



MARCO POLO MARINE LTD

(A Member of Marco Polo Marine Group of Companies)

MEDIA RELEASE

Marco Polo Marine expands into Jack-Up Rig Market with High-Specification Order with PPL Shipyard

- ◆ Vertical integration strategy by penetrating the high-specification jack-up rig market
- ◆ Maiden jack-up rig order to be constructed by well-established PPL Shipyard
- ◆ New Rig slated for delivery in the fourth quarter of 2015

Singapore, 26 February 2014 - Singapore Exchange Mainboard-listed Marco Polo Marine Ltd (“Marco Polo Marine” or the “Company”) together with its subsidiaries (the “Group”), a growing reputable regional integrated marine logistic group, is pleased to announce that Marco Polo Drilling (I) Pte. Ltd., an indirect wholly-owned subsidiary of the Company, had entered into an agreement with PPL Shipyard Pte Ltd, a subsidiary of Sembcorp Marine Limited, to construct a high-specification jack-up rig (the “Rig”) with a contract value of US\$214.3 million for delivery slated in the fourth quarter of 2015 (the “Rig Construction Contract”), with options to be exercised at the Company’s discretion to construct another two more units for delivery in the third quarter of 2016 and the first quarter of 2017 respectively.

The high-specification jack-up rigs will be constructed based on PPL Shipyard’s proprietary Pacific Class 400 design which is capable of operating in waters of up to 400 feet and drilling high pressure and high temperature wells to depths of up to 30,000 feet. Incorporating advanced drilling equipment for improved drilling efficiency with 1.5 million pound of static hook load capacity, offline handling features and simultaneous operations support, Pacific Class 400 is capable of jacking at full preload. It will also be equipped with full catering facilities and amenities which can accommodate up to 150 people on board in one-man and two-man cabins.



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Mr Sean Lee Yun Feng, Group CEO, remarked that:

“The signing of the agreement with PPL Shipyard is an epochal moment as it marks the start of a significant leap forward in terms of our operations and service offerings. Together with the grant of the two option units, we are delighted to work together with PPL Shipyard as it is one of the most highly regarded shipyards globally. We are confident of the on-time and quality delivery of high specification rigs from PPL Shipyard backed by its strong track record.

The Group’s entry into this business segment coupled with the expected delivery of the Rig in fourth quarter of 2015 is timely in view of the favourable demand-supply dynamics. Against a backdrop of stable oil prices, demand for jack-up rigs is growing as governments encourage offshore oil and gas exploration and production with enhanced urgencies in the region. Currently, almost half of the existing global fleet is more than 30 years old by our reckoning. This means that these older generation rigs, inhibited by age and obsolescence, would require significant renewals which would bolster demand for newer generation high-specification rigs in the foreseeable future.

It is our intention that we establish this new aspect of rig ownership and chartering business as a core division. We look forward to timely delivery of the Rig and the commencement of operations so as to generate a stable and growing recurring income for the Group.”

Mr Wong Teck Cheong, Managing Director of PPL Shipyard Pte Ltd, commented,

“We are honoured that Marco Polo Marine has chosen and entrusted PPL Shipyard with the construction of its maiden offshore drilling rig. The jack-up rig order signifies the owner’s confidence in the jack-up rig market and their trust in our proven rig design and ability to deliver quality rigs on schedule and within budget. We have secured a total of 44 orders for the Pacific Class design jack ups since 2004, with 35 units delivered and in operation. Our proprietary ownership of the Pacific Class design, offers us the flexibility



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to provide custom-design turnkey solutions to meet the unique requirements of our clients and the field operators.

Since the advent of the Pacific Class design, we have built rigs for several clients venturing into the offshore drilling business and today they are well established offshore drilling rig owners and contractors. We are impressed with Marco Polo Marine's strong management and foresight and we are confident that they will reap success in this new aspect of rig ownership and chartering business."

While the acquisition of the Rig is not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 30 September 2014 since the Rig is only expected to be delivered in the fourth quarter of 2015, the chartering and the operations of the Rig are envisaged to contribute positively to the performance of the Group from the financial year ending 30 September 2016.

This media release is to be read in conjunction with Marco Polo Marine's announcement titled "Entry into A Rig Construction Contract With PPL Shipyard Pte Ltd for the Construction of A High-Specification Jack-Up Rig" which is posted on the web site of Singapore Exchange on 26 February 2014.

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About Marco Polo Marine Ltd

Listed on the Mainboard of the SGX-ST since 2007, Marco Polo Marine Ltd is a reputable regional integrated marine logistic company which principally engages in shipping and shipyard businesses.

The shipping business of the Group relates to the chartering of Offshore Supply Vessels ("OSVs") for deployment in the regional waters, including the Gulf of Thailand, Malaysia, Indonesia and Australia, 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.

The shipyard business of the Group relates to ship building as well as the provision of ship maintenance, repair, outfitting and conversion services which are being 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



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dry docks which 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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About Sembcorp Marine Limited

Sembcorp Marine Limited is a leading global marine and offshore engineering group with 50 years of experience and proven capabilities in repair, specialised shipbuilding, building of high specification jack-up rigs, fast-track construction of ultra-deepwater semisubmersible rigs, conversion of floating production and storage facilities as well as the engineering and construction of offshore platforms.

Headquartered in Singapore, it has a network of six shipyards in Singapore – Jurong Shipyard, Sembawang Shipyard, SMOE, PPL Shipyard, Jurong SML and Sembmarine Integrated Yard @ Tuas – with strategic presence spanning Indonesia, China, India, United Kingdom and Brazil. The Group's 73.3-hectare Sembmarine Integrated Yard @ Tuas in Singapore has just commenced operations in August 2013.

About PPL Shipyard Pte Ltd

PPL Shipyard, a subsidiary of Sembcorp Marine Limited, is an integrated rig design and rig building yard with proven track record in the building and servicing of jack-up and semi-submersible rigs. To-date, the shipyard has built 56 jack-ups, 6 semi-submersibles and 4 swamp barges. Its flagship jack-up design – the Pacific Class 375 saw a total of 27 units delivered. In 2010, the shipyard launched the enhanced PPL Pacific Class 400 series which saw a total of 17 rigs ordered and 8 units delivered to-date.