



Immediate Release

Marco Polo Marine's FY2023 EBITDA Increased 79% to S\$43.3 million

- Adjusted net profit rose significantly by 82.6% to S\$25.2 million
- Revenue grew by 47.7% YoY from S\$86.1 million to S\$127.1 million in FY2023
- Net cash position increased to S\$60.8 million (S\$0.016/share) and net asset value of S\$0.049/share as of end-FY2023
- Declares final dividend of S\$0.001 per share, backed by strong net cash position
- Reaffirms commitment to servicing the high-growth offshore renewables sector

SINGAPORE, 27 November 2023 – 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, is pleased to announce its financial results for the financial year ended 30 September 2023 (“FY2023”).

FY2023 Financial Highlights

S\$ million	2HFY2023	2HFY2022	Y-o-Y % change	FY2023	FY2022	Y-o-Y % change
Revenue	71.2	58.5	21.8%	127.1	86.1	47.7%
Gross Profit	28.0	19.3	45.3%	45.7	27.5	66.6%
Gross Profit Margin	39.3%	33.0%		36.0%	31.9%	
EBITDA*	28.2	18.1	55.8%	43.3	24.2	78.9%
EBITDA Margin	39.6%	30.9%		34.1%	28.1%	
Net Profit	19.9	11.3	76.7%	25.8	22.0	17.0%
Net Profit to Owners	18.3	10.5	74.1%	22.6	21.3	5.8%



Adjusted Net Profit to Owners*	17.1	11.6	47.4%	25.2	13.8	82.6%
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*Excludes foreign exchange gains and losses, reversal of impairment loss on receivables, one-off gains arising from the remeasurement of previously held equity interest, bargain purchase, acquisition of debt and gain on disposals of PPE and incentives for key management personnel on a profit-sharing basis which expired in FY2023.

The Group's 2HFY2023 net profit surged by 76.7% year-on-year ("Y-o-Y") to S\$19.9 million, driven by higher revenues from both its Ship Chartering and Shipyard segments, as well as a strong expansion in gross profit margins. Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") rose 55.8% Y-o-Y to S\$28.2 million in 2HFY2023, compared to S\$18.1 million in 2HFY2022. The Group's adjusted net profit to owners jumped 47.4% Y-o-Y to S\$17.1 million, compared to S\$11.6 million a year ago.

For FY2023, the Group's EBITDA grew by 78.9% Y-o-Y to S\$43.3 million on the back of a 47.6% jump in revenue. Consequently, the group's adjusted net profit to owners also increased to S\$25.2 million in FY2023, compared to S\$13.8 million in FY2022.

Segmental Breakdown

S\$ million	2HFY2023	2HFY2022	Y-o-Y % change	FY2023	FY2022	Y-o-Y % change
Ship Chartering Operations ("Ship Chartering")	41.4	34.2	21.1%	65.9	44.7	47.4%
Ship Building & Repair Operations ("Shipyard")	29.8	24.3	22.6%	61.2	41.4	47.8%
Total Revenue	71.2	58.5	21.8%	127.1	86.1	47.7%

Revenue from Ship Chartering increased by 21.1% to S\$41.4 million in 2HFY2023, mainly due to higher average utilisation and charter rates for its fleet of offshore vessels in 2HFY2023 compared to 2HFY2022. For FY2023, revenue from Ship Chartering increased by 47.4% Y-o-Y to S\$65.9 million compared to S\$44.7 million in FY2022, primarily due to the full



consolidation of PT Bina Buana Raya (“**PT BBR**”) and PKR Offshore’s (“**PKRO**”) results in the current financial year as compared to a partial consolidation in FY2022. PT BBR and PKRO only became subsidiaries of the Group in March and May 2022, respectively.

Revenue from Shipyard also increased by 22.6% Y-o-Y to S\$29.8 million and 47.8% Y-o-Y to S\$61.2 million respectively for 2HFY2023 and FY2023. The improved performance was due to higher contract values for this segment’s repair projects and the commencement of new ship-building projects in the current year.

“FY2023 has been a year of significant growth for Marco Polo Marine. Our Ship Chartering segment has achieved notable success, marked by increased fleet utilisation and strong growth in charter rates. Concurrently, our Shipyard operations also delivered a commendable set of results, fuelled by valuable new contracts with higher project margins. These achievements underscore our effective expansion and collaborative efforts in the offshore marine industry, and we are also particularly excited about the progress we have made in the offshore wind farm sector,” said Sean Lee, CEO of Marco Polo Marine.

Further solidifying this year's success, Marco Polo Marine announced a final dividend of S\$0.001 per share, supported by its strong net cash position, which increased by 21.0% Y-o-Y to S\$60.8 million.

Moving Forward

The offshore and shipping industries are currently facing challenges due to geopolitical instabilities. This includes ongoing tensions in the Taiwan Straits and South China Sea, the Russo-Ukrainian war and the recent Israel-Hamas skirmish. Amid these uncertainties beyond its control, the Group is focused on improving operational efficiencies and cost management controls to boost its competitive edge. Additionally, it will continue to expand its involvement in the growing renewable energy sector.



Ship Chartering

The Group anticipates the utilisation rate of its Offshore Support Vessels (“OSVs”) to remain relatively robust amid positive demand-supply dynamics. Concurrently, charter rates for OSVs are still expected to appreciate in the coming financial year, albeit at a more moderate pace compared to FY2023.

The Group will also continue to support the Taiwan offshore wind farm market via its ship chartering business. It has established a strong foothold in this arena through its joint venture entity, Oceanic Crown Offshore Marine Services Ltd., and the acquisition of PKR Offshore Co. Ltd. last year. The Group recently announced that it has formalised the Vestas Framework Agreement. It will see its Commissioning Service Operation Vessel (“CSOV”) deployed over three years once the vessel is fully constructed. This will provide revenue visibility for the Group’s Ship Chartering division over the medium term.

Shipyard

In the shipyard division, the Group remains focused on expanding its customer base globally to secure more ship repair and maintenance orders. It is also actively engaging with local ship owners in Indonesia to step up its marketing efforts on the shipbuilding front. The Group has thus far secured several new build contracts for the construction of barges, with progressive deliveries up to 2HFY2024.

“Our company is dedicated to serving the oil and gas and offshore renewable energy industries. We recognise the significant growth potential of renewable energy and remain committed to our strategy of pursuing opportunities in this field. Our CSOV is currently under construction at our Batam yard and will be completed in the second half of 2024. This CSOV will be our stepping stone to penetrate the high-growth Taiwan offshore wind sector, and we are excited to have secured the framework agreement with Vestas that will see our vessel being gainfully deployed over the next three years,”
Mr Lee 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 regional waters, including the Gulf of Thailand, Malaysia, Indonesia, and Taiwan, as well as the chartering of tugboats 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 offshore wind farm projects. The burgeoning offshore wind energy industry in Asia is at a nascent stage where structures are being installed, which presents tremendous opportunities for the Group whose fleet can support the development of these projects.

The Group's shipyard business relates to shipbuilding and providing ship maintenance, repair, outfitting, and conversion services through its shipyard 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, boosting 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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