



MARCO POLO MARINE LIMITED FY2023 RESULTS

December 2023





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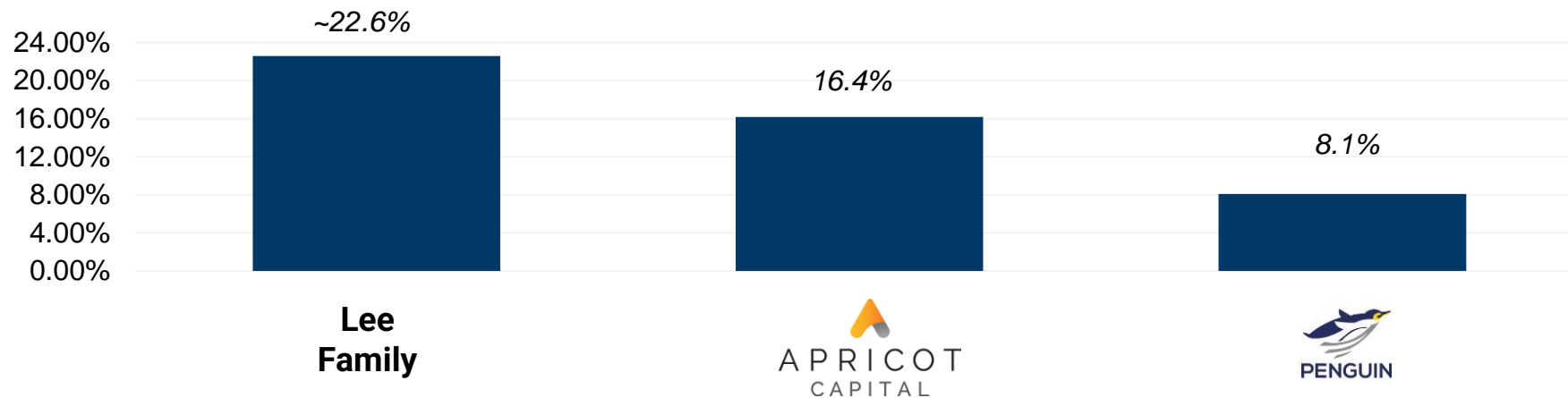
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Corporate Overview

Regional integrated marine logistics company which principally engages in ship chartering and shipyard businesses.



Major Shareholders



Stock Data





Complementary Business Segments



Ship Chartering

MAINTENANCE WORK VESSELS

- 14 OSVs, including 2 Maintenance Work vessels (MWVs) (vessel age: 7-16 years)

OSVs (AHTs & AHTSs)

- Average age of OSV fleet: ~9 years

TUGS & BARGES

- 10 Tugboats and 8 Barges (vessel age: 5-14 years)
- Indonesian presence through PT Bina Buana Raya Tbk, listed on IDX



