



15TH 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[^]

SEA

Experience in Southeast Asia with Solid track record

2013

Listed on the Main Board of Bursa Malaysia

ZERO

Fatalities, Major spills and LTIs

RM1.4bn

Market capitalisation
as at 22 May 2025

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

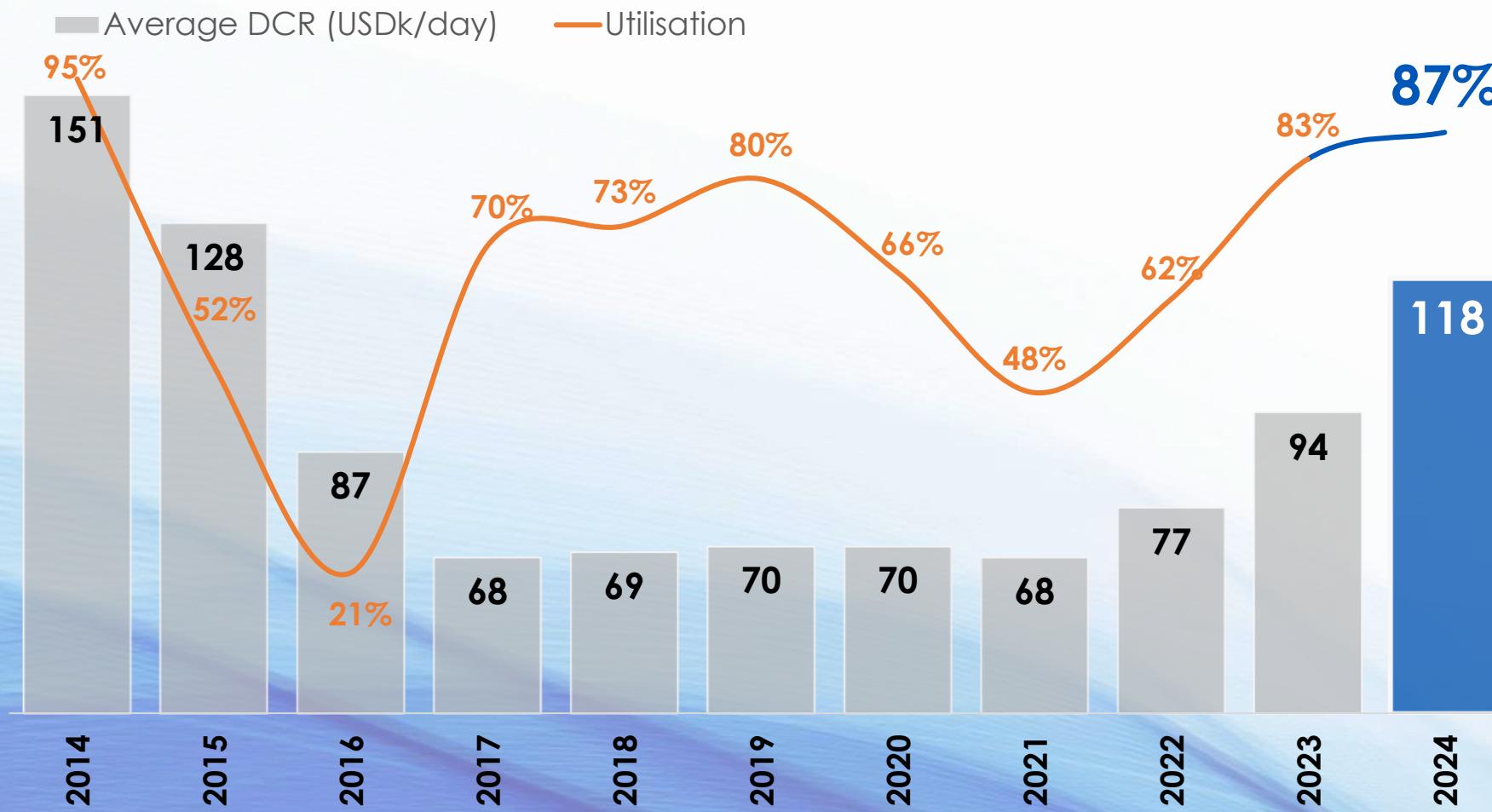
Excellence

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

VELESTO
energy

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)

