

2Q2025 RESULTS

ANALYST BRIEFING

Friday | 22 Aug 2025

3.00 p.m. - 4.30 p.m.

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Maintained robust margins in a challenging utilisation environment

EBITDA margin

58%

PAT margin

25%

Dividend (sen)

0.75

Utilisation

57%

Average DCR

123

(USdk/d)

Uptime

99%



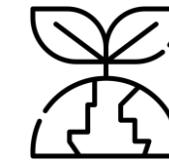
Robust pipeline

Strong **RM1.2b** orderbook with **RM4.3b** prospects



Safety performance

Zero - Fatalities, Major spills and LTIs



Prioritising sustainability

We remained a **top rated ESG** company



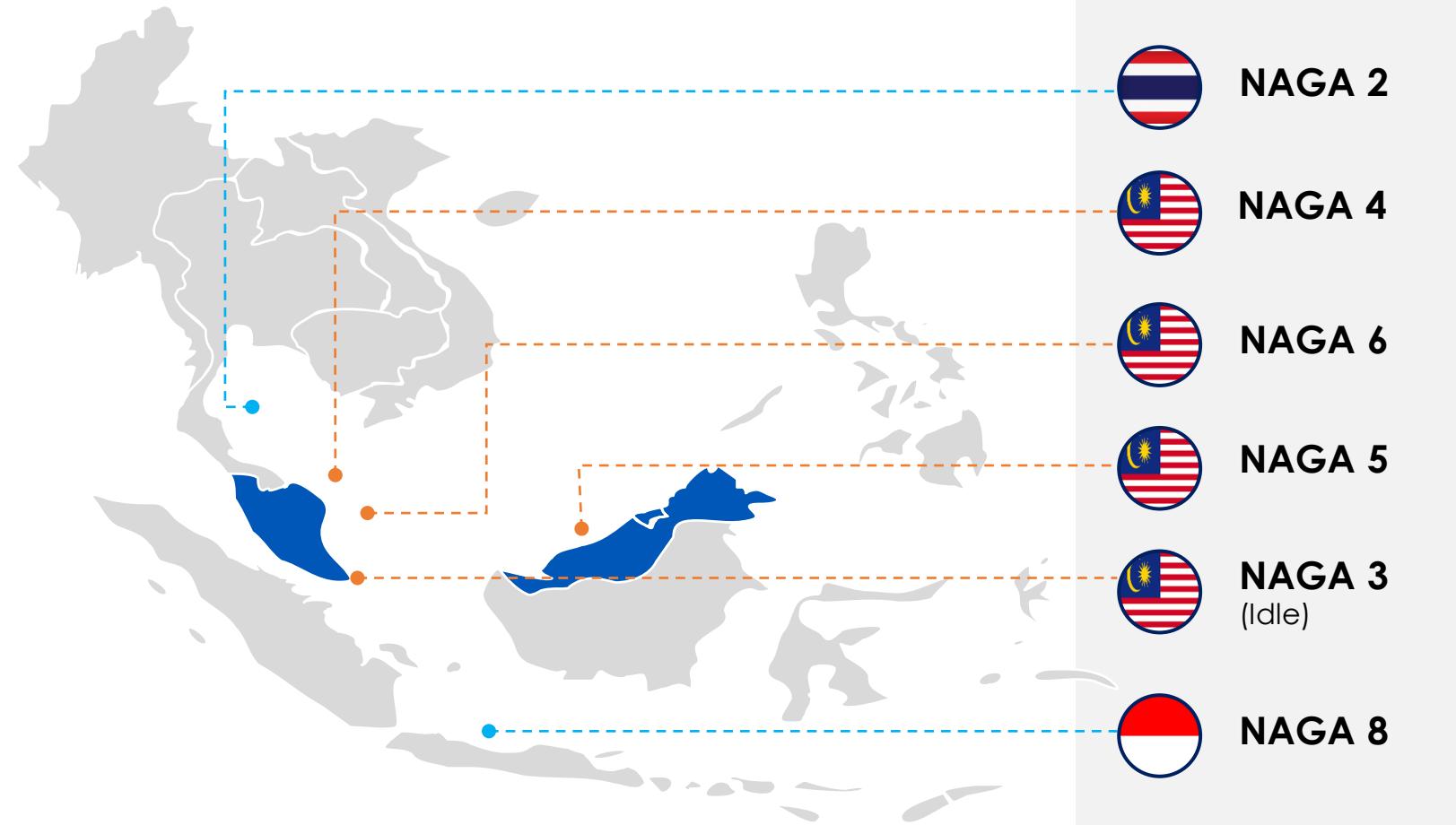
Completed exercise

Capital reduction exercise completed in Aug 2025

Velesto's presence across Southeast Asia reflects strong client trust

Location of current rigs

Malaysia	4
Thailand	1
Indonesia	1



Global jack-up rig utilisation expected to stay at ~81% for the next 3 years

2026-2027 Forecast

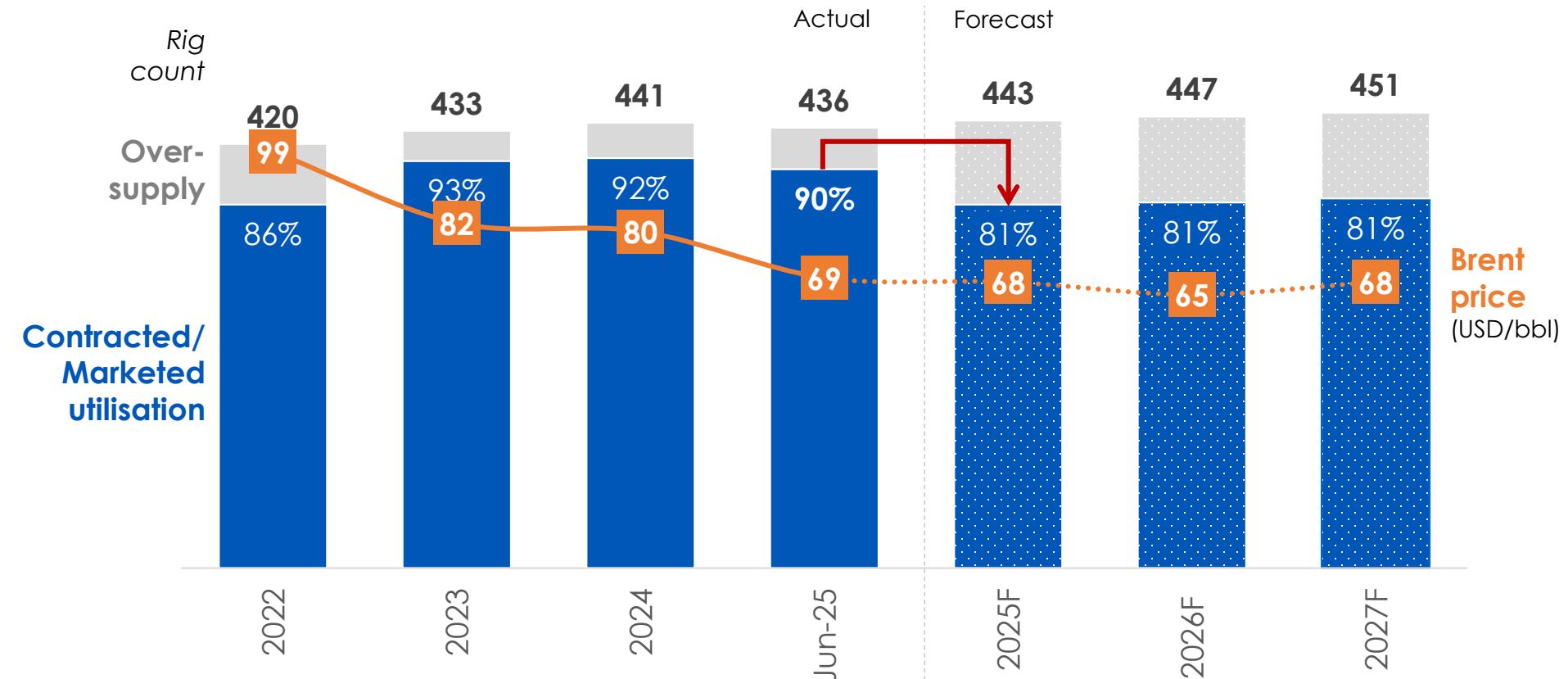
Brent Price (USD/bbl)