Shipbuilding & Repair

SHIPBUILDING

- One of the larger shipyards in Indonesia

CONVERSION & OUTFITTING

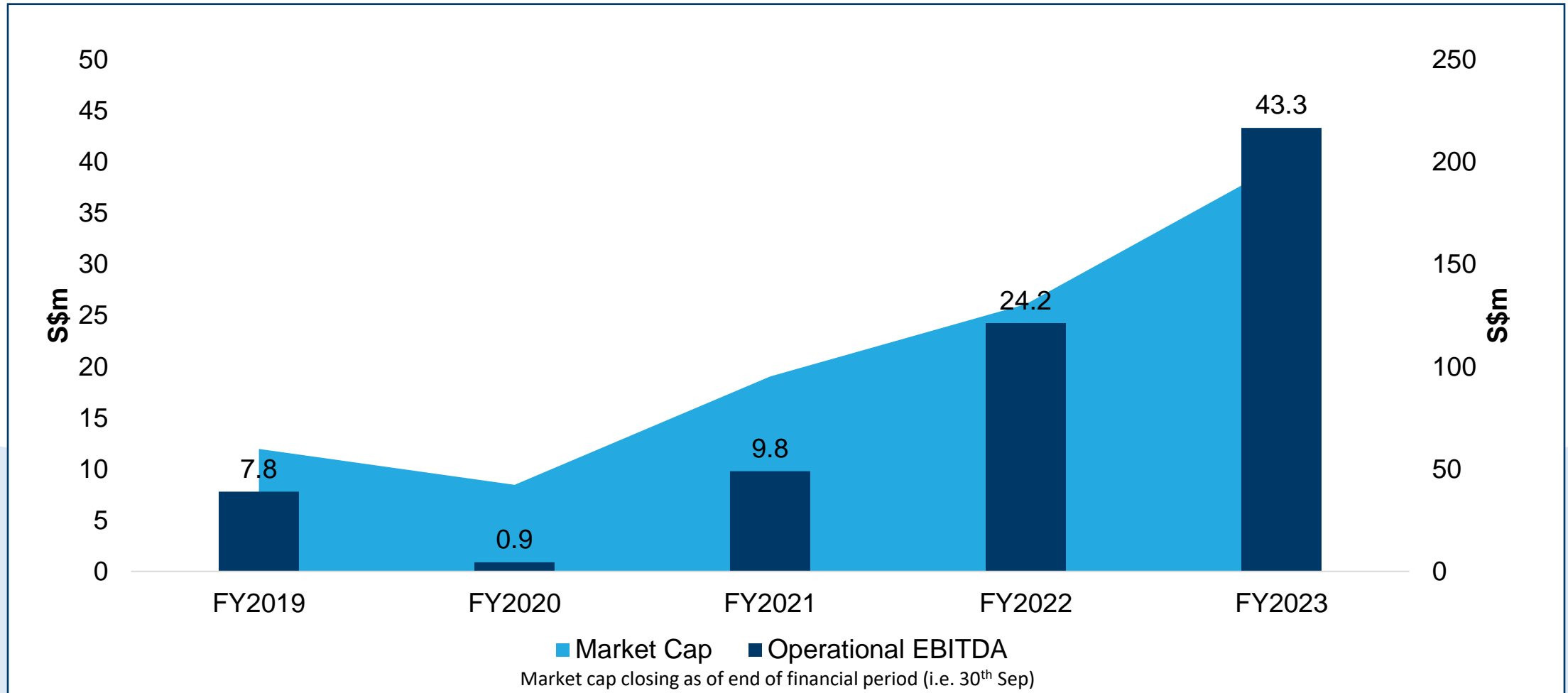
- Ship building, conversion and outfitting

REPAIR & MAINTENANCE

- Green ship recycling
- Offshore fabrication works
- Ship repair and maintenance (more than 1,000 repair projects completed in last ten years)



Market Value Increase – A Reflection Of Improved Financial Performance





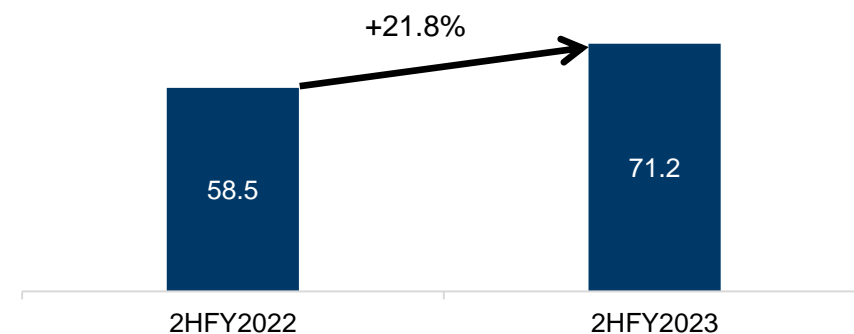
FY2023 Performance

2HFY2023 Income Highlights

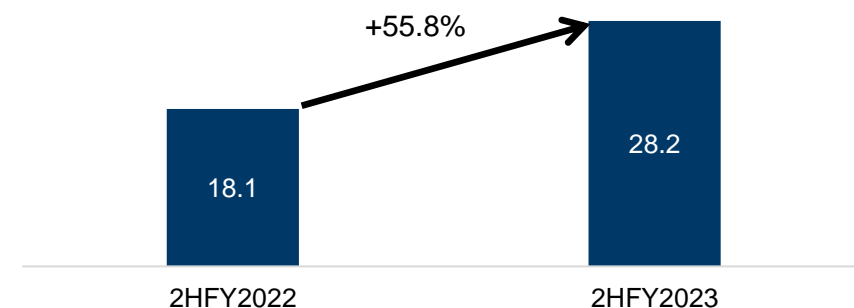
\$ million	2HFY2023	2HFY2022	Y-o-Y % change
Revenue	71.2	58.5	21.8%
Gross Profit	28.0	19.3	45.3%
<i>Gross Profit Margin</i>	<i>39.3%</i>	<i>33.0%</i>	
EBITDA*	28.2	18.1	55.8%
<i>EBITDA Margin</i>	<i>39.6%</i>	<i>30.9%</i>	
Net Profit to Owners	18.3	10.5	74.1%
Adjusted Net Profit*	17.1	11.6	47.4%

*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.

