



**Immediate Release**

## Marco Polo Marine Expects CSOV, Drydock 4, and CTVs to Start Contributing From 2HFY2025

**Voluntary Business Update**

- Gross margins edged higher, mitigating the fall in gross profit, despite y-o-y revenue decline
- Drydock 4 launch, addition of new CSOV and three CTVs to Taiwan in the renewable wind energy sector to start contributing from 2HFY2025

SINGAPORE, February 14, 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, would like to provide a voluntary update to shareholders on its recent operational performance for the financial quarter ended 31 December 2024 (“1QFY2025”).

**FY2024 Financial Highlights**

S\$ million	1Q FY2025	1Q FY2024	y-o-y % change
Revenue	25.8	29.1	(11%)
Gross Profit	10.6	11.6	(9%)
Gross Profit Margin	41%	40%	

Despite an 11% y-o-y decline in the Group’s 1QFY2025 revenue to S\$25.8 million following lower revenues from both its core Ship Chartering and Shipyard segments, its 1QFY2025 gross profit dropped by a more moderate 9% y-o-y to S\$10.6 million, as gross profit margin improved by 1.1 ppt y-o-y. With the completion of the **Commissioning Service Operation Vessel (“CSOV”)** and Drydock 4 anticipated by the end of February 2025, and the acquisition of three **Crew Transfer Vessels (“CTVs”)**



for deployment in Taiwan during 2HFY2025, the management expects these assets to start contributing positively to the Group's financial performance from 2HFY2025 onwards.

## **Segmental Performance**

### **Ship Chartering**

Revenue from Ship Chartering decreased by 13% y-o-y, mainly due to lower third-party chartering income from Taiwan. However, the decrease in revenue from Ship Chartering was partially offset by generally higher charter rates of utilised vessels and a marginal improvement of 1 ppt in average fleet utilisation rate from 70% to 71%.

### **Shipyard**

Revenue from Shipyard recorded a 9% y-o-y decrease in 1QFY2025, caused by a decline in ship building activities, but was offset by an increase in ship repair projects that saw yard utilisation rates improve by 4 ppts to 83%.

## **Outlook**

Marco Polo Marine remains steadfast in its mission to navigate the intricate and ever-changing landscape of the offshore industry. While longstanding geopolitical uncertainties in the Taiwan Straits and the South China Sea pose challenges that are beyond the Group's direct control, the demand within the offshore oil and gas sectors, as well as the renewable energy sector, continues to exhibit remarkable resilience and growth. The Group is committed to expanding its presence in the renewable energy sector while simultaneously striving to enhance operational efficiency.

### **Ship Chartering**

The Group would like to caution that the decline in demand for the re-chartering of third-party vessels in Taiwan, which contributed to revenue reduction in Q1FY2025, is expected to persist through the rest of FY2025. However, the outlook for the offshore Oil & Gas and Wind energy sectors remains optimistic for the remainder of 2025. Consequently, the Group anticipates that its new CSOV and three CTVs in Taiwan will start generating income in 2HFY2025, with full benefits accruing in FY2026.



## Shipyards

The strong momentum observed in the average utilisation rates of the Group's shipyard for ship repair services in 1QFY2025 is anticipated to persist through FY2025. Considering the potential for initial teething issues, which are common in new drydock launches, Drydock 4 is expected to start contributing to the Group's income in 2HFY2025. The full benefits of this investment are anticipated to be realised in FY2026.

***“Although revenue declined in 1QFY2025, the Group's performance remains within our expectations for the period. We look forward to 2HFY2025, where we will start to see the benefits of our investments from the past two years, and their full contributions from FY2026 onwards,”*** said Sean Lee, CEO of Marco Polo Marine. ***“Our long-term commitment to operational efficiency and strategic expansion in the renewable energy sector positions us well to navigate the uncertainties in the market. Looking ahead, we remain cautious but optimistic about the growth opportunities in offshore wind and sustainable marine logistics sectors.”***

**#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 that principally engages in shipping and shipyard operations.

The Group's shipping business relates to the chartering of 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 and infrastructure.

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](http://www.marcopolomarine.com.sg)

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