

MEDIA RELEASE

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VELESTO REPORTS STRONG 2Q2024 PERFORMANCE AND ANNOUNCES INTERIM DIVIDEND

Kuala Lumpur, 29 August 2024 - Velesto Energy Berhad ('Velesto' or the 'Group') is pleased to announce its financial results for the second quarter ended 30 June 2024. Velesto delivered another excellent quarter in 2Q 2024. Revenue increased to **RM393 mil (+41%)**, EBITDA rose to **RM152 mil (+95%)** and PAT was up to **RM63 mil (+270%)** for the quarter on a year-on-year basis. In the first six months of the year, its Revenue increased to RM732 mil (+29%), EBITDA rose to RM286 mil (+88%) and PAT was up to RM110 mil (+244%).

In addition, the Group declared interim dividend of 0.25 sen per share in respect of financial year 2024 amounting to RM20.5 million. The proposed dividend will be paid on 28 November 2024 to shareholders registered at the close of business on 30 October 2024.

Velesto's President, Megat Zariman Abdul Rahim said, "We are proud to report another solid quarter backed by higher earnings due to higher utilisation at 98% and higher average daily charter rate at USD115k per day during the quarter. Notably, our operational performance reached 99% uptime with zero Lost Time Injuries. Our progress on the iRDC project within the Integrated Services segment also contributed significantly during this period, demonstrating our commitment to excellence and the trust our clients place in us.

Additionally, we are pleased to distribute dividends to our shareholders, reflecting our ability to balance capital commitments and profit distribution".

The Group says utilisation is expected to be lower in 2H2024, due to three of its rigs, namely NAGA 2, NAGA 5 and NAGA 6 will be conducting their 5-yearly Mandatory Special Periodical Survey ('SPS'). The Group expects its utilisation to remain high in 2025, as NAGA 2, NAGA 4 and NAGA 6 have been contracted up to 1Q 2026 and NAGA 8 up to 4Q2025.

Velesto says the oil and gas global outlook fundamentals remain strong and oil markets remain balanced. Global utilization of jack-up rigs continues to be strong as 93% of marketed rigs are currently contracted. The Group's remaining order book stood at RM1.3 billion as at July 2024. Barring unforeseen circumstances, the Group remains optimistic of its financial performance for FY2024.

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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 our fleet of six (6) wholly owned premium jack-up drilling rigs and two (2) hydraulic workover units. We are the largest jack-up drilling rigs owner and operator from Malaysia and Southeast Asia. In addition, we provide integrated drilling and workover services to meet the requirements of our clients. 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 local and international oil and gas companies.

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

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