65 - 68

Global JU Rig
Marketed Utilisation

81%

Global jack-up rig marketed utilisation and brent price

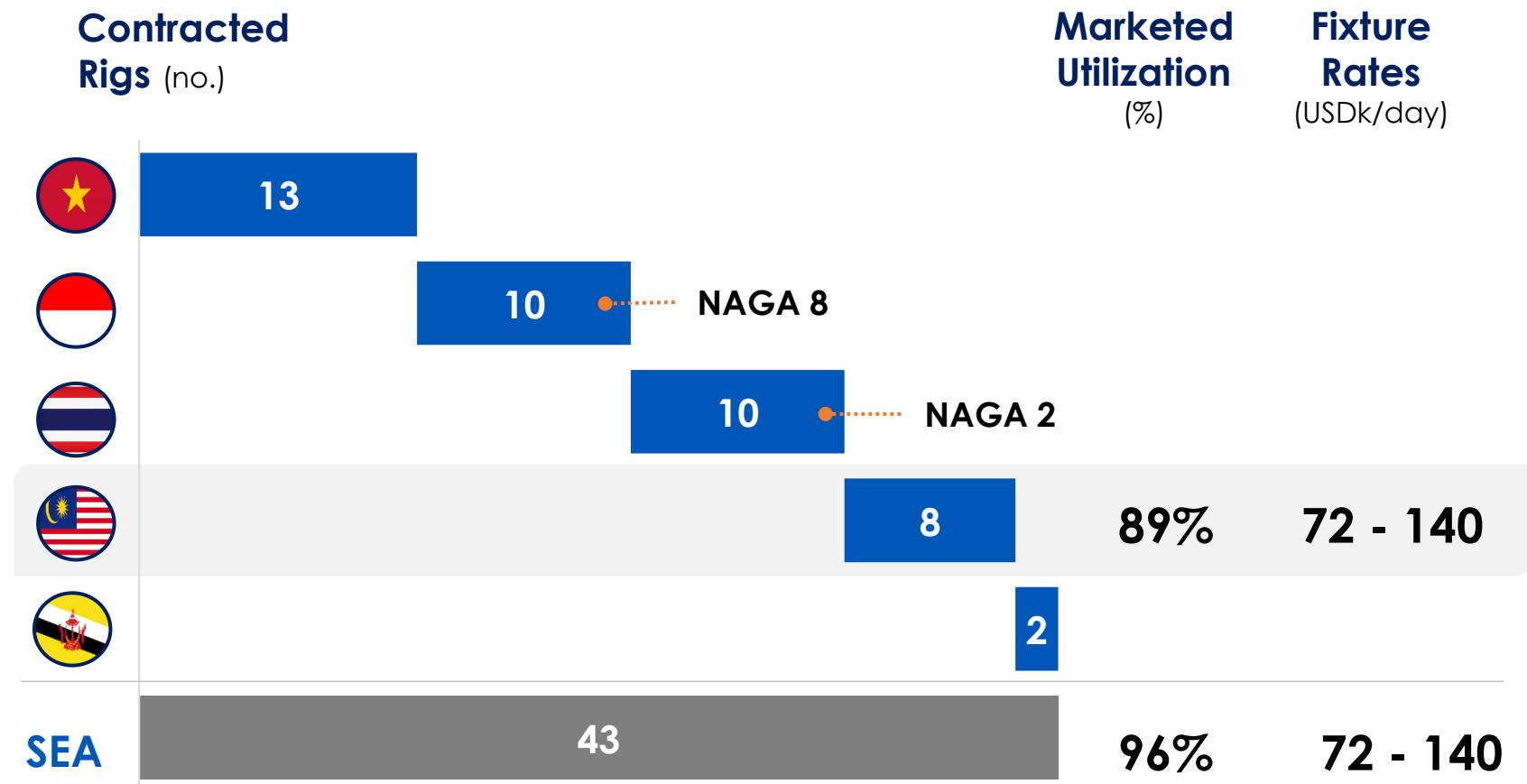


Source: S&P Petrodata June 2025, Bloomberg, Rystad Energy, Velesto Analysis

Southeast Asia's contracted rigs increased to 43 rigs as Vietnam, Indonesia and Thailand see increase in activities

