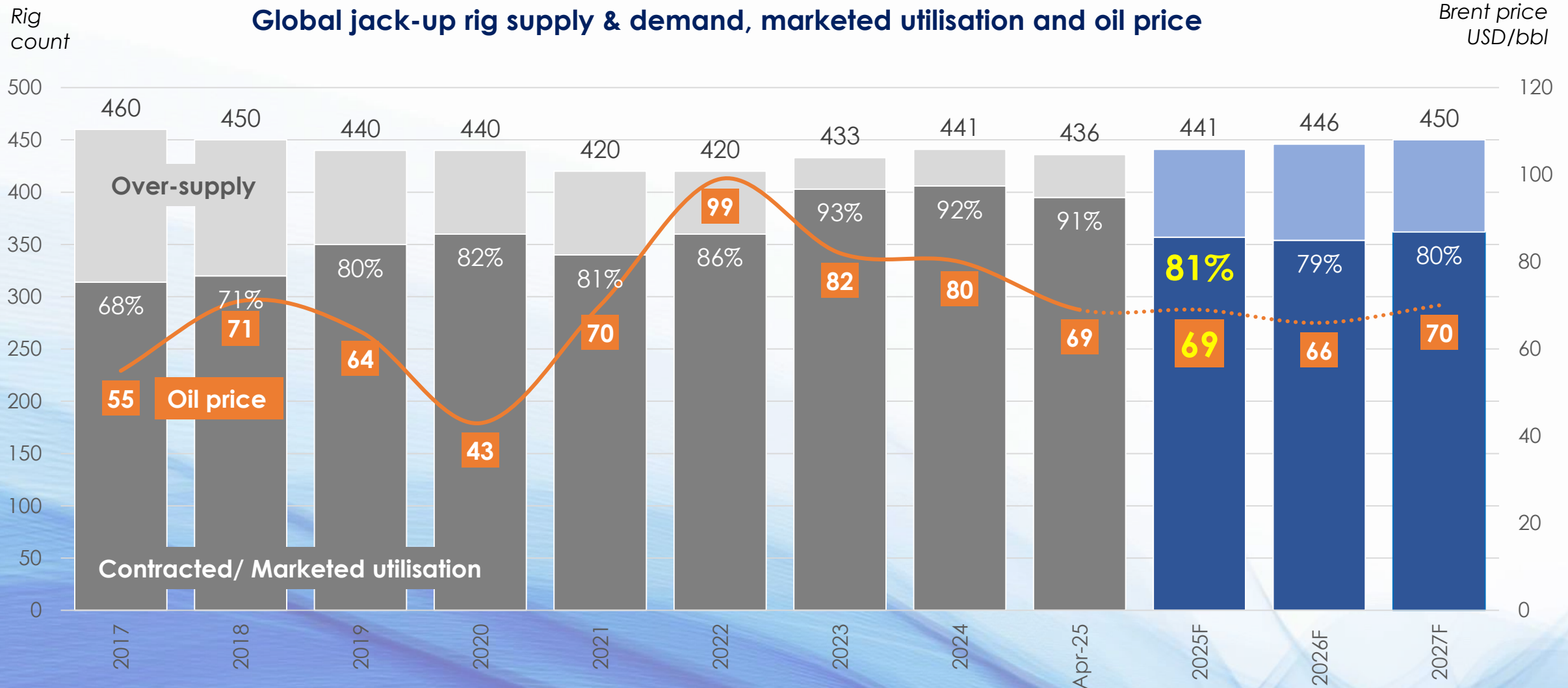
Mil bpd  
(Jan 2025: 104.4)

