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NEWS RELEASE

Nam Cheong's 3Q2025 revenue increased 6% qoq to RM170.8 million driven by the commencement of long-term charters

- Gross profit rose 3% qoq to RM87.5 million while gross margin remained above the 50% level, easing slightly by 1.4 ppts, primarily due to the additional vessel operating cost related to scheduled vessel maintenance activities.
- Vessel utilisation rose to 70% in 3Q2025, up from 68% in 2Q2025, as more long-term charters commenced operations, with 60% of the entire fleet under long-term contracts.
- The Group remains committed to achieving 70% of its fleet on long-term charters for resilience and stability, while actively seeking fleet expansion opportunities to strengthen its market presence and drive sustainable topline growth.

Singapore, 14 Nov 2025 – Nam Cheong Limited (“Nam Cheong”, or the “Group”), one of Southeast Asia’s leading Offshore Support Vessel (OSV) providers based in Sarawak, Malaysia, today announced its financial results for the third quarter (“3Q2025”) and nine months (“9M2025”) ended 30 September 2025.

Financial Highlights	3Q2025 (RM'000)	2Q2025 (RM'000)	Change (qoq%)	3Q2025 (RM'000)	3Q2024 (RM'000)	Change (yoy%)
Revenue	170,792	161,591	6	170,792	200,407	(15)
Gross Profit	87,451	85,005	3	87,451	115,426	(24)
Gross Margin	51.2%	52.6%	(1.4 ppts)	51.2%	57.6%	(6.4 ppts)
Other Income	520	1,903	(73)	520	3,056	(83)
Selling and Administrative Expenses	(15,386)	(15,116)	2	(15,386)	(13,356)	15
Other Operating Expenses	(10,742)	452	<(100)	(10,742)	(21,960)	(51)
Operating Profit	61,843	72,244	(14)	61,843	83,166	(26)
Finance Costs	(5,896)	(4,551)	30	(5,896)	(5,400)	9
Profit for the financial period	43,846	54,720	(20)	43,846	50,867	(14)
Profit attributable to owners of the parent (PATMI)	45,845	49,214	(7)	45,845	47,058	(3)
Core Profit²	53,334	49,280	8	53,334	72,702	(27)

1. Ppts = percentage points

2. Core profit excludes other income, other operating expenses as well as share of results from joint ventures and associates

In 3Q2025, the Group generated revenue of RM170.8 million, solely from the vessel chartering business, up 6% quarter-on-quarter (“**qoq**”). This marked the second consecutive quarter of sequential growth since 1Q2025, driven primarily by improved vessel utilisation rates as long-term charters gradually began contributing to earnings. On a year-on-year (“**yoy**”) basis, 3Q2025 revenue declined by 15%, largely due to a relatively normalised utilisation rate of 70%, compared to the high base of 86% in 3Q2024.

Gross profit grew by 3% qoq to RM87.5 million in 3Q2025 while gross margin remaining above 50% level, easing slightly by 1.4 ppts qoq. This slight decline was mainly attributable to the additional operating cost related to scheduled vessel maintenance activities during the reporting period.

Other operating expenses decreased to RM10.7 million in 3Q2025 from RM22.0 million in the preceding year, mainly due to the absence of restructuring costs, which were partially offset by a one-off litigation settlement expense to a third-party supplier related to vessel chartering activities.

As a result, the Group recorded a profit attributable to owners of the parent of RM45.8 million for 3Q2025, down 7% yoy. Excluding the one-off costs and income, as well as share of results from joint ventures and associates, the Group’s core profit would have increased by 8% qoq to RM49.3 million for 3Q2025.

Commenting on the Group’s results, **Mr. Leong Seng Keat, Chief Executive Officer of Nam Cheong** said, *“We have seen a progressive improvement in vessel utilisation rates in 2H2025 following the commencement of secured long-term charters, which contributed to an encouraging quarter-on-quarter topline growth and a steady gross margin above 50% in 3Q2025. Building on this momentum, we remain focused on securing long-term contracts to achieve about 70% fleet coverage for stability, while exploring fleet expansion opportunities to strengthen our market presence and drive sustainable growth.*

With the global OSV fleet averaging 15-16 years and approaching replacement cycles, the Group is encouraged by the steady enquiry momentum for OSV newbuilds. Leveraging our enhanced shipbuilding capabilities, the Group is well-positioned to capture emerging opportunities when they arise and will remain disciplined and selective in taking on new shipbuilding orders to maximise long-term value creation. More importantly, the solid and recurring cash flow generated from the chartering business provides a strong foundation to support this prudent and strategic approach.”

Outlook

Progressing through 2H2025, increased clarity on U.S. tariff policies has helped created more certainty and confidence towards the global economy. The Organisation of the Petroleum Exporting Countries (“**OPEC**”) oil output continued to rise steadily, reaching 28.43 million barrels per day (“**bpd**”) in October 2025, up 30,000 bpd from September 2025¹.

The local OSV market continues to face structural supply constraints. While the existing fleet is ageing, new vessel construction remains subdued, primarily due to banks’ continued caution in extending financing for newbuild programs². Malaysia’s cabotage policies, which limit foreign vessel participation, further restrict available supply. As a result, OSV charter rates are expected to remain well supported in 2026.

¹ [Reuters: OPEC oil output rises by 30,000 bpd in October, survey finds](#)

² [The Edge: OSV sector may face shortage amid ageing fleet](#)



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Equipped with the largest and the most advanced OSV fleet on Malaysian waters, capable of supporting both production and exploration projects, the Group remains cautiously optimistic about its long-term growth prospects and will continue to stay agile in capturing emerging opportunities.

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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 over 30 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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