Key highlights:

- Contracted rigs in SE Asia increased to **43 rigs** due to several contracts awarded
- NAGA 2** is currently working with NGP in **Thailand**
- NAGA 8** has commenced work with PC Ketapang in **Indonesia**

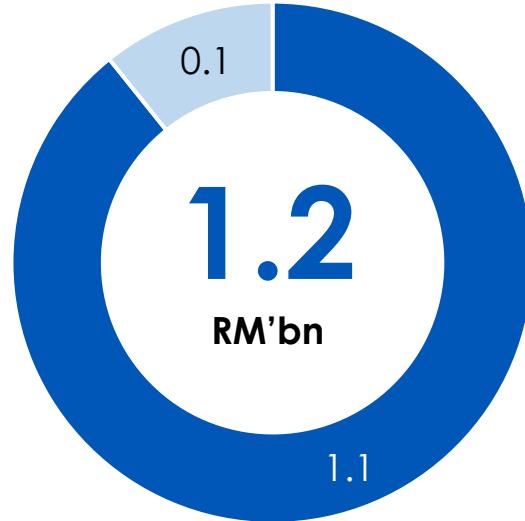


Source: S&P Petrodata July 2025, Velesto Analysis

Strong RM1.2b orderbook (90% firm) with RM4.3b prospects, reflecting a healthy pipeline

Orderbook

■ Firm ■ Option



PC
Ketapang



HIBISCUS
Petroleum



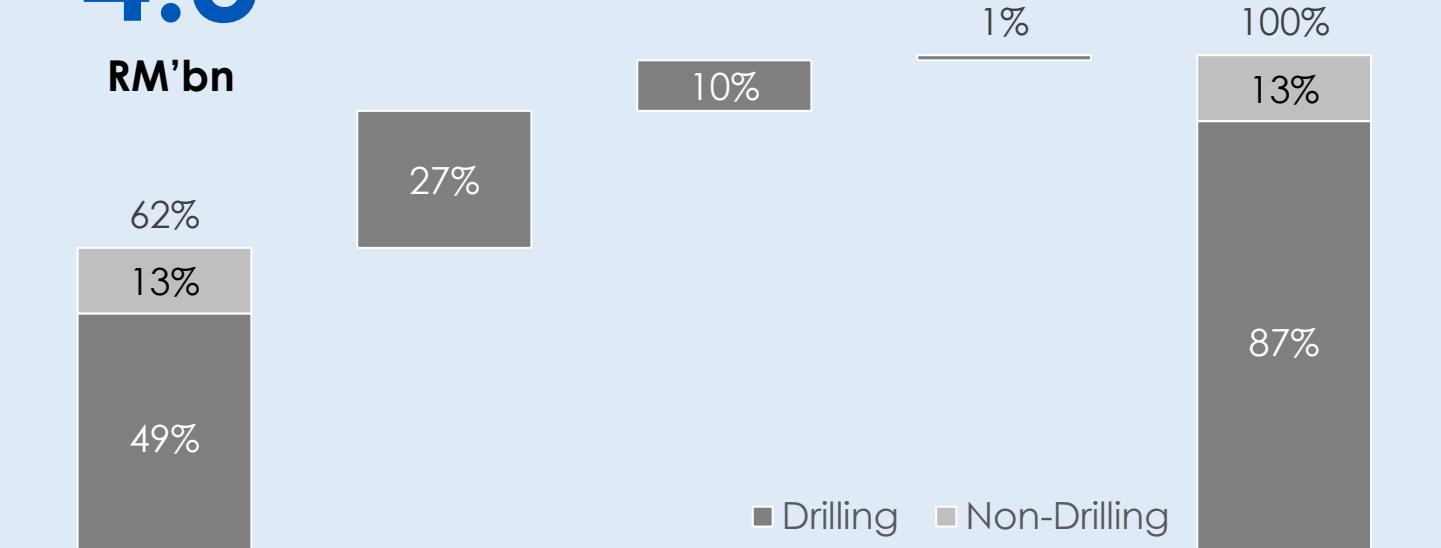
PETROVIETNAM
PQPOC

Prospects

4.3

RM'bnn

Note: >80% of Value from long-term contracts



Note: Predominantly orderbook for drilling segment

Continue to deliver excellent HSE performance in 2Q 2025 and YTD 2025

Fatality
Zero

Loss Time Injury
Zero

Major Spills
Zero

Management visit
in 1H 2025

41

Key Activities/ Initiatives in 2Q 2025:

