MARCO POLO MARINE

Immediate Release

Marco Polo Marine Maintains Stable Earnings in 1HFY2025

- **Healthy balance sheet with net asset value increasing to S$210 million or S$0.056 per share**
- **Strategic milestone achieved with successful maiden charter of CSOV in April**
- **Resilient performance with gross and net profit marginally impacted**

SINGAPORE, 9 May, 2025 – 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, is pleased to announce its financial results for the half year ended 31 March 2025 ("**1HFY2025**").

1HFY2025 Financial Highlights

S$ million	1HFY2025	1HFY2024	y-o-y % change
Revenue	52.7	61.6	(14.4%)
Gross Profit	21.6	22.2	(2.7%)
Gross Profit Margin	41.3%	36.1%	-NM-
EBITDA*	15.4	18.8	(17.8%)
EBITDA Margin	29.3%	30.5%	-NM-
Net Profit	9.2	12.0	(23.4%)
Net Profit to Owners	10.6	11.0	(3.4%)
Adjusted Net Profit to Owners*	9.6	11.1	(13.7%)

**Excludes foreign exchange losses and one-off items arising from the gain on disposal of property, plant and equipment*

The Group's revenue for the first half of FY2025 decreased by 14.4% year-over-year (y-o-y), amounting to S$52.7 million compared to S$61.6 million in the same period of FY2024 ("**1HFY2024**"). This decline was primarily due to reduced revenue from Shipyard Operations. However, the Group's gross profit saw a marginal reduction of 2.7%, decreasing from S$22.2 million in 1HFY2024 to S$21.6 million in 1HFY2025. The gross margin improved by 5.2 percentage points to 41.3% (1HFY2024: 36.1%), largely driven by higher margins in the ship chartering segment resulting from decreased rechartering of lower-margin third-party vessels in Taiwan. Overall, net profit attributable to equity holders declined by 3.4%, amounting to S$10.6 million in 1HFY2025, down from S$11.0 million in 1HFY2024.

Net cash generated from operating activities rose to S$19.0 million in 1HFY2025 (vs. S$15.3 million in 1HFY2024) due to improved working capital management by the Group during the period. Cash and cash equivalents of the Group stands at S$45.6 million as at 31 March, 2025. The Group's balance sheet continues to remain strong with a net asset value of S$210 million or S$0.056 per share.

Segmental Breakdown

S$ million	1HFY2025	1HFY2024	Y-o-Y % change
Ship Chartering Operations ("Ship Chartering")	32.0	32.9	(3%)
Ship Building & Repair Operations ("Shipyard")	20.7	28.7	(28%)
Total Revenue	**52.7**	**61.6**	**(14%)**

Ship Chartering

The Group's Ship Chartering segment experienced a 3% decline year-over-year, falling from S$32.9 million in 1HFY2024 to S$32.0 million in 1HFY2025. This decline was primarily attributed to a reduction in the rechartering of third-party vessels from Taiwan. However, it was partially offset by an improvement in the average fleet utilisation rate (68% in 1HFY2025 vs. 60% in 1HFY2024). Revenue generated in 2QFY2025 remains robust compared to the recent four quarters.

Shipyard

The Group's Shipyard segment saw a revenue decline of 28% y-o-y, from S$28.7 million in 1HFY2024 to S$20.7 million in 1HFY2025. This decrease is primarily attributed to the ongoing construction of a Commissioning Service Operation Vessel (CSOV), which has impacted the capacity for third party shipbuilding projects during the period. The reduction in the number of third party shipbuilding projects under construction during the period, contributed to the revenue decline. The average utilisation rate of the shipyard (pertaining to ship repair) stands at 78% in 1HFY2025.

"As outlined in our 1QFY2025 business update, the second quarter has progressed as expected, setting a foundation for future growth. With the successful deployment of our new CSOV, the Wind Archer, in mid-April, we are beginning to realise the benefits of our strategic investments over the past two years and expect a stronger performance in the second half of FY2025," *said Sean Lee, CEO of Marco Polo Marine.* ***"Our deliberate diversification into the Renewable Energy sector, alongside our established Oil & Gas business, has strengthened the Group's resilience and positioned us well to capitalize on opportunities, even in today's dynamic geopolitical landscape."***

Outlook

Marco Polo Marine is dedicated to navigating the complexities and dynamic shifts of the offshore industry. Despite persistent geopolitical tensions in the Taiwan Straits and the South China Sea, as well as global trade uncertainty brought about by the new US administration—factors outside the Group's influence—the offshore oil and gas industry continues to project a stable outlook due to supply constraints caused by prolonged underinvestment during previous market downturns. Meanwhile, the offshore wind sector is expecting growth, driven by heightened investments in the energy transition and a strategic emphasis on energy security. This trend is anticipated to spur increased demand for specialised vessels involved in the construction, installation, and maintenance of wind farm infrastructure. Furthermore, the renewable energy industry continues to demonstrate strong resilience and growth. To capitalise on this trend, the Group remains focused on broadening its footprint in the renewable energy sector while working to improve operational efficiency.

Ship Chartering

As highlighted in our 1QFY2025 business update, the Group is effectively managing through a temporary softening in demand for third-party vessel re-chartering in Taiwan, which is largely due to normal project phasing. This has influenced our 1HFY2025 revenue. While this adjustment is expected to persist through FY2025, we remain optimistic about the growth potential in the offshore wind energy sector. The promising outlook, combined with the resilient offshore Oil & Gas market, bolsters our confidence in our strategic direction. Moreover, the successful deployment of our new CSOV, the Wind Archer, coupled with the strategic addition of three Crew Transfer Vessels (CTVs) in Taiwan slated for 3QFY2025, positions us advantageously to deliver enhanced performance in 2HFY2025 improving upon the first half's results, with more pronounced benefits to materialise in FY2026.

Shipyard

Demand for the Group's drydocks at its Batam shipyard remains healthy, as reflected in their higher utilisation rates. The expected completion of the fourth drydock in May 2025 is anticipated to support ship repair revenue growth from 2HFY2025, although the full impact will be more visible in FY2026. However, shipbuilding activities are expected to moderate, with momentum slowing as progressive deliveries are completed in 2HFY2025.

As the global energy landscape continues to evolve amidst both transitional shifts and geopolitical-economic volatility, the Group plans to strategically pursue emerging opportunities. Marco Polo Marine aims to achieve revenue growth while implementing prudent risk management strategies to address the complexities of these dynamic markets.

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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 that 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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