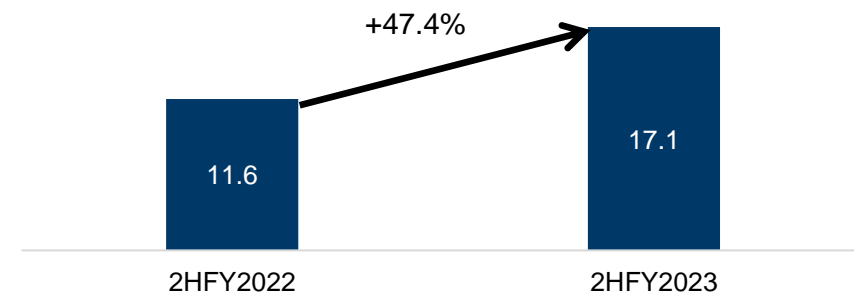
Revenue (\$m)



EBITDA (\$m)



Adjusted Net Profit (\$m)

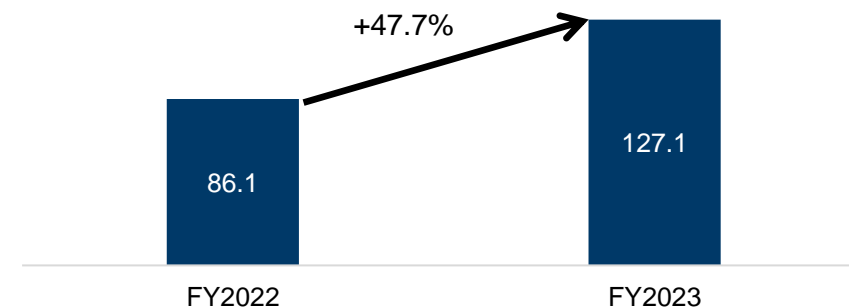


FY2023 Income Highlights

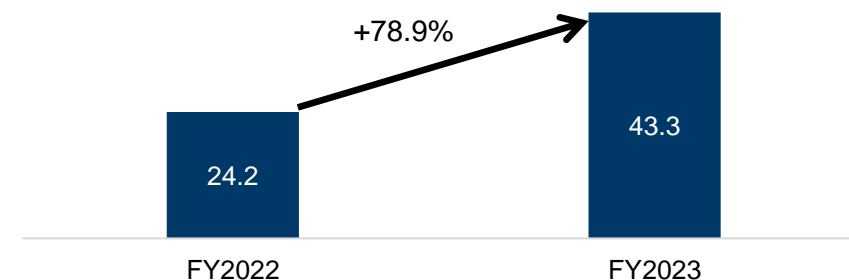
\$ million	FY2023	FY2022	Y-o-Y % change
Revenue	127.1	86.1	47.7%
Gross Profit	45.7	27.5	66.6%
<i>Gross Profit Margin</i>	<i>36.0%</i>	<i>31.9%</i>	
EBITDA*	43.3	24.2	78.9%
<i>EBITDA Margin</i>	<i>34.1%</i>	<i>28.1%</i>	
Net Profit to Owners	22.6	21.3	5.8%
Adjusted Net Profit*	25.2	13.8	82.6%

*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.

