

Perdana Petroleum posts biggest profit in 18 years, ‘seriously’ eyeing fleet renewal

KUALA LUMPUR (Feb 19): Offshore supply vessel (OSV) operator Perdana Petroleum Bhd’s (KL:PERDANA) is “seriously” considering fleet renewal and rejuvenation, said managing director Jamalludin Obeng, in light of upbeat upstream oil and gas (O&G) activities outlook and after delivering RM146.03 million in net profit for the financial year ended Dec 31, 2024 (FY2024).

Perdana’s net profit was the strongest in 18 years, behind the RM152.94 million recorded by the OSV outfit in FY2007. On a year-on-year basis, the latest earnings was 228.79% higher from RM44.415 million, thanks to higher number of vessels in operations, and higher charter rates, coupled with higher utilisation rate of 70%, from 58%.

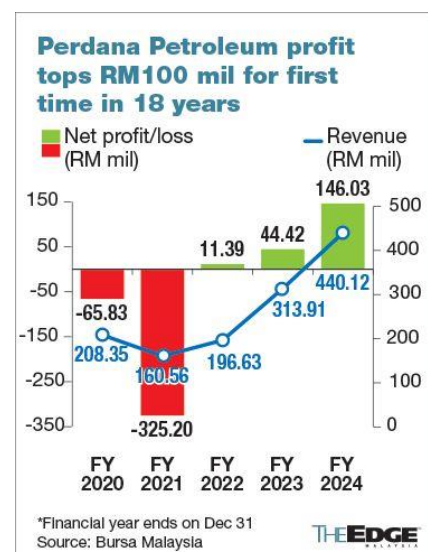
Revenue rose 40.2% to RM440.12 million, compared with RM313.91 million in FY2023.

“Our focus on optimising fleet efficiency and seizing market opportunities has been integral to this strong performance,” said Jamalludin in a statement.

The latest Petronas Activity Outlook, which spells out the national oil corporation’s expected demand for O&G services in the next three years, signals that “upstream development is set to accelerate” with more development wells, at a time when concerns are being raised “about the high number of ageing vessels in the OSV industry”, he said.

“Perdana believes this market situation provides an opportunity for us to seriously consider fleet renewal and rejuvenation in a strategic and timely manner,” he added. The group also sees charter rates to be sustained in the long term due to the tight supply conditions.

For Perdana, also supporting the full-year earnings were higher net impairment reversal of RM25.9 million, from RM8 million in FY2023; as well as foreign exchange gains of RM10.5 million recorded this year, from losses of RM12.1 million a year ago.



The full-year earnings per share of 6.56 sen is the highest seen since FY2014, when Perdana booked 11.95 sen per share from its RM88.05 million net profit, supported by revenue of RM347.22 million then.

The group has lowered its debt level to RM16.26 million at end-2024 from RM27.15 million the year before, with cash pile rising to RM118.62 million, for a net cash position of 102.36 million.

In 4QFY2024, Perdana’s net profit rose 38% to RM29.46 million or 1.32 sen per share, from RM21.36 million or 0.96 sen per share, as the group booked higher gross profit, as well as enjoyed the higher reversal of provisions aforementioned.

Revenue, however, fell 9.8% to RM89.05 million from RM98.72 million, mainly due to lower vessel utilisation of 50% compared to 53% in 4QFY2023, as well as reduced contributions from third-party vessel chartering activities.

Despite the positive outlook, uncertainties in the Middle East, coupled with currency volatility and tariff war tensions are prompting the group to navigate its operations “with caution”, Perdana said.

Shares of Perdana Petroleum settled unchanged at 24 sen, giving it a market capitalisation of RM534.5 million. The counter is down 4% this year.

About Perdana Petroleum Berhad

www.perdana.my

Perdana Petroleum Berhad (“Perdana” or the “Company”) core businesses encompass the provision of offshore marine support services for the upstream oil and gas industry in the domestic and regional markets.

The Company owns and operates a fleet of vessels that consists of Anchor Handling Tug Supply vessels, Accommodation Workboats and Workbarges to support an array of offshore activities from exploration, development, facilities installation, hook-up & commissioning, production, operation, and maintenance. Perdana Group’s vessels are designed and fitted with reliable international-standard equipment to meet the challenging requirements of the offshore oil and gas industry.

Since 2004, Perdana Group has built a reputation for excellent service in its core activities of providing offshore support to a host of clients. The services rendered include:

- Workbarges and workboats for onboard accommodation and work facilities for offshore personnel;
- Towing, mooring, and anchoring of non-self-propelled barges and rigs; and
- Transportation of drilling, production and project materials and chemicals.