



MARCO POLO MARINE

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FY2024 Results
December 2024



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CORPORATE OVERVIEW

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



Stock Data



Stock Code

SGX:5LY



Free Float

~51.3%



**Revenue
(FY2024)**

S\$123.5m



**Major
Shareholders**

**Lee
Family**

22.6%



16.5%



PENGUIN

8.1%

COMPLEMENTARY BUSINESS SEGMENTS

MAINTENANCE WORK VESSELS

OSVs (AHTs & AHTSs)

TUGS & BARGES

Ship Chartering

- 1 CSOV (new building in progress) (Revenue recognition expected from 1HFY2025)
- Wind Farm related vessels (2x CTVs)
- 14 OSVs, including 2 Maintenance Work vessels (MWVs) (vessel age: 8-17 years)
- Average age of OSV fleet: ~10 years
- 8 Tugboats and 6 Barges (vessel age: 6-15 years)
- Indonesian presence through PT Bina Buana Raya



SHIPBUILDING

CONVERSION & OUTFITTING

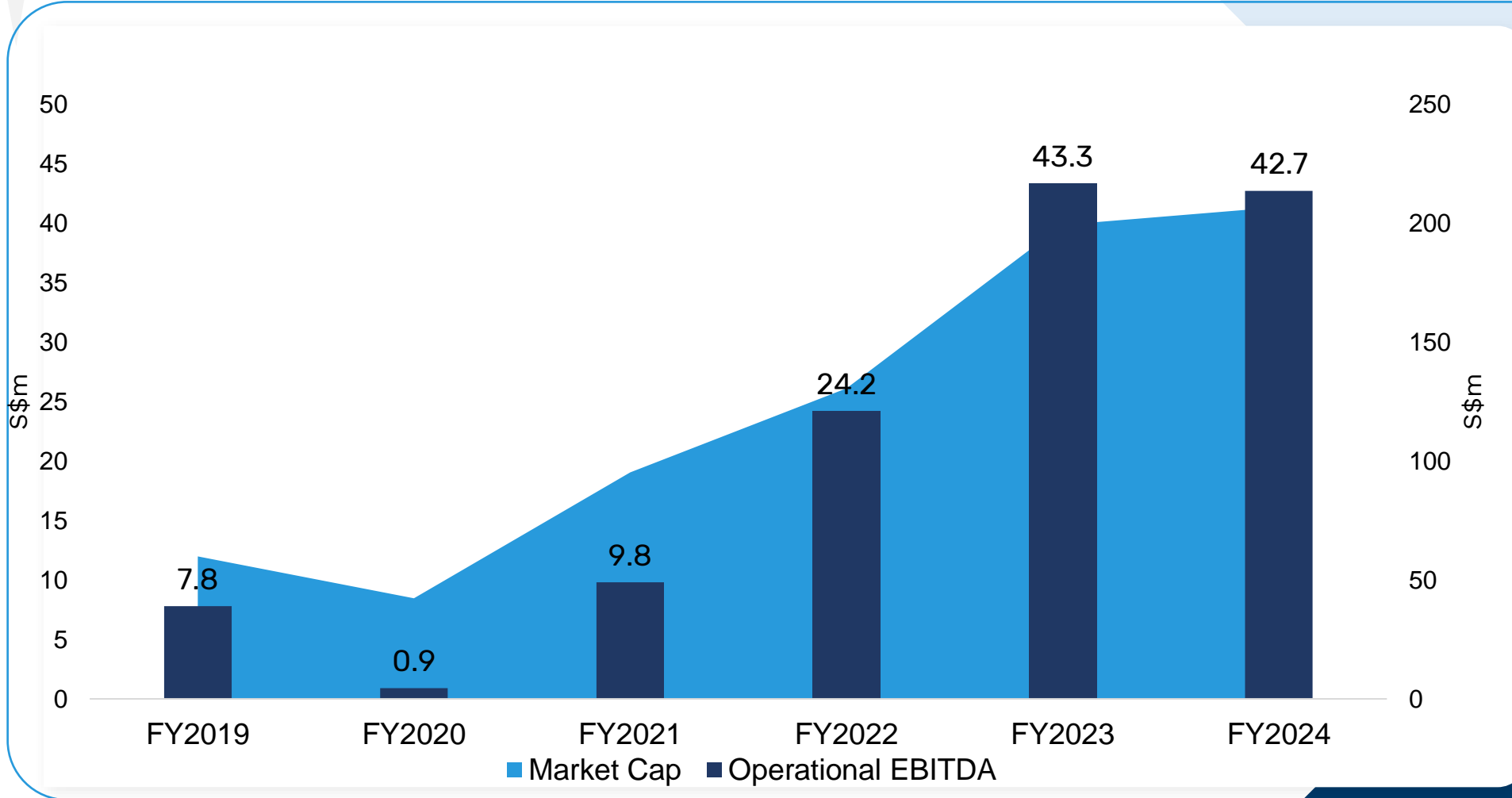
REPAIR & MAINTENANCE

Ship Building & Repair

- One of the larger shipyards in Indonesia
- Ship building, conversion and outfitting
- Offshore fabrication works
- Ship repair and maintenance (more than 1,000 repair projects completed in last 10 years)
- Construction of 4th dry dock (Revenue recognition expected from 1HFY2025)



CONSISTENT GROWTH IN MARKET VALUATION





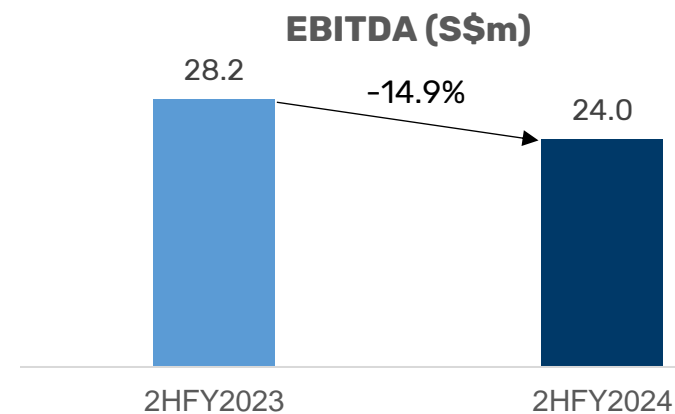
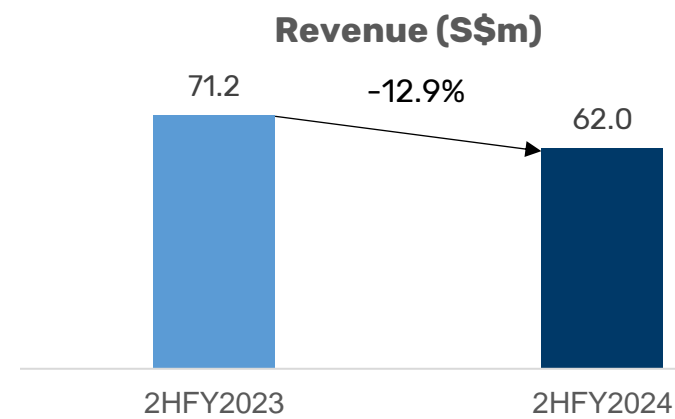
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FY2024 PERFORMANCE

