

## NEWS RELEASE

### Nam Cheong's core profit remains stable at RM80.4 million in 1H2025

- Revenue came in at RM278.2 million, declining 11% yoy, mainly due to lower vessel utilisation in 1H2025 as the fleet underwent preparations for the commencement of the secured long-term charters.
- Gross margin increased 4 pts to 51% for 1H2025, mainly attributed to lower vessel maintenance expenditures.
- The Group expects an improvement in vessel utilisation rate in 2H2025 as the secured long-term charters progressively commence. Amidst the recent macroeconomic headwinds, the Group remains committed to its fleet deployment strategy, targeting 70% long-term charter coverage for resilience and stability, while retaining 30% exposure to spot charters to capture potential upside as opportunities arise.

Singapore, 14 Aug 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 six months ended 30 Jun 2025 (“1H2025”).

Financial Highlights	1H2025 (RM'000)	1H2024 (RM'000)	Change (%)
Revenue	278,226	311,999	(11)
Gross Profit	141,348	146,047	(3)
Gross Margin	51%	47%	4 pts <sup>1</sup>
Other Income	6,250	537,736	(99)
Selling and Administrative Expenses	(26,827)	(23,440)	14
Other Operating Expenses	(1,380)	(14,201)	(90)
Operating Profit	119,391	646,142	(82)
Finance Costs	(9,771)	(9,266)	5
Profit for the Financial Period	89,872	633,015	(85)
Profit Attributable to Owners of the Parent (PATMI)	79,589	623,818	(87)
Core Profit <sup>2</sup>	80,406	79,808	1

1. Ppts = percentage points

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

In 1H2025, the Group generated revenue of RM278.2 million, solely from the vessel chartering business, marking a 11% decrease year-on-year (“yoy”). The decline was mainly driven by lower vessel utilisation rates as the fleet underwent preparations for the commencement of the secured long-term charters in 2H2025.

While gross profit dipped 3% yoy to RM141.3 million, gross margin expanded by 4 percentage points (“**ppts**”) to 51%, largely driven by lower vessel maintenance expenditures.

Other income decreased to RM6.3 million for 1H2025 compared to RM537.7 million for 1H2024. This was mainly due to the absence of waiver of debt pursuant to the 2024 Scheme and the Debt Restructuring and Master Agreement (“**DRMA**”) during the period.

Selling and administration expenses increased 14% yoy to RM26.8 million in 1H2025 from RM23.4 million in 1H2024 mainly due to an increase in staff cost.

Other operating expenses decreased to RM1.4 million for 1H2025 as compared to RM14.2 million in the preceding year, mainly due to the absence of the restructuring cost during the period.

Finance costs normalised at RM9.8 million for 1H2025, from RM9.3 million for 1H2024, following the conclusion of the debt restructuring in 1Q2024.

As a result, the Group recorded a net profit of RM89.9 million for the reporting period. Excluding the other income and other operating expenses as well as share of results from joint ventures and associates, the Group’s core profit increased 1% yoy to RM80.4 million for 1H2025 from RM79.8 million for 1H2024.

Commenting on the Group’s results, **Mr. Leong Seng Keat, Chief Executive Officer of Nam Cheong** said, *“Our core profit held steady in 1H2025 despite ongoing macroeconomic uncertainties. We remain cautiously optimistic about the outlook of the OSV industry. Our diverse, advanced and young OSV fleet is our key competitive advantage, positioning us to capture opportunities in the oil and gas exploration and production activities as well as offshore renewables and marine environmental services.*

*Against a volatile macro backdrop, the Group will maintain a prudent vessel deployment strategy, striving to achieve 70% of long-term charter coverage for stability, while retaining 30% exposure to spot charters to capture potential upside as opportunities arise.”*

## Outlook

The global economic outlook for 2025 continues to remain uncertain amid trade tensions driven by U.S. tariff policy. Concerns over a potential economic slowdown have added caution to oil price forecasts, creating a more measured sentiment across the energy markets<sup>1</sup>, which has also prompted the cut in 2025 budget by some of the oil majors<sup>2</sup>.

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 programs<sup>3</sup>. 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 2H2025.

Backed by a modern fleet and steady progress in securing long-term charters, the Group is well-positioned to meet market demand and fully participate in the long term regional offshore marine growth trajectory.

– End –

---

<sup>1</sup> [Oil Price: StanChart Cuts 2025 Oil Price Forecast By \\$16/bbl Amid Trump’s Tariffs](#)

<sup>2</sup> [Wood Mackenzie: Tariffs - implications for the oil and gas sector](#)

<sup>3</sup> [The Edge: OSV sector may face shortage amid ageing fleet](#)



9 Raffles Place, #26-01 Republic Plaza, Singapore 048619. Tel: (65) 6438 2990 Website: [www.namcheong.com.my](http://www.namcheong.com.my)

## **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 140 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 38 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**

For more information, please contact:

Kamal SAMUEL / Vicki ZHOU/ LIM En Tong

[kamal@financialpr.com.sg](mailto:kamal@financialpr.com.sg) / [zhouyan@financialpr.com.sg](mailto:zhouyan@financialpr.com.sg) / [entong@financialpr.com.sg](mailto:entong@financialpr.com.sg)

Tel: (65) 6438 2990, Fax: (65) 6438 0064