



For Immediate Release

Marco Polo Marine’s EBITDA Surged More Than 40% On The Back Of A 31% Jump In Revenue

- 1HFY2022 EBITDA soared more than 40% Y-o-Y to S\$5.8m in response to strong gains in revenue and margins
- Generated positive operating cashflow of S\$4.6m as net cash position swelled to S\$27.9m; Net Asset Value of S\$0.039/share
- Ship Building & Repair’s revenue jumped 46% Y-o-Y as volume and contract values of ship repair projects increased
- Ship chartering revenue grew 12% Y-o-Y driven by higher average utilisation rates and charter rates

SINGAPORE, May 12, 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, today announced its financial results for the first half of the year that ended on 31 March 2022 (**“1HFY2022”**).

Net profit soared more than 80% Y-o-Y to S\$10.8 million as both revenue and margins grew in value. Excluding one-off gains from non-recurring items, the Group recovered from a loss a year ago to an adjusted net profit of S\$1.2m. Earnings Before Interest, Tax, Depreciation and Amortization (**“EBITDA”**) of the Group also saw sizable gains of S\$5.8 million in 1HFY2022 from S\$3.9 million in 1HFY2021.

1HFY2022 Financial Highlights

S\$ million	1HFY2022	1HFY2021	Y-o-Y % change
Revenue	27.6	21.1	31%
Gross Profit	8.2	5.0	63%
Gross Profit Margin	29.6%	23.8%	
EBITDA*	5.8	3.9	48%
EBITDA Margin	20.4%	17.7%	
Net Profit	10.8	5.9	82%
Adjusted Net Profit**	1.2	(0.3)	N.M



**Excludes foreign exchange losses, reversal of impairment loss on receivables, one-off gains arising from the remeasurement of previously held equity interest, bargain purchase and acquisition of debt*

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1HFY2022 revenue grew 30.9% to S\$27.6 million as a result of operational improvements in both Ship Chartering Operations (“**Ship Chartering**”) and Ship Building & Repair Operations (“**Shipyards**”). Coupled with an expansion in gross margins from 23.8% in 1HFY2021 to 29.6% in 1HFY2022, gross profit surged more than 60% to S\$8.2 million. The significant improvement was mainly attributed to the rise in revenue and gross profit margin from Shipyards Operations.

Segmental Breakdown

S\$ million	1HFY2022	1HFY2021	Y-o-Y % change
Ship Chartering Operations (“Ship Chartering”)	10.5	9.4	12%
Ship Building & Repair Operations (“Shipyards”)	17.1	11.7	46%
Total Revenue	27.6	21.1	31%

Revenue from the Group’s Ship Chartering Operations grew by 12% to S\$10.5 million in 1HFY2022 from S\$9.4 million in 1HFY2021. The increase was mainly driven by a rise in charter rates for the Group’s fleet of offshore vessels and higher average utilisation rates for the Group’s fleet of offshore vessels, tugboats and barges.

The Group’s Shipyards segment recorded a 46% rise in revenue to S\$17.1 million in 1HFY2022 from S\$11.7 million in 1HFY2021 as the demand and contract value of ship repair jobs soared during the same period.

Moving Forward

The future outlook for the offshore marine industry remains uncertain due to the emergence of COVID-19 variants, such as Omicron, and the on-going war in Ukraine. Nonetheless, the Group will continue to pursue its overall strategy of extending its reach in the renewable energy sector.

The completion of the acquisition of PKR offshore Co. Ltd. via the Group’s joint venture further cements Marco Polo’s presence in the Taiwan offshore windfarm sector, where the Group will



continue to explore opportunities. In the near term, the ship chartering business will continue to benefit from the increase in oil prices. The segment is expected to have a net positive effect on the Group's daily charter rates and utilisation rates for our fleet of offshore vessels. The utilisation of the Group's fleet of tugboats and barges is expected to remain stable as construction activities in Singapore resumes to pre-COVID levels.

As for the Group's shipyard business, the Group will continue to focus on securing ship repair and maintenance orders from regional shipowners. Extension works on dry dock 1 were completed on February 2022. Going forward, this is also expected to boost the Group's ship repairs capacity.

Mr Sean Lee, Chief Executive Officer of Marco Polo Marine, commented: ***"We are pleased to record an increase in net profit in the first half of the year driven by an increase in revenue and expansion of gross profit margins. While the impact of the pandemic and the war in Ukraine gives rise to caution about the future, we are still very much determined to pursue our goals for expansion in the renewable energy sector."***

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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 submarine cable installations and 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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