



For Immediate Release

Marco Polo Marine to Strengthen Foothold in Indonesia With Majority Stake in PT BBR via Rights Issue

- **Group's shareholding in PT BBR to rise to maximum 72% from current 34.8% post-Rights Issue, assuming corporate exercise is approved by PT BBR shareholders**
- **Strong support for transaction from major MPM shareholders with 51.21% voting rights**
- **Move to strengthen MPM's foothold in Indonesia through majority stake in PT BBR, which transitions from MPM associate to subsidiary**
- **PT BBR provides MPM with growth platform to expand its Indonesian operations**
- **Following extinguishment of debt in its 2020 restructuring exercise, PT BBR now has clean slate**

SINGAPORE, May 24, 2021 – 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, has unveiled its strategy to boost its position in the Indonesian market by taking a majority stake in PT BBR, through a Rights Issue. With PT BBR transitioning to a subsidiary of the Group from an associate post-Rights Issue, and as a local entity in Indonesia, it will allow Marco Polo Marine to leverage potential growth opportunities in an otherwise restricted, but lucrative, market.

The Group has announced that **PT Marco Polo Indonesia (“PT MPI”)**, an indirect wholly-owned subsidiary of the Company, will participate in the Rights Issue (the **“PT BBR Rights Issue”**) of Indonesian shipping agency company, **PT Pelayaran Nasional Bina Buana Raya Tbk (“PT BBR”)**.

PT MPI will provide an undertaking to PT BBR (the **“Participation Undertaking”**) to fully subscribe for all its rights entitlements under the PT BBR Rights Issue, as well as any excess rights entitlements arising from the renouncement by two other substantial shareholders of PT



BBR and the remaining public shareholders, subject to a maximum aggregate subscription amount of US\$17.0 million.

In order to take part in the Rights Issue, PT MPI was required to execute the Participation Undertaking within a short period of time. With the Group's major shareholders, holding a combined 51.21 per cent voting rights, supporting the proposed transaction, MPM sought and obtained a waiver from SGX which allowed it to participate in the Rights Issue without first convening an extraordinary general meeting of shareholders to approve the proposed transaction.

Following the Rights Issue, PT MPI will become the majority shareholder of PT BBR with the shareholding increasing to up to 72 per cent (subject to the level of interests among PT BBR shareholders for the rights issue), from the current 34.8 per cent. PT BBR will transit from an associate company to a key subsidiary of Marco Polo Marine.

The proposed participation in the PT BBR Rights Issue will not have any adverse or material impact on Marco Polo's balance sheet, following a debt restructuring exercise PT BBR undertook in 2020. ***"The restructuring has allowed PT BBR to restart with a clean slate, and coupled with the Rights Issue and debt conversion, it will enable PT BBR to recapitalise its balance sheet and maintain financial stability going forward,"*** Mr Sean Lee, Marco Polo Marine's Chief Executive Officer, said.

He added that following the Rights Issue, PT BBR will be a strategically important part of the Group as it will provide an ideal platform to penetrate the lucrative Indonesian market. ***"PT BBR provides the Group with the platform to expand its presence in the Indonesian market. Accordingly, it is in the interest of the Group to ensure that its shareholding in PT BBR (held through PT MPI) was not diluted,"*** Mr Lee added.

The Group expects that including PT BBR as a subsidiary of PT MPI will give a major fillip to its core business of ship chartering. Through PT BBR, the company will be able to offer its customised solutions to meet the needs of the offshore oil and gas sector, as positive signs have emerged in recent times indicating that the downturn in this sector appears to be gradually bottoming out.

#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 the regional waters, including the Gulf of Thailand, Malaysia, Indonesia and Taiwan, as well as the chartering of tug boats 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 the construction of offshore windfarm projects. The burgeoning offshore wind energy industry in Asia is at a nascent stage where structures are in the process of being installed, which presents tremendous opportunities for the Group whose fleet is able to support the development of these projects.

The Group's shipyard business relates to ship building as well as the provision of ship maintenance, repair, outfitting and conversion services, which are carried out through its shipyard located 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, which have boosted 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

Investor Relations and Media Contact:

Emily Choo

Mobile: +65 9734 6565

Email: emily@gem-comm.com