**2025 Global oil demand**

**103.6** ▼

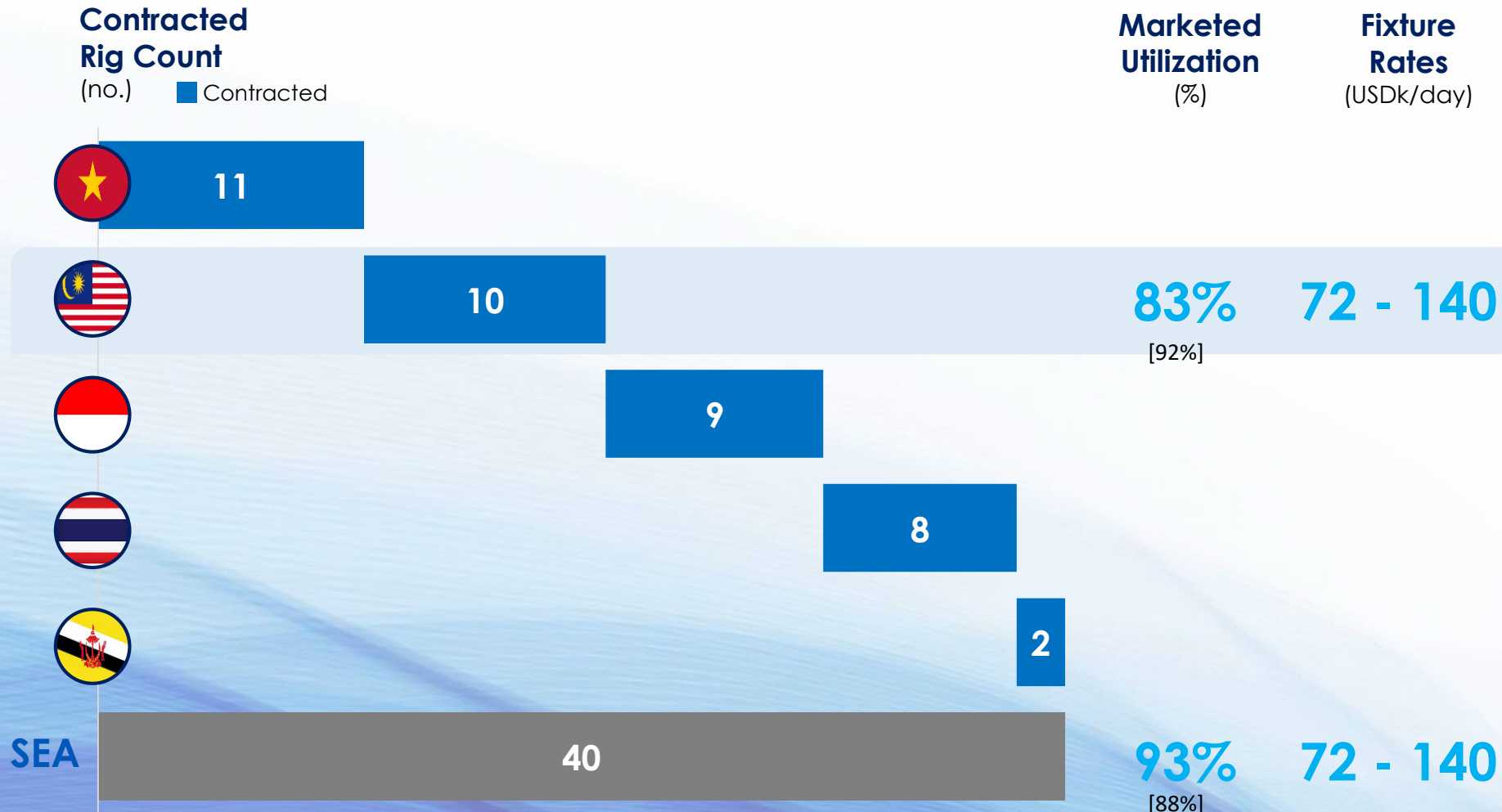
Mil bpd  
(Jan 2025: 104.1)

## Global jack-up rig marketed utilisation is projected to decrease from 92% in 2024 to 81% in 2025





# Southeast Asia outlook better than expected with increase in offshore activities, especially in Vietnam and Indonesia



Note: Not included above are 3 idle rigs and 2 cold stacked rigs as at April 2025