- Management HSE visit to NAGA 8 at Seatrium on 6 May 2025
- Velesto Injury Prevention Program (VIPP-VMS) at NAGA 4 on 16 Apr 2025
- Generative Safety Leadership Workshop (GSLW 2.0) at VDA on 21-22 Apr 2025

Velesto pledged on June 2025 to implement Living Wage for all employees group-wide

10%

Emission Intensity/ Op Day Reduction by 2030

Zero

Major Spills

Zero

Reg. Non-compliance, Data Breaches & Corruption

Material Indicator	YTD 2024	YTD 2025	Variance
Operating Days⁽¹⁾	1081	649	(40)%
Total Emission (tCO2e) ⁽¹⁾	32,390	22,906	(29)%
Intensity/ Ops Day (tCO2e/ day)⁽¹⁾	30	35	17%

Key Activities/ Initiatives in 2Q 2025:

- Support 6 Sekolah Angkat MADANI schools nationwide in digitalizing education - Kicked off 20th June 2025
- Donated a Blowout Preventer (BOP) to UTP - Support development of future talents

Maintained resilient financial performance in 2Q 2025 despite headwinds

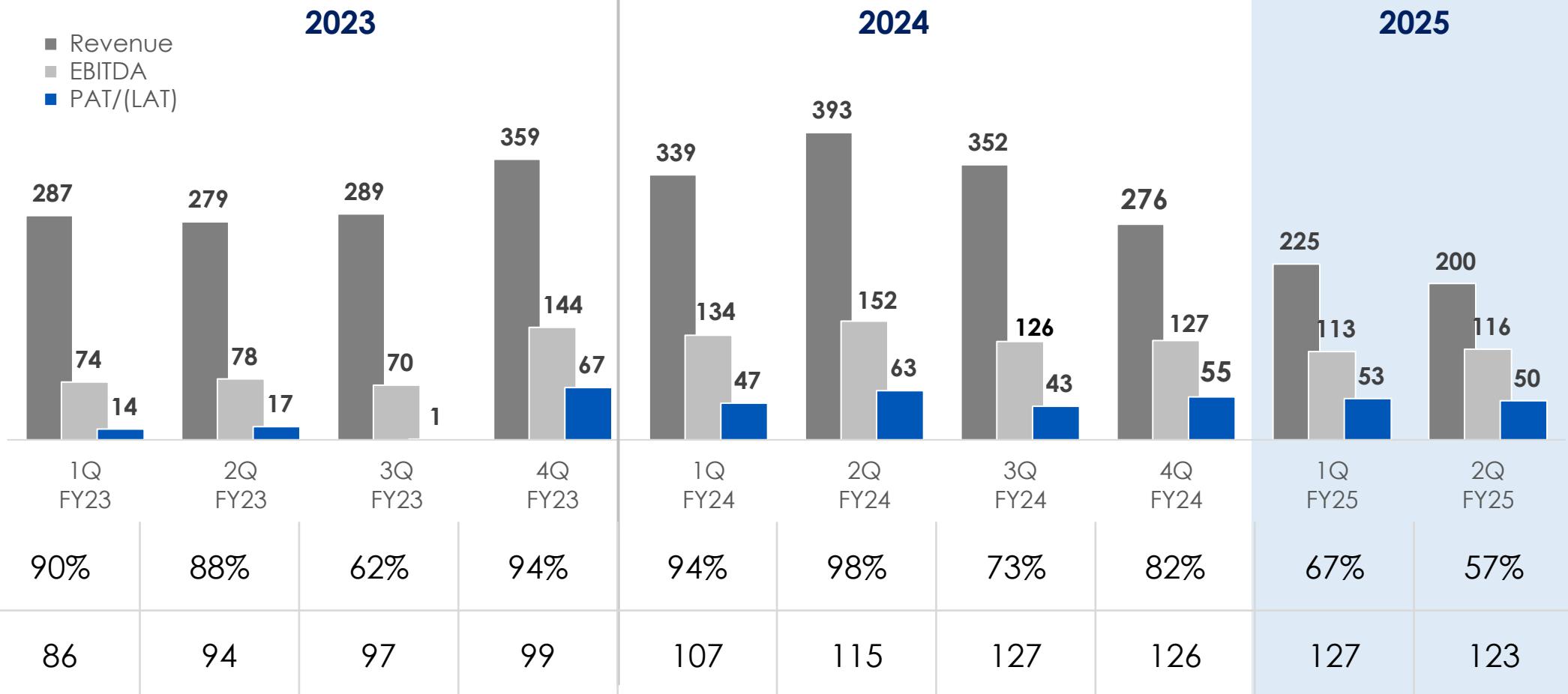
Key Financial Highlights	Quarterly			Variance against	
	2Q 2025	1Q 2025	2Q 2024	1Q 2025	2Q 2024
Average Utilisation (%)	57%	67%	98%	-10 p.p.	-41 p.p.
Average Day Rate (USD '000)	123	127	115	-3%	+7%
Operational Efficiency (%)	99%	99%	99%	-	-
Revenue (RM mil)	200	225	393	-11%	-49%
EBITDA (RM mil)	116	113	152	+3%	-24%
EBITDA margin (%)	58%	50%	39%	+8 p.p.	+19 p.p.
PAT (RM mil)	50	53	63	-6%	-21%
PAT margin (%)	25%	24%	16%	+1 p.p.	+9 p.p.