 NACGSA
Top 50 Top 5% PLCs – ranked at NACGSA 2024

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

Malaysia GPM Sustainability Awards 2024
2 Awards - Sustainability Leadership & Most Outstanding Project

② Progress & Performance

2024 COMMITMENT	<ul style="list-style-type: none"> To be Net Zero emission by 2050 Reduce 15% absolute emission by 2030 (for Scope 1 & 2)
2024 KEY PERFORMANCE	<ul style="list-style-type: none"> Achieved 34% reduction of emission intensity / operating days against 2021
	<ul style="list-style-type: none"> 72.6% of total waste generated recovered, repurpose or recycle
	<ul style="list-style-type: none"> Certified ISO 37001:2016 ABMS group-wide
	<ul style="list-style-type: none"> 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
Average Utilisation (%)	87%	83%	▲ 4 p.p	67%	82%	94%
Average Day Rate (USD '000)	118	94	▲ 26%	127	126	107
Operational Efficiency (%)	99%	97%	▲ 2 p.p	99%	99%	99%
Revenue (RM mil)	1,360	1,214	▲ 12%	225	276	339
EBITDA (RM mil)	549	369	▲ 49%	113	127	134
EBITDA margin (%)	40%	30%	▲ 10 p.p	50%	46%	39%
PAT (RM mil)	208	100	▲ 108%	53	55	47