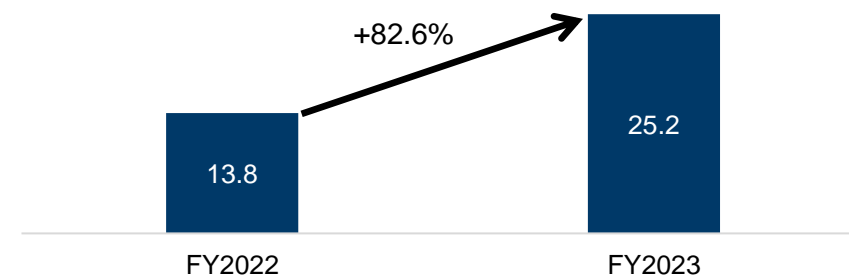
Revenue (\$m)



EBITDA (\$m)



Adjusted Net Profit (\$m)



FY2023 Financial Position

S\$ million	FY2023	FY2022	Comments
Net Asset Value	183.9	151.7	FY2023 NAV/share = S\$0.049
Cash	63.1	53.5	
Less borrowings	(2.3)	(3.3)	
Net Cash	60.8	50.3	FY2023 Net cash/share: S\$0.016
Operating cashflow	28.0	28.7	
Purchase of PPE	(13.3)	(4.6)	
Free cashflow	14.8	24.1	



Segmental Performance and Outlook

Sustained Revenue Growth in Shipyard Operations



The Shipyard's revenue jumps by 47.8% Y-o-Y to S\$61.2 million

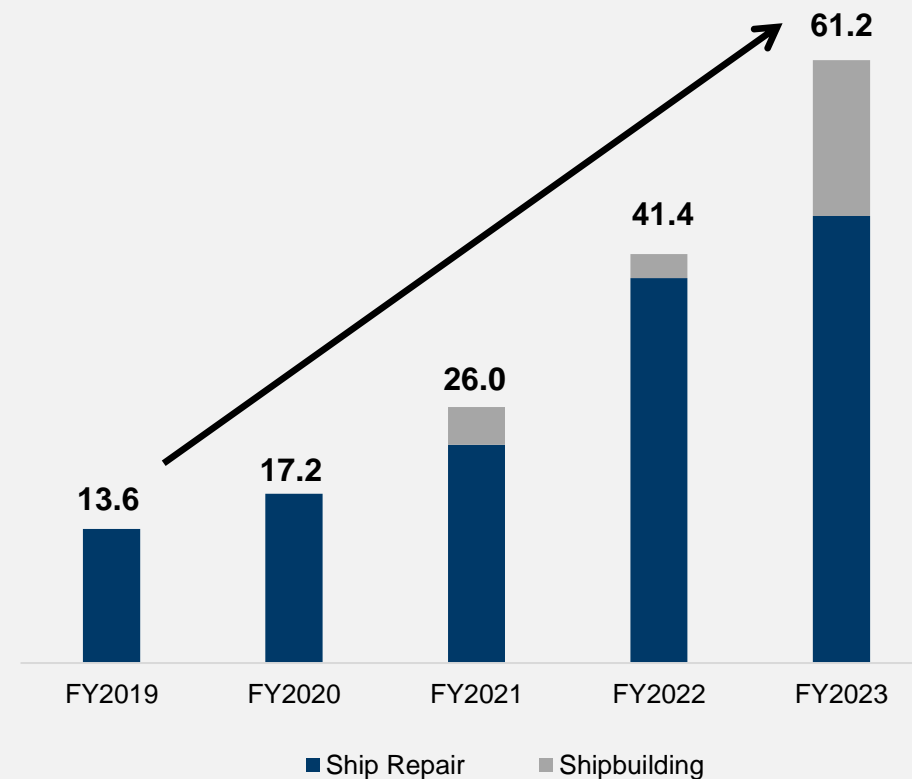
- Higher contract values in repair projects.



Ship Building Activities Ramped Up

- Initiation of new shipbuilding projects in FY2023.

Shipyard Revenue (S\$m)



Shipyard was operating at average utilisation rate of 84% in FY2023

Continued Revenue Expansion in Ship Chartering

Ship chartering revenue grew 47.4% Y-o-Y to S\$65.9 million

- (i) Significant contribution from the full consolidation of PT Bina Buana Raya (“**PT BBR**”) and PKR Offshore’s (“**PKRO**”) results in FY2023, compared to partial consolidation in FY2022.
- (ii) Higher average utilisation and charter rates for the fleet of offshore vessels.
- (iii) Increase in rechartering activities involving third-party vessels.