2HFY2024 INCOME HIGHLIGHTS

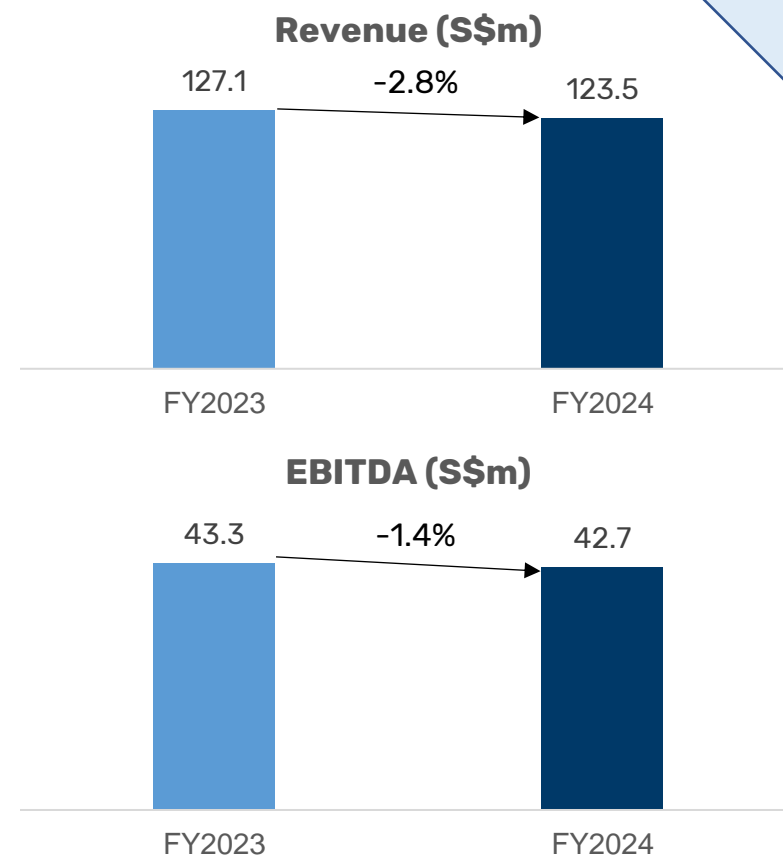
S\$ MILLION	2HFY2024	2HFY2023	Y-o-Y % change
Revenue	62.0	71.2	(12.9%)
Gross Profit	26.3	28.0	(6.1%)
Gross Profit Margin	42.4%	39.3%	
EBITDA*	24.0	28.2	(14.9%)
EBITDA Margin	38.7%	39.6%	
Net Profit	11.9	19.9	(40.2%)
Net Profit to Owners	10.7	18.3	(41.5%)
Adjusted Net Profit to Owners*	15.2	17.1	(11.1%)



*Excludes foreign exchange losses and non-recurring items such as gain on disposal of property, plant and equipment and provision for contractual liabilities

FY2024 INCOME HIGHLIGHTS

S\$ MILLION	FY2024	FY2023	Y-o-Y % change
Revenue	123.5	127.1	(2.8%)
Gross Profit	48.5	45.7	6.1%
Gross Profit Margin	39.3%	36.0%	
EBITDA*	42.7	43.3	(1.4%)
EBITDA Margin	34.6%	34.1%	
Net Profit	23.9	25.8	(7.4%)
Net Profit to Owners	21.7	22.6	(4.0%)
Adjusted Net Profit to Owners*	26.3	25.2	4.4%



