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NEWS RELEASE

For Immediate Release

Nam Cheong's 1Q2026 PATMI jumps 160% yoy to RM78.9 million on higher vessel utilisation and vessel sale

- Revenue rises 1% yoy to RM117.9 million despite a smaller fleet, with vessel utilisation at 58%, up from 48% for 1Q2025
- Net gearing ratio falls to 0.17x from 0.27x in the previous quarter. Expect to decrease further following accelerated debt repayment in 2Q2026
- Fleet utilisation expected to rise in 2Q2026 post monsoon season, and with 5 new vessels scheduled to be added to the fleet for the rest of 2026 to further enhance our revenue base

Singapore, 15 May 2026 – Nam Cheong Limited (“Nam Cheong”, or the “Group”), one of Malaysia’s leading Offshore Support Vessel (OSV) providers, today announced its financial results for the three months (“1Q2026”) ended 31 March 2026.

Financial Highlights	1Q2026	1Q2025	Change
	(RM'000)	(RM'000)	(%)
Revenue	117,929	116,635	1.1
Gross Profit	49,559	56,343	(12.0)
Gross Margin	42.0	48.3	(6.3 ppts)
Other Income	60,501	4,347	>100
Selling and Administrative Expenses	(17,677)	(11,711)	50.9
Other Operating Expenses	(69)	(1,832)	(96.2)
Operating Profit	92,314	47,147	95.8
Finance Costs	(4,088)	(5,220)	(21.7)
Profit for the Financial Period	81,400	35,152	>100
Profit Attributable to Owners of the Parent (PATMI)	78,926	30,375	>100
Core PATMI	79,238	26,349	>100

Ppts = percentage points

N.M.=Not Meaningful

Core PATMI includes gain on disposal of vessel recorded in other income and excludes non-core other income, other operating expenses as well as share of results from joint ventures and associates

Despite a smaller fleet size, the Group delivered revenue of RM117.9 million for 1Q2026, up 1% year-on-year (“yoy”), primarily driven by improved vessel utilisation as more long-term charter contracts commenced and began contributing to earnings. Vessel utilisation rose to

58% in 1Q2026 from 48% in 1Q2025, reflecting a higher mix of vessels operating under long-term charters.

Gross profit for 1Q2026 was RM49.6 million, with gross margin moderating to 42% from 48% in 1Q2025 due to higher operating costs for the Group's vessel deployed in the Middle East, which was chartered to the region prior to escalation of geopolitical tensions.

Other income for 1Q2026 closed at RM60.5 million, more than 13 times the RM4.3 million recorded in 1Q2025, mainly due to a gain of RM59.3 million from the disposal of one vessel during the quarter, which contributed to proceeds received from the disposal of property, plant and equipment of RM77.2 million.

Selling and administrative expenses for 1Q2026 amounted to RM17.7 million, up 51% yoy, due to higher staff cost, mainly from higher share-based payment expense during the period.

As a result, the Group's profit attributable to owners of the parent ("**PATMI**") for 1Q2026 stood at RM78.9 million, up 160% from RM30.4 million in 1Q2025. Excluding the non-core items, core PATMI from chartering and vessel sales rose to RM79.2 million in 1Q2026 from RM26.3 million in 1Q2025.

Cash and cash equivalents rose to RM250.5 million as at 31 March 2026 from RM202.8 million at the end of FY2025, mainly due to the collection from customers during the period. Borrowings declined to RM405.1 million as at 31 March 2026 from RM425.4 million at the end of FY2025 due to repayment of restructured term loans. In tandem with lower borrowings, finance costs also declined to RM4.1 million in 1Q2026 from RM5.2 million in 1Q2025. All in all, the Group's net gearing ratio fell from 0.27x at the end of the previous quarter to 0.17x as of 31 March 2026 and is expected to decrease further following accelerated debt repayment in 2Q2026.

Outlook

PETRONAS aims to sustain Malaysia's domestic oil and gas production at approximately two million barrels of oil equivalent per day through 2028, backed by continued investment in exploration, deepwater development and enhanced oil recovery¹. Under the backdrop of heightening of energy security and aging global OSV fleet, the Group, supported by its young and technologically advanced fleet, remains well positioned to meet robust offshore demand moving forward.

Mr Leong Seng Keat, Chief Executive Officer of Nam Cheong, said, "With five new vessels scheduled to join our fleet for the remainder of 2026, we expect our revenue base to be further enhanced. At the same time, we remain on track to recognise the first revenue streams from our shipbuilding segment during 2Q2026. Moving forward, we remain focused on balancing fleet growth with capital discipline as offshore demand stays firm in the era of heightening of energy security."

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¹ Source: PETRONAS Activity Outlook 2026-2028



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ABOUT NAM CHEONG LIMITED (BLOOMBERG TICKER NCL: SP)

Based in Sarawak Malaysia, Nam Cheong Limited (“**Nam Cheong**” or the “**Group**”) is a global offshore marine group specialising in the building and chartering of OSVs. Since its humble beginnings in 1968 building only fishing vessels, the Group is now Malaysia’s largest OSV builder, owning and operating one of the largest shipbuilding yards for OSVs in Malaysia.

The Group focuses on OSV chartering, as well as the construction and engineering of sophisticated, environmentally friendly and quality OSVs that are equipped with the latest technology for use in the offshore oil and gas exploration and production (“**E&P**”) and oil services industries, with customers hailing from Malaysia, Southeast Asia, Middle East, West Africa, Latin America, Europe, and the United States. The Group has delivered over 150 vessels since 2007, which include anchor handling towing supply (“**AHTS**”) vessels, platform supply vessels (“**PSVs**”), accommodation work boats and accommodation work barges.

Beyond building some of the most sophisticated OSVs, Nam Cheong is expanding its vessel chartering operations, with the Group operating a chartering fleet of about 35 vessels. Nam Cheong was successfully listed on SGX-ST on May 27, 2011.

Issued for and on behalf of Nam Cheong Ltd. by **Financial PR**

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