- Achieved a revenue of **RM200 mil** and PAT of **RM50 mil**
- Increased **EBITDA margin to 58%**, maintaining resilient profitability
- Includes reversal of provisions **RM28 mil**
- Adjusted EBITDA margin **44%** and adjusted PAT margin **11%** respectively

Higher profit margins to sustain Profit After Tax despite lower revenue and utilization

Financial performance

(RM'mn)



Strong operating cashflow has been funding CAPEX, deleveraging and increasing dividend payments

Liquidity Information

Total Borrowings
(RM mil)

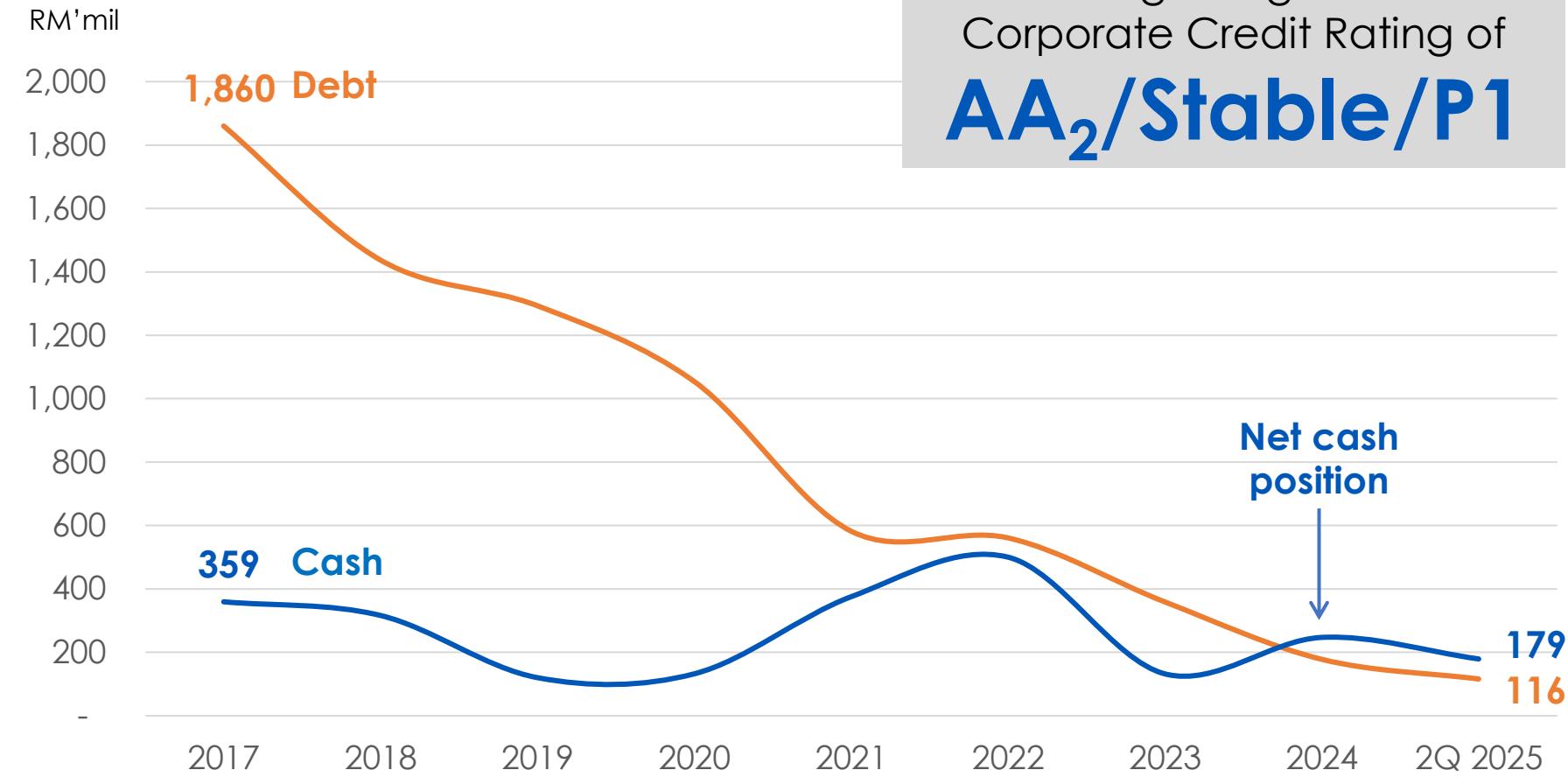
116

Cash Balance
(RM mil)

179

Gross Debt to
Equity Ratio (x)

0.05



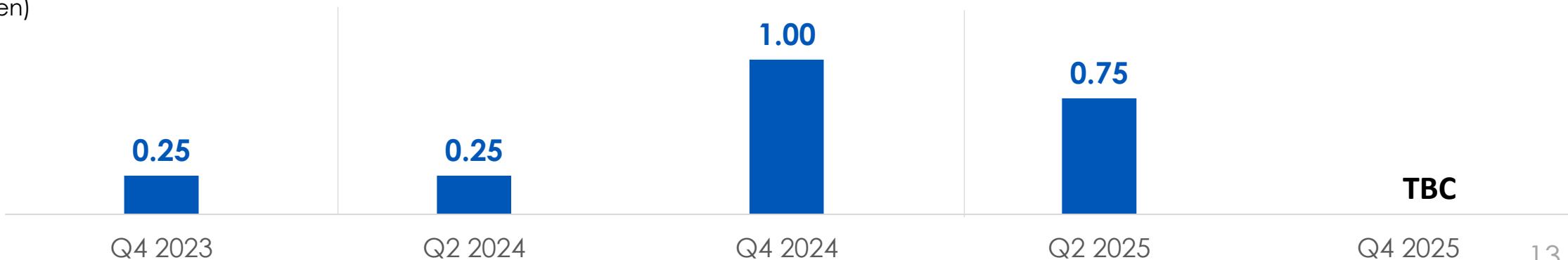
RAM Ratings assigned Velesto
Corporate Credit Rating of
AA₂/Stable/P1

Continue to distribute dividends to maximise shareholder returns

Interim Dividend
Q2 2025

0.75
sen

Recent dividend per share
(Sen)



Dividend Payable

RM61.6m

Payment Date

18 Nov 2025

Dividend Payout

60%

Dividend Yield (based on 19.5 sen)

3.8%

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 optimization 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



Summary

- Maintain strategic focus to ensure **sustainable financial performance**
- Achieved strong **PAT margin at 25%**, despite lower **utilisation of 57%**
- Announced Interim dividend of **0.75 sen** per share and **completed** our Capital Reduction exercise.
- We are well positioned with a strong buffer to **maximise value for our shareholders**