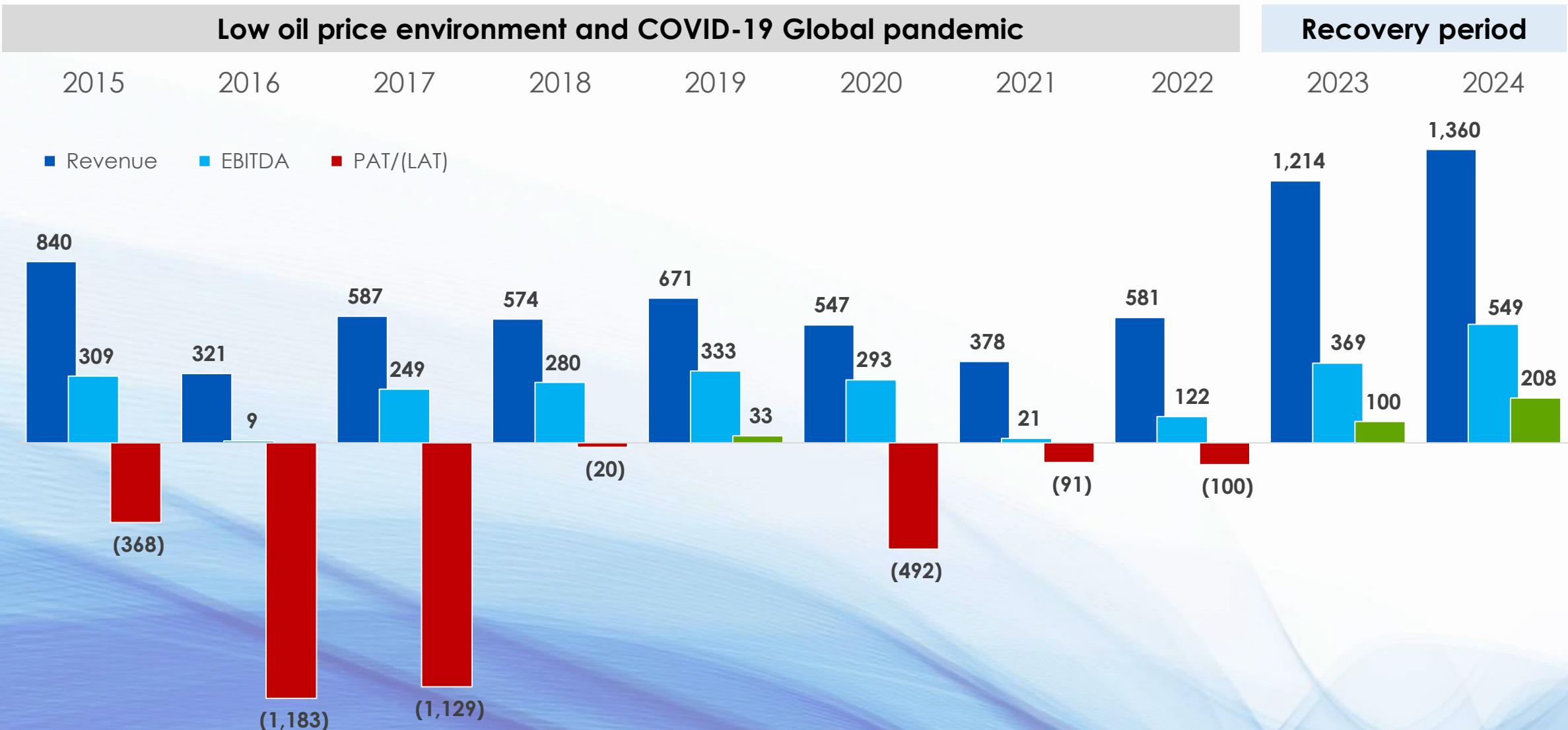
Yearly - 2024

- 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