Source: S&P Petrodata April 2025, Velesto Analysis

## Key highlights:

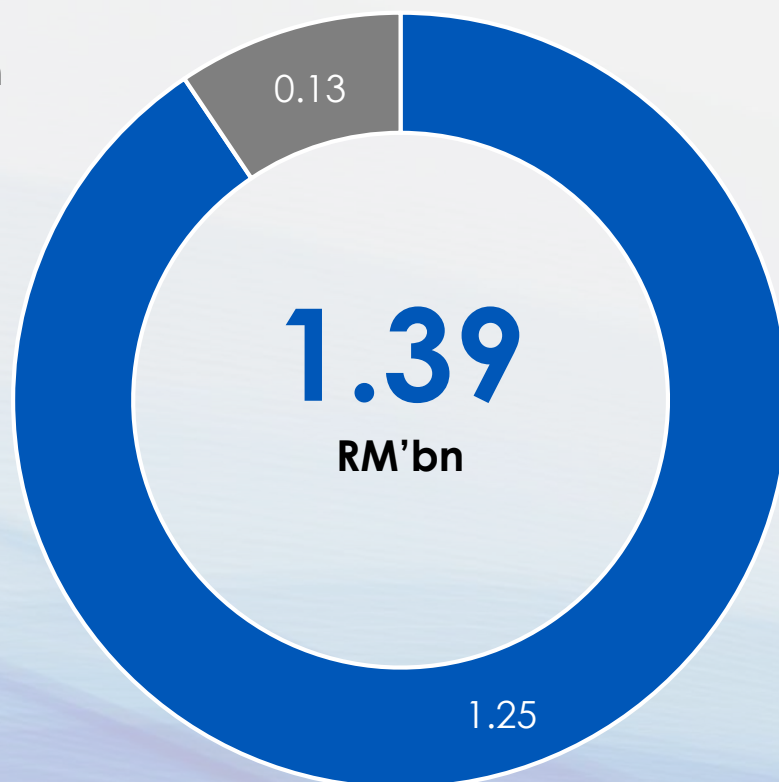
- Increasing offshore activity in the SE Asia region raises **marketed demand** to **40 rigs**
- Surge in recent **contract awards** including for Velesto's jackup rigs in **Vietnam and Indonesia**
- Arrival of CPOE 16 (Indonesia) and reactivation of PVD VIII

Order Book doubled to RM1.4 billion, providing revenue visibility into 2028, driven by SE Asia contract wins in Indonesia and Vietnam.

