

MEDIA RELEASE

For Immediate Distribution

4Q2024: VELESTO REPORTS STRONGEST RESULTS SINCE 2015

Kuala Lumpur, 27 February 2025 - Velesto Energy Berhad ('Velesto') announced its financial results for the fourth quarter ('4Q2024') and full financial year ended 31 December 2024 ('FY2024'), closing the year on a strong note with higher profitability and declaring a dividend of 1 sen per share.

For 4Q2024, Velesto recorded revenue of RM276.1 million, bringing its full-year revenue to RM1.36 billion, an increase of 12% from RM1.21 billion in FY2023. Profit after tax ('PAT') for the quarter stood at RM55.2 million, contributing to a record high full-year PAT of RM207.7 million, exceeding the RM99.5 million recorded in FY2023 by more than twofold.

The Group's performance was driven by improved average daily charter rates of USD118k/day (FY2023: USD94k/day) and higher rig utilization at 87% (FY2023: 83%) under the drilling services segment, as well as the completion of the i-RDC project under Integrated Project Management.

Megat Zariman Abdul Rahim, President of Velesto, said, "Our strong full-year results reflect the Group's exceptional operational efficiency. The increase in daily charter rates and higher rig utilization have enabled us to deliver substantial profit growth and increase our dividend payout to reward our shareholders.

The near-term outlook for jack-up rigs in Malaysia and Southeast Asia remains stable. Our strategic focus is on securing long-term earnings and optimizing costs. We remain committed to delivering sustained profit margins amid evolving industry dynamics."

As of January 2025, Velesto has a strong order book of RM709 million, providing financial visibility until early 2026. Barring unforeseen circumstances, the Group is cautiously optimistic about the outlook for 2025.

In the coming months, NAGA 2, NAGA 4, and NAGA 6 are contracted until the first quarter of 2026. NAGA 3 and NAGA 8 are scheduled for Special Periodical Surveys and maintenance, and Velesto has an active pipeline of tenders across both domestic and regional markets. Negotiations are ongoing for NAGA 5 with a potential client, with the rig expected to commence work by June 2025.

-END-

About Velesto Energy Berhad

VELESTO ENERGY BERHAD is a Malaysia-based multinational provider of services for the upstream sector of the oil and gas industry through the fleet of six (6) wholly owned jack-up drilling rigs and two (2) hydraulic workover units. We are the largest jack-up drilling rigs owner and operator in Malaysia and Southeast Asia. Apart from our home base in Malaysia, we have experiences operating in South East Asia countries such as Indonesia, Vietnam, Philippines and Thailand with strong track record of working with national and international oil and gas companies.

Listed on the Main Market of Bursa Securities, we are a constituent of FTSE4Good Bursa Malaysia Index, a testament to our sustainability performance and Environmental, Social and Governance ('ESG') practices.

For more information about Velesto, please visit www.velesto.com

For media enquiries, please contact:

Liza Razak | Corporate Communications | E-mail: liza.haryati@velesto.com

For investor relations enquiries, please contact:

Eric Chua | Investor Relations | E-mail: chua.chee.kiong@velesto.com