

Greka Drilling Ltd

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Greka Drilling share trading resumes as delayed results reveal improved revenues

Greka Drilling Ltd (LON:GDL) shares resumed trading on London's AIM market this morning following the publication of its 2017 financial results after the market's close on Friday.

In early deals, Greka shares were up 24% changing hands at 1.78p.

Share trading had been suspended earlier this month after the financial results were delayed beyond the June 30 deadline, partly due to a change in accounting personnel at the company.

READ: Greka Drilling secures Chinese drilling contract

The results themselves revealed annual revenue of US\$11.6m, up from US\$7.2m in the preceding year.

Losses before tax narrowed significantly to US\$1.4m, from US\$9.6m in 2016. The company, meanwhile, highlighted that thanks to improved revenue and more controlled operational costs it managed a US\$3.4m gross profit for the year, versus a US\$1m gross loss in the year before.

It ended the period, to December 31, with US\$600,000 of cash and bank deposits.

Drilled more wells in 2017

Operationally, the company drilled more wells - a total of 48 wells versus 33 in 2016 - and the total drilled distance amounted to 64,192 metres, up from 39,553 metres in the previous year. The majority, some 56,531 metres, of the work took place in China.

Randeep Grewal, Greka chief executive, in a statement said: "While the year presented challenges in India and some in China, Greka Drilling concluded the year with a 61% increase in revenues to US\$11.6m from US\$7.2m in the previous year.

"In China the government continued its strong support for the development of its Coal Bed Methane (CBM) resources.

"We were beneficiaries of the continued drilling programs by state-owned China National Petroleum Corporation (CNPC) on its large acreage in southern Shanxi province on multiple blocks.

"Among the significant number of state-owned drilling companies, Greka Drilling stands out as the only independent foreign drilling contractor sustainably providing services within the CBM sector in China and India."

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Share Information

Code: GDL
Listing: AIM
Sector: Energy
Website: www.grekadrilling.com

Company Synopsis:

Greka Drilling Limited is one of the largest independent and specialised unconventional gas drilling companies in Asia. The company was established as a subsidiary of Green Dragon Gas Limited in November 2007. Greka Drilling Limited is the largest independent and specialised provider of unconventional gas services in Asia. We have best-in-class rigs and crews.

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