### Total order book as at April 2025

RM'bn

- Firm
- Option



Predominantly order book for drilling segment

### Current Clients

PCSB

Hibiscus

IPC

### Upcoming Clients

PC  
Ketapang

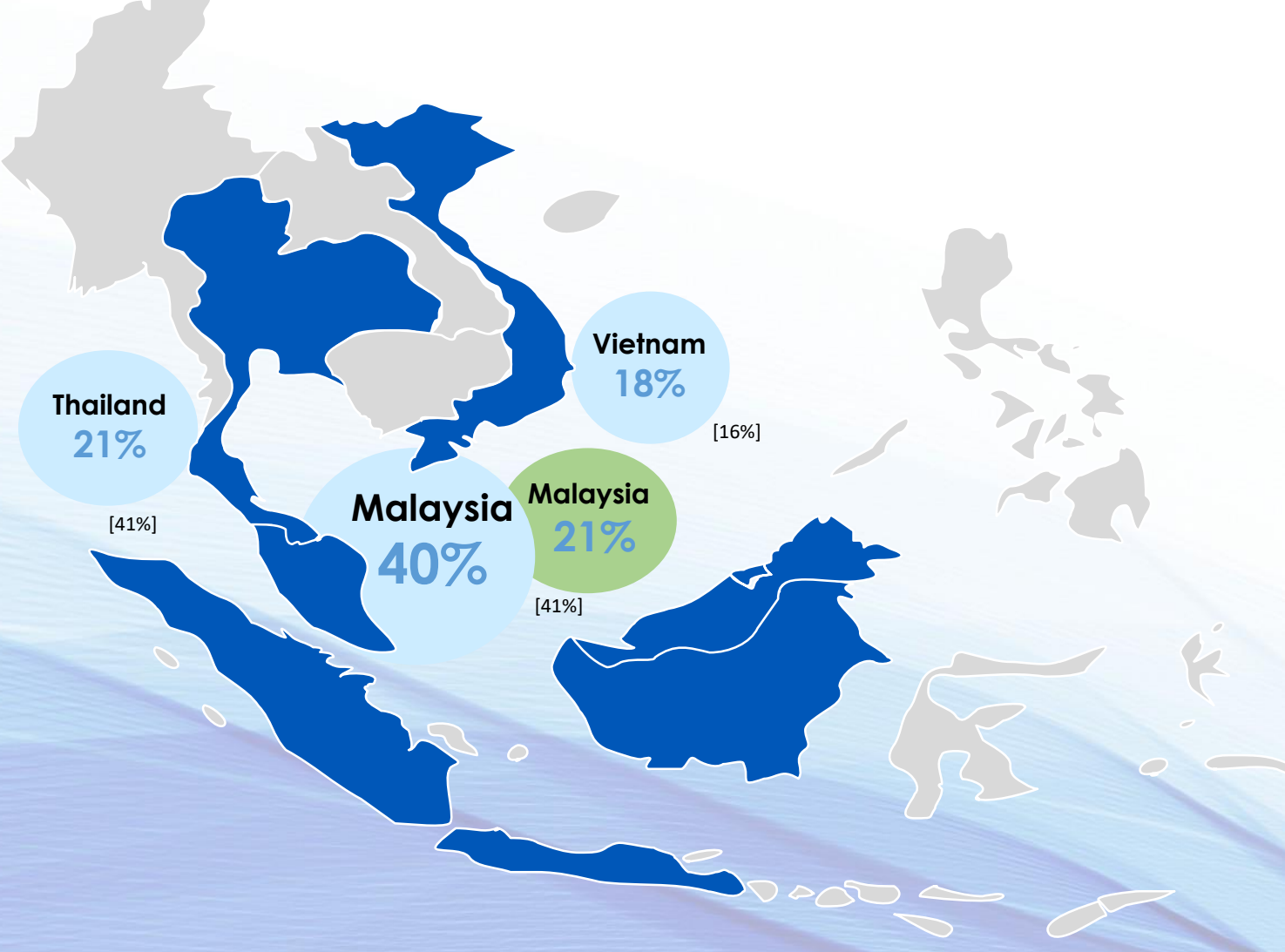
PQPOC



Current tender stands at RM2.8 bil and focus is now on building order book for 2026 to 2028



As at April 2025



Total Current Tender

2.8

RM Billion

	Short term<12 months	Long term>12 months
No of tenders	11	6
Value (RM b)	1.1	1.7



# Our Primary Focus

## Maximise Return to Shareholders



### Secure long term earnings

- Prioritise securing long-term contracts
- Actively bidding in SE Asia markets i.e. Indonesia, Vietnam and Thailand



### Prioritizing on cost optimisation initiatives

- Maintain cost discipline to protect margins
- On-going initiatives to optimize efficiency



### Return free cashflow to shareholders

- To maximise shareholders distribution where possible
- Exploring options to further increase return to shareholders





Focus on strategies to ensure **sustainable financial performance**



Achieved strong **PAT margin** at **23%** in 1Q 2025, despite **utilisation** of **67%**



Order Book doubled to **RM1.4 billion**, providing revenue visibility into 2028



Despite the **challenges and risks ahead**, we are strategically positioned to **maximise value for our shareholders**

**THANK YOU**