PENGUIN INTERNATIONAL LIMITED
(Company Registration No.: 197600165Z)
(Incorporated in the Republic of Singapore)

SITUATIONAL UPDATE ON GEOPOLITICAL DEVELOPMENTS IN THE MIDDLE EAST

The Board of Directors (the "**Board**") of Penguin International Limited (the "**Company**", and together with its subsidiaries, the "**Group**" or "**Penguin**"), wishes to provide a situational update regarding the impact of the conflict in the Middle East on the Group's diversified operations:

1. **Fleet Status and Personnel Safety**
   Out of Penguin's global fleet of 34 crewboats, 11 units are currently deployed in the Middle East (8 in Saudi Arabia and 3 in Abu Dhabi). As at the date of this announcement, the Board confirms that:
   - All Masters and crew members are safe and accounted for;
   - All shore-based staff in the UAE and Saudi Arabia are safe and accounted for;
   - All 11 vessels remain operational.
   - The safety of our personnel remains the Group's top priority.

2. **Geographic Diversification and Structural Resilience**
   Penguin maintains a structurally resilient revenue base across multiple global markets. Based on our FY2025 financial results (released 27 February 2026), the Group's Middle East revenue accounted for **S$32.9 million (12.3%)** of total revenue. The bulk of Group revenue is generated from other markets:
   - **Europe:** S$56.3 million (21.1%)
   - **Africa:** S$51.3 million (19.2%)
   - **Singapore:** S$45.8 million (17.2%)
   - **Rest of Southeast Asia:** S$40.0 million (15.0%)

   This balanced geographic spread ensures that the Group is not overly dependent on any single region, effectively mitigating the financial impact of localised geopolitical events.

3. **Deliveries and Sailings Remain Intact**
   The Group has no new vessel deliveries to the Middle East planned in the near term.

   Current deliveries of our Flex Fighter security boats to Africa remain on track, as their passage plans bypass the Red Sea and the Suez Canal.

   For our European shipowners, vessel deliveries have **consistently utilised the Cape of Good Hope route** for the past two years.

   Consequently, our vessel mobilisations are mostly insulated from the latest regional disruptions.

4. **Proactive Supply Chain Management**
   The Group does not presently anticipate significant logistical delays in its shipbuilding supply chain.

   Most sea-freight shipments from Europe already utilise the Cape of Good Hope route. While worldwide aviation disruptions caused by Middle East airspace closures may affect high-priority air-freight components, this impact is expected to be minimal.

   A hallmark of Penguin's established **"Designer-Builder-Owner-Operator"** model is proactive supplier management. We maintain a diversified network of alternative suppliers across different regions.

   For our stock vessel programme, we have already secured a **sufficient inventory of raw materials and critical equipment** to sustain production through late 2026.

5. **Cautionary Note on Geopolitical Fluidity**
   While the Group's current operational and financial position remains resilient, the Board notes that the geopolitical situation in the Middle East remains highly fluid and unpredictable.

   Should the conflict escalate in scale or duration, there could be broader systemic impacts on global maritime trade, including further supply chain bottlenecks, increased insurance premiums, and heightened volatility in fuel and material costs.

   Such developments could materially and adversely affect the Group's future business operations and financial performance.

   The Group will remain vigilant in its risk mitigation strategies, but it cannot provide absolute assurance that continued escalation of the conflict will not impact its regional or global activities.

The Board will continue to monitor the situation closely. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

James Tham Tuck Choong
Managing Director
2 March 2026