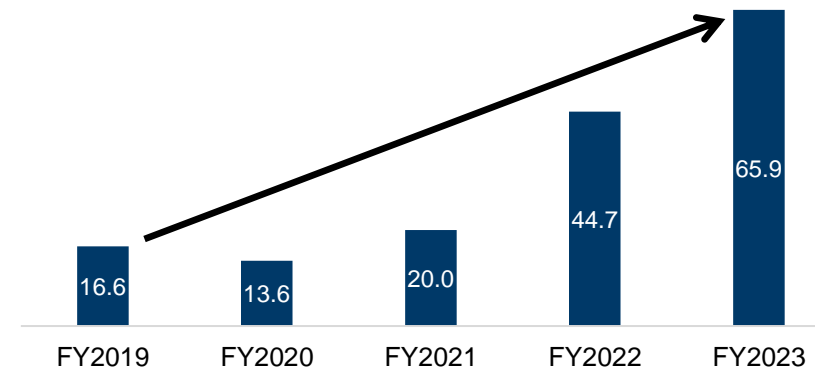
Increased Average Charter Rates

- Increased demand for OSVs boosted by higher investments in offshore projects and limited supply of vessels driving up day rates and utilisation rates.

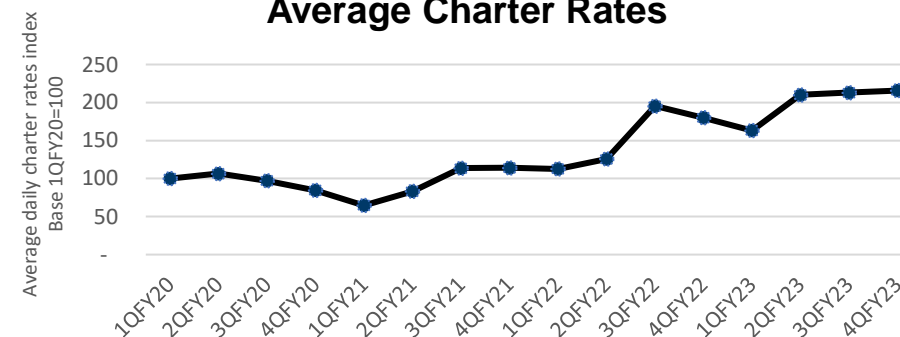
Increased Average Utilisation Rates

- 4QFY2023: 95% vs 3QFY2023: 92%.

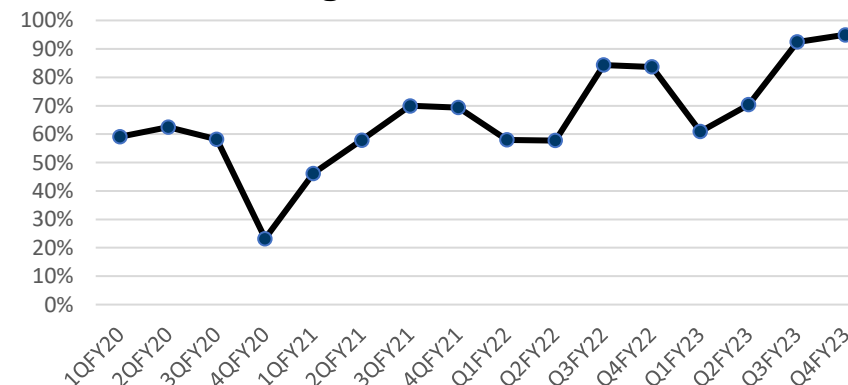
Ship Chartering Revenue (S\$m)