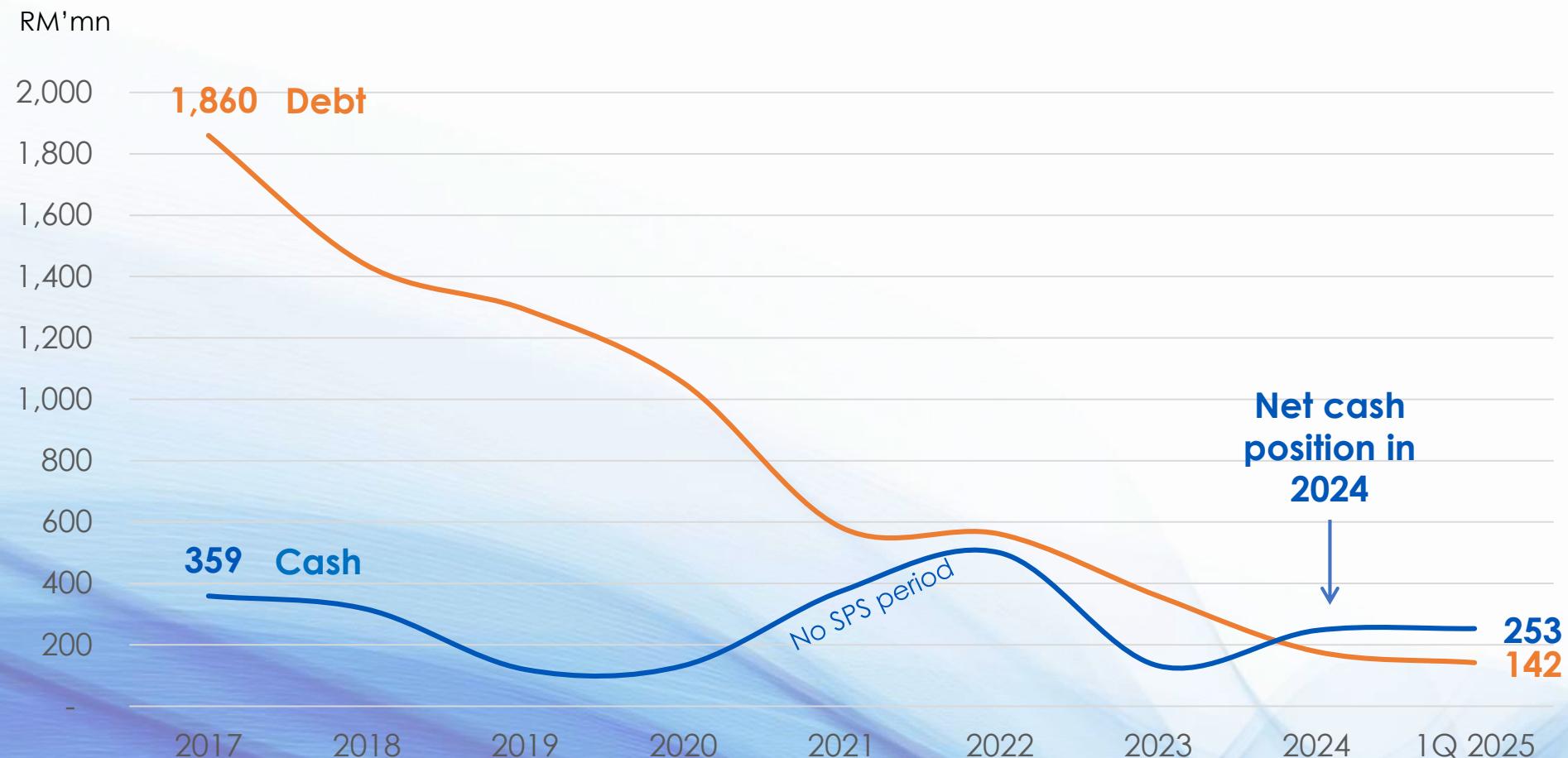
Cash Balance (RM)

