

NEWS RELEASE

Nam Cheong's 2H2025 PATMI up 17.4% yoy and 138.2% hoh to RM189.6 million on stronger vessel utilisation and vessel sale gains

- Revenue for 2H2025 reached RM341.5 million, up 22.7% from 1H2025 as more long-term charter contracts commenced and began contributing to earnings.
- Gross profit for 2H2025 increased 13.2% hoh to RM160.0 million, while gross margin moderated to 46.9%, due to scheduled vessel maintenance, which was fully concluded in 4Q2025.
- Expects higher vessel utilisation in FY2026 with the support from long-term charter and potential monetisation of the Group's vessels to unlock further upside and support capital recycling.

Singapore, 27 Feb 2026 – Nam Cheong Limited (“Nam Cheong”, or the “Group”), one of Malaysia’s leading Offshore Support Vessel (OSV) providers, today announced its financial results for the six months (“2H2025”) and full year (“FY2025”) ended 31 December 2025.

Financial Highlights	2H2025 (RM'000)	1H2025 (RM'000)	Change (%)	FY2025 (RM'000)	FY2024 (RM'000)	Change (%)
Revenue	341,475	278,226	22.7	619,701	684,714	(9.5)
Gross Profit	160,039	141,348	13.2	301,387	363,285	(17.0)
Gross Margin	46.9	50.8	(3.9 pts)	48.6	53.1	(4.5 pts)
Other Income	115,415	6,250	>100	121,665	552,350	(78.0)
Selling and Administrative Expenses	(53,006)	(26,827)	97.6	(79,833)	(59,762)	33.6
Other Operating Expenses	(9,681)	(1,380)	>100	(11,061)	(14,270)	(22.5)
Operating Profit	212,767	119,391	78.2	332,158	841,603	(60.5)
Finance Costs	(9,477)	(9,771)	(3.0)	(19,248)	(18,365)	4.8
Profit for the Financial Period	185,537	89,872	>100	275,409	800,198	(65.6)
Profit Attributable to Owners of the Parent (PATMI)	189,586	79,589	>100	269,175	785,243	(65.7)
Core PATMI	156,356	70,123	>100	226,479	283,895	(20.2)

Ppts = percentage points

N.M.=Not Meaningful

Core PATMI includes gain on disposal of vessels recorded in other income and share of results from associate, and excludes non-core other income, other operating expenses as well as share of results from joint ventures and associates

The Group delivered revenue of RM341.5 million for 2H2025, up 22.7% half-year-on-half-year (“hoh”), primarily driven by an improved vessel utilisation in 2H2025 compared to 1H2025 as more long-term charters commenced operations and began contributing to earnings. However, on a year-on-year (“yoy”) basis, revenue declined 8.4% due to normalised vessel utilisation rate compared to the 2024 peak. Accordingly, revenue for FY2025 decreased by 9.5% yoy to RM619.7 million.

In line with sequential growth in revenue, gross profit for 2H2025 rose 13.2% hoh. However, 2H2025 gross margin narrowed by 3.9 percentage points (“ppts”) hoh, due to higher costs rising from scheduled vessel maintenance, which were concluded in 4Q2025.

Other income for 2H2025 closed at RM115.4 million, more than 18 times and 8 times of other income for 1H2025 and 2H2024 respectively, mainly due to higher gain from vessel sales, gain on derecognition of payables, as well as foreign exchange gain.

Selling and administrative expenses for 2H2025 amounted to RM53.0 million, up 97.6% hoh and 45.9% yoy, due to the increase in staff cost and marketing cost.

Other operating expenses increased to RM9.7 million from RM1.4 million for 1H2025 and RM0.1 million for 2H2024, mainly due to the litigation settlement expenses to a third-party supplier for vessel chartering.

As a result, the Group’s profit attributable to owners of the parent (“PATMI”) for 2H2025 stood at RM189.6 million, up 138.2% from 1H2025 and 17.4% from 2H2024.

Commenting on the Group’s performance, **Mr. Leong Seng Keat, Chief Executive Officer of Nam Cheong** said, *“In FY2025, we remained disciplined in executing our strategy, preparing our fleet for long-term charter operations that have begun contributing to our earnings from 2H2025.”*

Looking forward to FY2026, supported by the long-term charter, we expect a higher vessel utilisation compared to 2025. We also see opportunities to unlock further value through the monetisation of some of our vessels to support fleet renewal and to enhance capital efficiency for long-term growth.”

Outlook

Malaysia’s offshore support vessel (“OSV”) market is expected to remain stable in 2026. Petronas announced in January that it aims to maintain the domestic output at close to 2 million barrels of oil equivalent between 2026 and 2028, and continue investing in exploration, deep-water development, enhanced oil recovery and new production-sharing contracts¹. In addition, the development and exploration of wells are projected to increase from 79 in 2025 to 91 in 2026, reaching 100 in 2028¹. These activities are expected to sustain domestic OSV demand.

On the other hand, around 80% of Malaysian OSVs are expected to be over 12 years old in 2025, with many approaching 20 years and to be deemed obsolete². According to Fearnley Offshore Supply, as much as 40% of the Asia-Pacific OSV fleet could exit the market over the next five years, which would tighten supply and support day rates in the years ahead³.

¹ The Business Times: [Petronas to beef up exploration and production in next three years](#)

² Focus Malaysia: [Malaysia’s aging OSV fleet raises concerns for future supply](#)

³ Riviera: [High OSV demand, ageing fleets drive higher utilisation, charter rates](#)



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As one of the major OSV players in Asia with both chartering operations and in-house shipbuilding capabilities, Nam Cheong is well positioned to capture opportunities across the OSV value chain. Its young and technologically capable chartering fleet is ready to benefit from sustained day rates, while its in-house newbuilds can either be deployed into its own fleet to replenish and expand the recurring income base, or for external sales to accelerate capital recycling. Supported by these dual growth engines, the Group remains cautiously optimistic about delivering long-term sustainable value to shareholders.

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ABOUT NAM CHEONG LIMITED (BLOOMBERG TICKER NCL: SP)

Headquartered in Kuala Lumpur, 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 36 vessels. Nam Cheong was successfully listed on SGX-ST on May 27, 2011.

Issued for and on behalf of Nam Cheong Limited. by **Financial PR**

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