Average Charter Rates



Average Utilisation Rates



Outlook – Strong Setup for FY2024

Shipyard

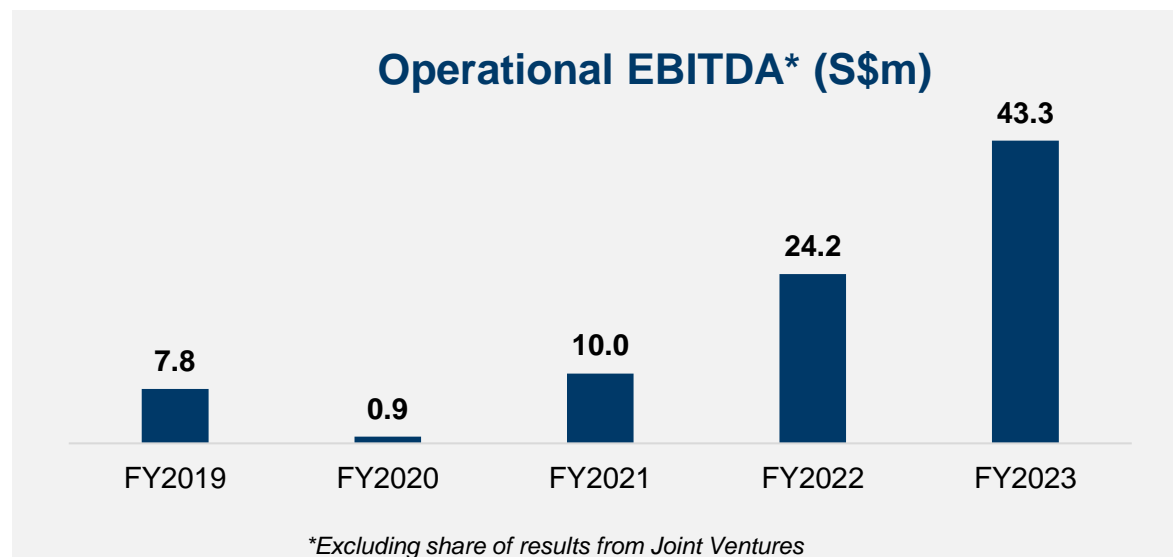
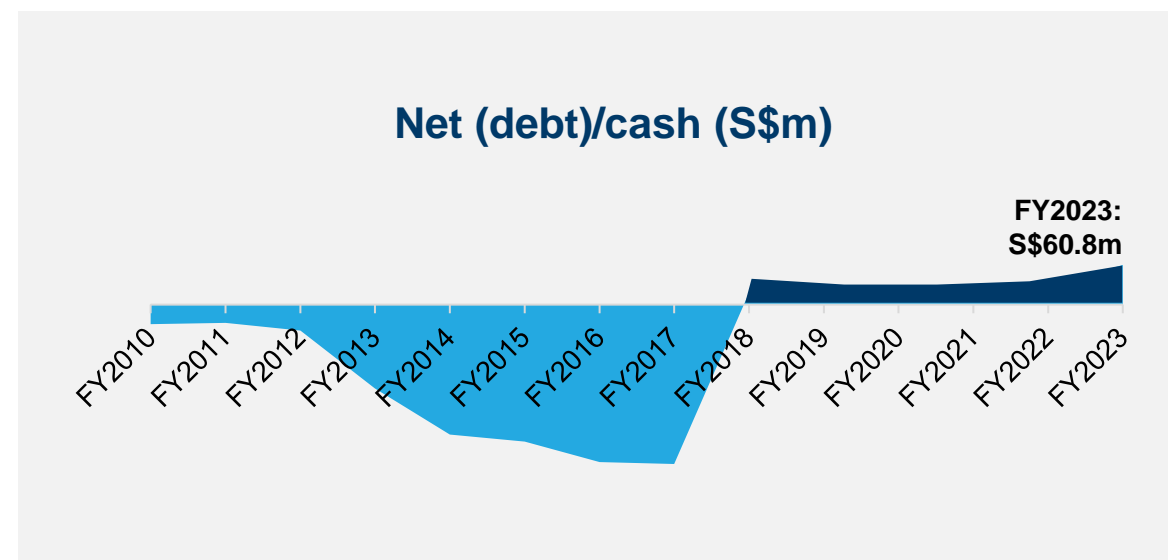
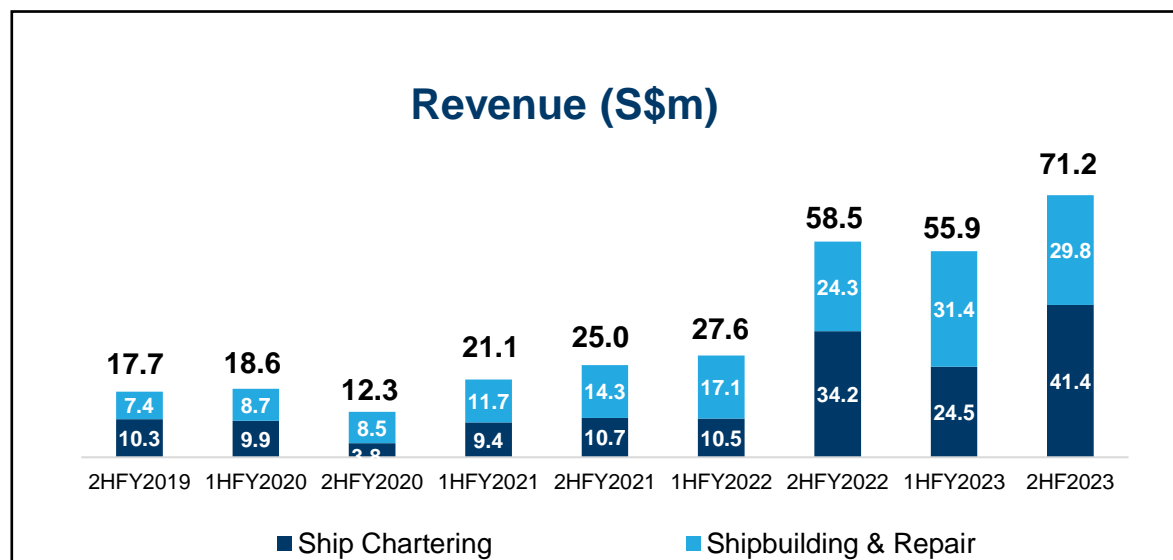
- Positive Trajectory for Shipyard Segment.
 - ❑ The shipbuilding segment is poised for growth with newly secured barge construction contracts, highlighting a strong order book with scheduled deliveries extending into the second half of FY2024.
 - ❑ The Group is focused on stabilising and maintaining a steady flow of orders for its ship repairs segment.
 - ❑ The Commissioning Service Operation Vessel (“**CSOV**”) is approximately 34% completed as of 30 September 2023, with operational commencement targeted for the second half of 2024.