253 mil

Gross Debt to Equity
Ratio

0.05x

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



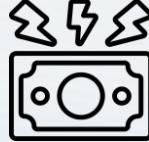
2025 LOOKING AHEAD

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)

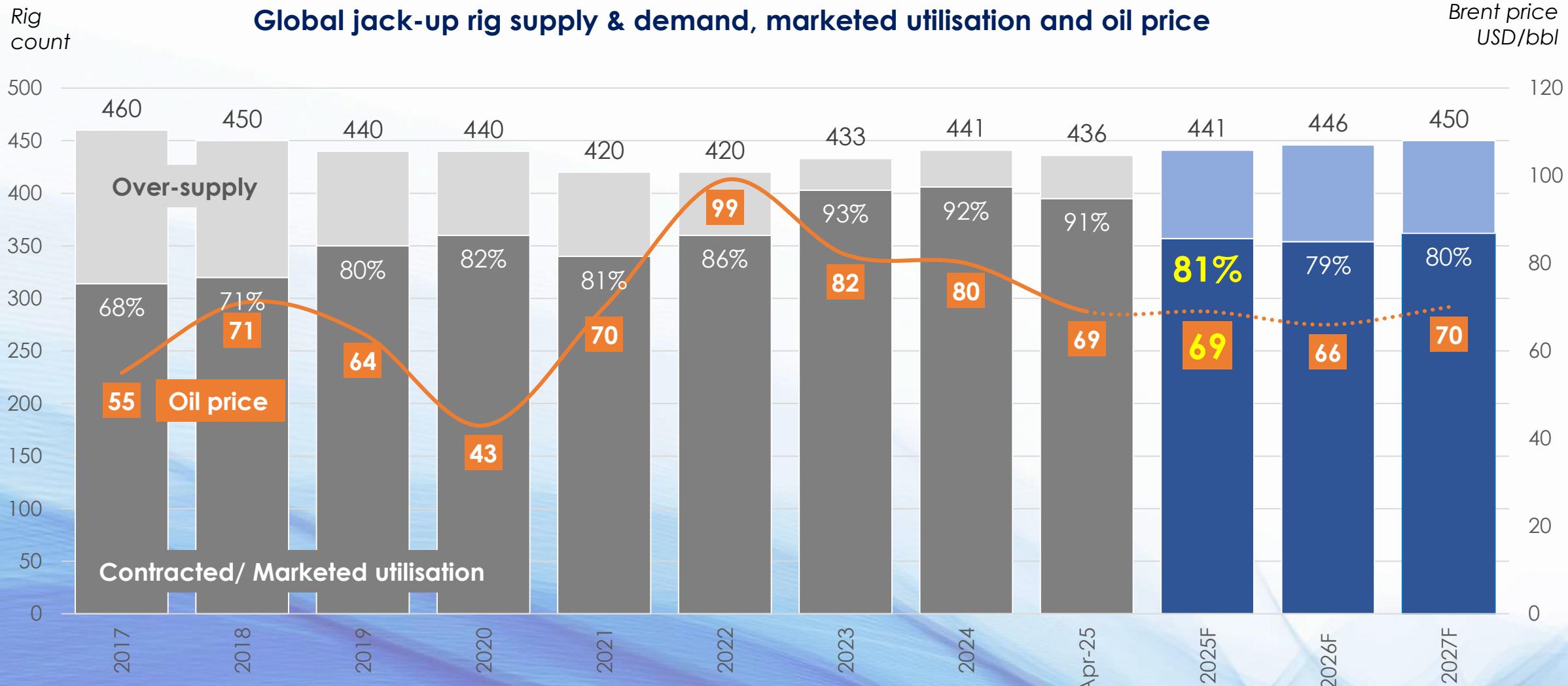
2025 Global oil demand

103.6 ↘

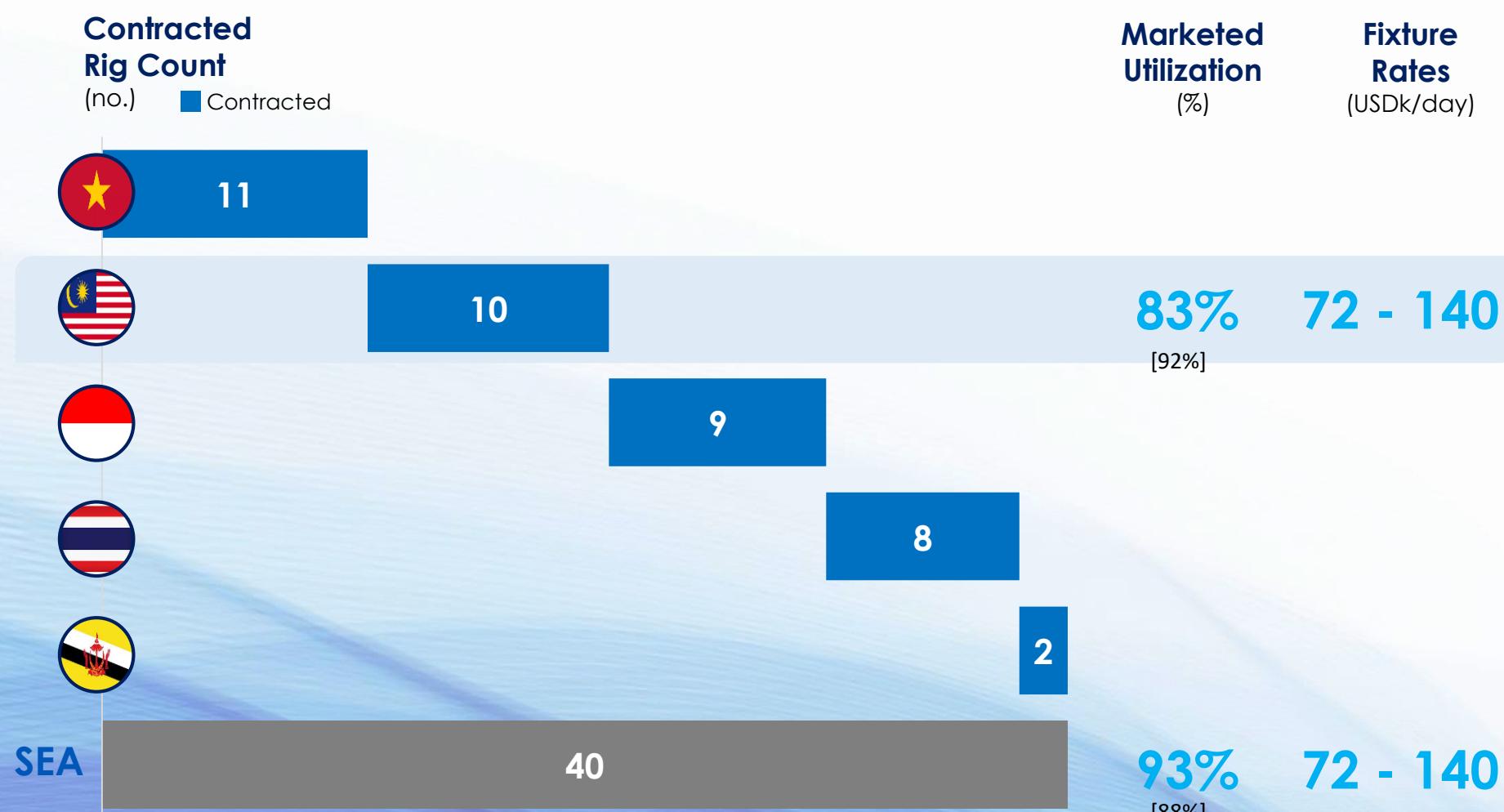
