



Immediate Release

Marco Polo Marine Kicks Off 1QFY2024 With Robust Growth

Voluntary Business Update

- 1QFY2024 revenue climbed 22.8% y-o-y to S\$29.1 million; gross profit increased by 75.8% to S\$11.6 million
- The ship chartering segment's average charter and utilisation rates for its vessels increased y-o-y
- Shipyard revenue remained stable, aided by continued shipbuilding activities

SINGAPORE, 8 February 2024 – Marco Polo Marine Ltd. (SGX:5LY) (“Marco Polo Marine” or the “Company”, and together with its subsidiaries, “the Group”), a reputable regional integrated marine logistics company, wishes to provide a voluntary update to shareholders on its recent operational performance for the financial quarter ended 31 December 2023 (“1QFY2024”).

Financial Highlights

S\$ million	1Q FY2024	1Q FY2023	% change
Revenue	29.1	23.7	22.8%
Gross Profit	11.6	6.6	75.8%
<i>Gross Profit Margin</i>	<i>39.9%</i>	<i>27.8%</i>	

The Group's operational performance in ship chartering improved y-o-y, while revenue from the shipyard segment experienced a marginal decrease. In 1QFY2024, the Group's revenue increased by 22.8% y-o-y, reaching S\$29.1 million, compared to S\$23.7 million in 1QFY2023. Gross profit also improved by 75.8% y-o-y, amounting to S\$11.6 million in 1QFY2024, compared to S\$6.6 million in 1QFY2023. The significant increase in gross profit was



predominantly due to the increased charter and utilisation rates of the Group's fleet of Offshore Supply Vessels ("OSVs").

Segmental Performance

Ship Chartering

In 1QFY2024, the ship chartering segment experienced higher average charter and utilisation rates for its OSVs, resulting in a 9 ppt y-o-y increase in average utilisation rates, bringing operating capacity to 70%. There was also increased rechartering of third-party vessels in 1QFY2024, significantly contributing to the Group's positive y-o-y revenue growth.

Shipyard

Revenue from the Shipyard segment held steady. In 1QFY2024, ship repair volume experienced a decline, which can be attributed to the competitive reopening of China's shipyards. The impact of lower ship repair revenues was mitigated by the sustained momentum in shipbuilding activities carried over from the previous quarter.

Outlook

The Southeast Asian OSV market remains robust due to high demand from offshore wind farms and the oil and gas industries. The Group anticipates this trend to persist and underpin higher average utilisation rates.

The Shipyard segment's outlook remains positive as the Group foresees ship repair volumes picking up with the stabilisation of China's reopening. Shipbuilding activities are also expected to continue their momentum.

"We are pleased with our first-quarter performance as our ship chartering segment extended its growth momentum, thanks to increased charter rates and vessel utilisation," said Sean Lee, CEO of Marco Polo Marine. ***"Despite minor headwinds in the shipyard segment, we are confident in our overall expansion strategy and expect a continued robust performance in the year ahead,"*** he added.

#End#



About Marco Polo Marine

Listed on the Mainboard of the SGX-ST since 2007, Marco Polo Marine Ltd is a reputable regional integrated marine logistics company which principally engages in shipping and shipyard operations.

The Group's shipping business relates to the chartering of Offshore Supply Vessels ("OSVs") for deployment in regional waters, including the Gulf of Thailand, Malaysia, Indonesia, and Taiwan, as well as the chartering of tugboats and barges to customers, especially those which are engaged in the mining, commodities, construction, infrastructure, and land reclamation industries.

Under its chartering operations, the Group has diversified its activities beyond the oil and gas industry to include the support of offshore wind farm projects. The burgeoning offshore wind energy industry in Asia is at a nascent stage where structures are being installed, which presents tremendous opportunities for the Group whose fleet can support the development of these projects.

The Group's shipyard business relates to shipbuilding and providing ship maintenance, repair, outfitting, and conversion services through its shipyard in Batam, Indonesia. Occupying a total land area of approximately 34 hectares with a seafront of approximately 650 meters, the modern shipyard also houses three dry docks, boosting the Group's technical capabilities and service offerings to undertake projects involving mid-sized and sophisticated vessels.

For more information, please refer to our corporate website: www.marcopolomarine.com.sg

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