Ship Chartering

- Sustained Growth in Ship Chartering is Expected.
 - ❑ Continuation of support for the Taiwan offshore wind farm market through Oceanic Crown Offshore Marine Services Ltd. and PKRO.
 - ❑ Positive impact on charter rates expected for Offshore Supply Vessels (“**OSVs**”) fleet due to increasing activities in the oil and gas markets.

Financial Overview



The momentum of strong earnings growth continues

- Adjusted net profit to owners jumped 47.4% Y-o-Y to S\$17.1 million in 2HFY2023, compared to S\$11.6 million in 2HFY2022.

Optimistic Outlook

- Strong Ship Chartering growth supported by the Taiwan offshore wind farm market and increasing activities in the oil and gas markets.
- Expansion in Shipyard operations from new ship repair and shipbuilding orders.
- Steady progress in constructing the CSOV to capitalise on the high-growth offshore renewable sector.

Net Cash Position

- S\$60.8m as of 30 Sep 2023.

Summary and Investment Merits



Attractive Valuation

- As of 30 September 2023, the Group has a net asset value of S\$0.049/share, comprising a portfolio of tangible assets that includes cash and property, plant, and equipment (PPE).
- The Group owns a shipyard in Batam (occupying more than 34 ha of land area), 14 OSVs that include 2 MWVs, 10 tugboats, and 8 barges.



Strong net cash position

- As of 30 September 2023, the Group has a net cash position of S\$60.8m.



Turnaround efforts bear fruit as the Group turns EBITDA positive and net profitable in FY2021

- Following the debt restructuring in FY2017, the Group has emerged from the crisis stronger than before, with a focus on cost and cash flow management. In FY2023, the Group recorded the highest operational EBITDA since the debt restructuring in 2017, continuing its robust growth trajectory.



Pivoting to renewables to increase utilisation and boost profitability

- The entry into new target markets will diversify the Group's customer base from the cyclical O&G sector, increase the utilisation of its existing assets, and boost profitability.



Design, Build, Owner and Operator business model to set Group apart in ancillary support of offshore windfarm sector

- As the operator, designer, and owner of vessels, Marco Polo Marine sets itself apart from competitors by addressing the specific requirements of vessel owners and operators when competing for projects in the offshore wind farm sector.



Leveraging on its established offshore windfarm experience for geographical expansion

- The Group is leveraging its established track record in Taiwan to expand its geographical footprint into Japan and Korea.



THANK YOU



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