Mil bpd

(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



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

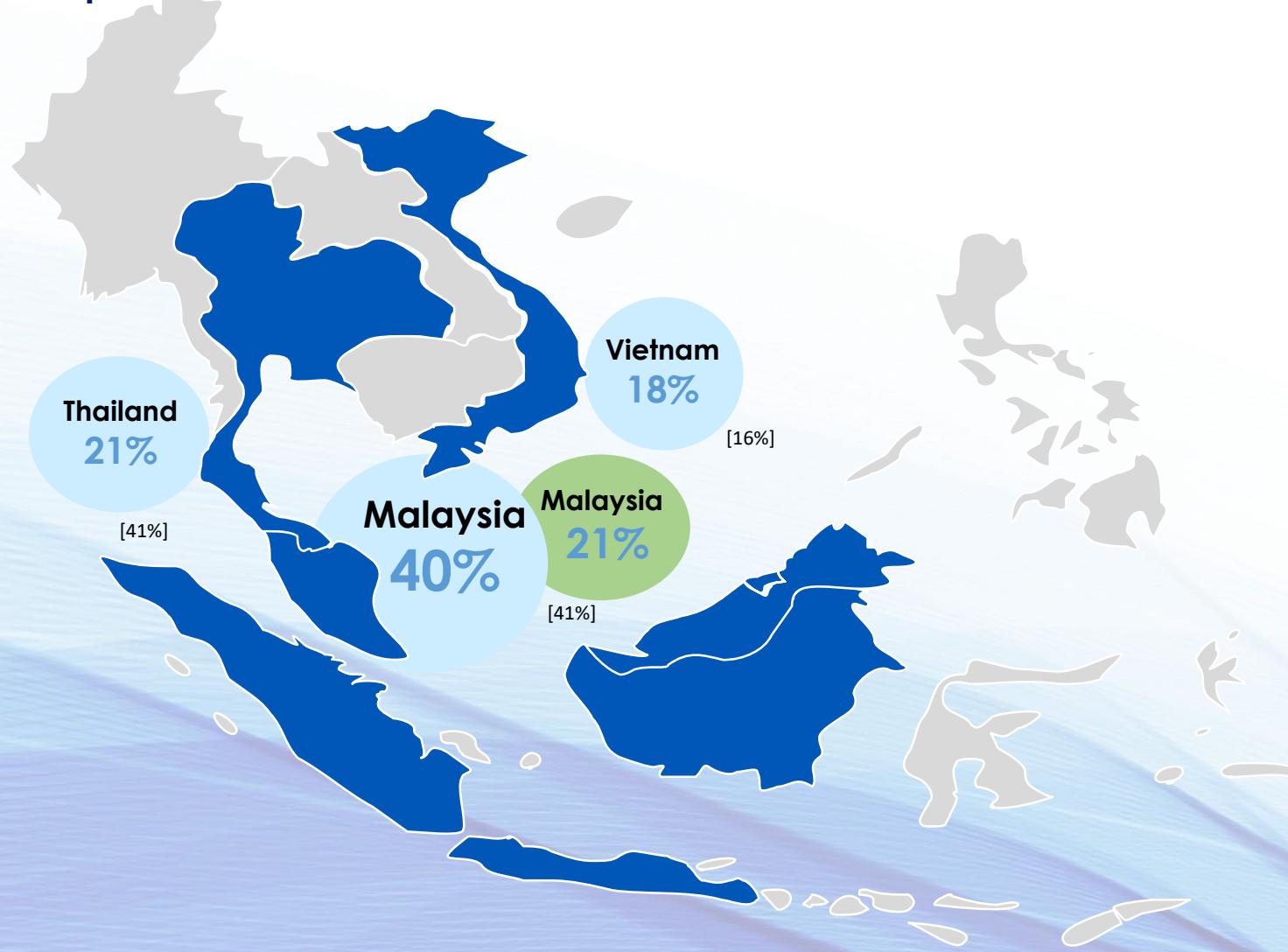
PC
Ketapang

PQPOC

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

VELESTO
energy

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