



Immediate Release

**Marco Polo Marine's 3QFY2022 Gross Profit
Rose Nearly 3x Y-o-Y**

Voluntary Business Updates

- 3QFY2022 revenue increased more than 130% y-o-y; Gross Profit rose nearly 3x y-o-y to S\$9.7 million
- Ship chartering segment saw a significant increase in average charter rates and a YoY increase in average utilisation rates for vessels.
- Shipyard revenue grew YoY as the capacity for ship repair activities increased following the completion of extension works on Dry Dock 1 at the end of 2QFY2022.

SINGAPORE, 18 August, 2022 – 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, wishes to update the shareholders in this voluntary operational update for the financial quarter ended 30 June 2022 (“**3QFY2022**”).

Financial Highlights

S\$ million	3Q FY2022	3Q FY2021	% change	9M FY2022	9M FY2021	% change
Revenue	28.5	11.9	139.5%	56.2	33.0	70.3%
Gross Profit	9.7	3.4	185.3%	17.8	8.4	111.9%
<i>Gross Profit Margin</i>	<i>34.0%</i>	<i>28.6%</i>		<i>31.7%</i>	<i>25.5%</i>	

The Group is pleased to announce that it recorded an improvement in operational performance YoY for 3QFY2022. Both its shipyard and ship chartering segments experienced tremendous growth and recorded a stronger revenue and gross profit. Revenue increased more than 130%



and 70% respectively for 3QFY2022 and 9MFY2022. 3QFY2022 and 9MFY2022 Gross profit also increased 185.3% and 111.9% y-o-y to S\$9.7 million and S\$17.8 million respectively.

Segmental Performance

3QFY2022 shipyard revenue rise YoY as a result of higher ship repair activities, stronger demand from end customers and an increase in capacity following the completion of extension works on Dry Dock 1 in 2QFY2022. During the quarter, the Group also observed a growth in market share due to an increase in demand. The Group's shipyard was operating near full capacity at an average utilisation rate of 86% in 3QFY2022.

As for the ship chartering segment, demand for the Group's vessels remains strong, driven by both the oil and gas and offshore windfarm sector. During the quarter, the Group also saw an increase in revenue due to (i) a significant increase in average charter rates, (ii) increase in average utilisation rates for vessels and (iii) consolidation of revenue from PT BBR and PKRO which the Group holds a 70.7% and 49% stake in, respectively.

Outlook

Marco Polo Marine remains optimistic about its prospects in the year ahead as the Group expects a strong finish to the year on the back of rising demand from end customers for both the shipyard and ship chartering segments.

On the shipyard front, the Group continued to see robust demand from its end customers for ship repairs, with the Group receiving more ship repair orders in advance.

In terms of ship chartering, the Group continued to see strong momentum and demand from end customers. Since the acquisition of Taiwan-based PKR offshore, the Group has cemented its leadership as one of the leading vessel service providers supporting the Taiwan offshore windfarm market. Currently, the Group is managing a fleet of third-party vessels, including five of the Group's thirteen OSVs which are chartered to service the offshore windfarm sector in Taiwan.



“Our quarter financial results continued to demonstrate our ability to manage our business effectively despite the challenging operating environment. It is a positive quarter for the Group, as we fired on all cylinders with strong operational performance recorded from both the shipyard and ship chartering segments. This is also the first quarter where we saw contributions from our recent acquisitions, which have positively impacted the Group’s top and bottom line.” said Sean Lee, CEO of Marco Polo Marine. ***“The offshore windfarm sector continues to present tremendous opportunities for the Group. By tapping on our proven track record, the Group is looking to expand both its geographical presence and services provided for the offshore windfarm sector.”*** he added.

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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

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