



PRESS RELEASE

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Ocean Vantage Navigates RM6.80 Million Loss in 3Q FY2024 Amidst Project Challenges

- A net loss attributable to owners of RM6.80 million in 3Q FY2024, reversing from a net profit attributable to owners of RM5.51 million in the same quarter for the previous year.
 - Revenue for 3Q FY2024 dropped 50.06% to RM19.67 million, primarily due to reduced contributions from the nearing completion of the BAGSF 2 project.
 - Cost pressures from a single project impacted financial performance
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KUALA LUMPUR, 26th NOVEMBER 2024 – Ocean Vantage Holdings Berhad (“Ocean Vantage” or “the Group”) has announced its financial results for the third quarter ended 30 September 2024 (“3Q FY2024”), recording a **net loss attributable to owners of RM6.80 million**.

This reversal from a net profit attributable to owners of RM5.51 million recorded in the corresponding quarter last year is largely attributable to **cost escalations and project-specific challenges** linked to the nearing completion of the **Bintulu Additional Gas Sales Facility 2 (“BAGSF 2”) project**.

The Group’s revenue for 3Q FY2024 also fell **50.06%** to RM19.67 million, down from RM39.38 million in 3Q FY2023. The sharp reduction in revenue was mainly attributed to the nearing completion of the BAGSF 2 project, which significantly reduced contributions from the Engineering, Procurement, and Construction (“EPC”) and project management segment.

Similarly, the Group's financial performance for the nine months ended 30 September 2024 (“9M FY2024”) reflected challenges, with a **net loss attributable to owners of RM8.91 million**. This marked a sharp decline from the net profit attributable to owners of RM12.58 million recorded in the same period last year.

Escalating costs in the BAGSF 2 project were driven by **rising material and manpower expenses**. These factors impacted the Group's ability to maintain profitability and manage

cost overruns effectively. As a result, The Group's gross profit margin for 9M FY2024 **fell to 2.90%**, down from 18.14% in the same period last year.

Meanwhile, revenue for 9M FY2024 decreased 35.80% year-on-year ("yoy"), standing at RM87.05 million compared to RM135.60 million previously.

The EPC and project management segment, historically a key revenue driver, reported a 69.27% yoy **decline in revenue** due to delays and reduced project scope in key contracts.

Liquidity and cash flow challenges also weighed on the Group's performance. Net cash used in operating activities for the nine-month period stood at RM0.33 million, in stark contrast to the RM8.93 million generated during the same period last year. Total liabilities remained high at RM48.33 million, further straining the Group's financial position.

Mr Kenny Ronald Ngalin, Managing Director of Ocean Vantage said, "The challenges we faced in Q3 FY2024 are specific to the complexities of executing the BAGSF 2 project, which posed unique cost and timeline pressures. We are undertaking a comprehensive review of our operations to identify and address the root causes of these issues. However, we anticipate a continued period of difficulty as we navigate this challenging environment."

Looking ahead, the Group remains cautious about its outlook for the remainder of 2024. Although we face significant challenges in maintaining operational efficiency and stabilising revenue streams, we believe that our proactive approach will position us for recovery and growth in the long term.

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About Ocean Vantage Holdings Berhad

Ocean Vantage is an integrated support services provider for both upstream and downstream of the O&G industry. The Group's services include engineering, procurement and construction (EPC) and project management, supply of manpower, supply of materials, tools and equipment, as well as provision of drilling rig charter services.