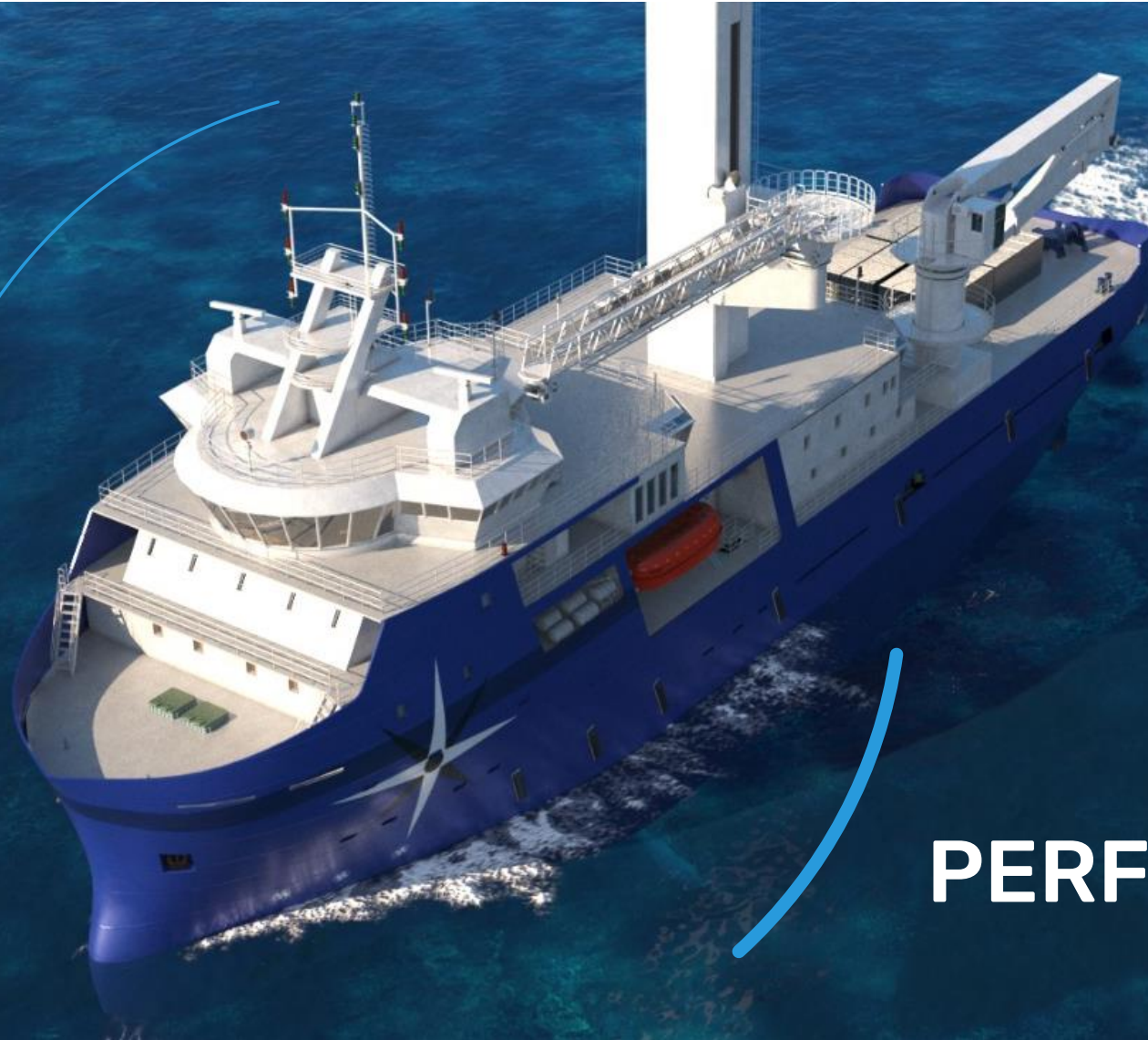
*Excludes foreign exchange losses and non-recurring items such as gain on disposal of property, plant and equipment and provision for contractual liabilities

HEALTHY BALANCE SHEET

S\$ million	FY2024	FY2023	Comments
Net Asset Value	201.1	183.9	FY2024 NAV/share = S\$0.054
Cash	68.8	63.1	
Less borrowings	(33.0)	(2.3)	
Net Cash	35.8	60.8	FY2024 Net cash/share: S\$0.009
Operating cashflow	37.6	28.1	
Purchase of PPE	(50.7)	(13.3)	
Free cashflow	(13.1)	14.8	



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SEGMENTAL PERFORMANCE AND OUTLOOK

SHIPYARD SEGMENT IMPACTED BY CSOV CONSTRUCTION

Lower Shipyard Revenue in FY2024



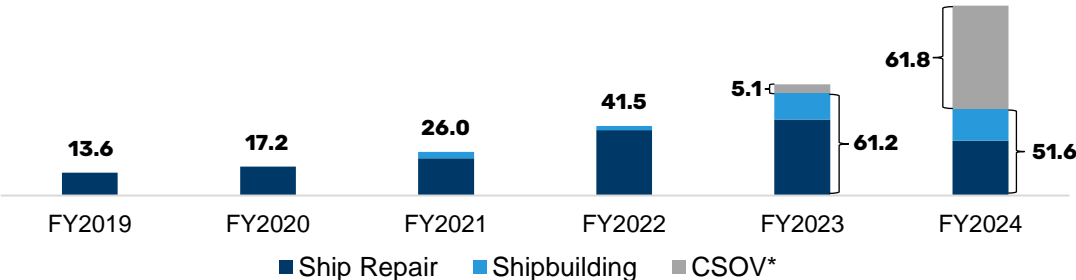
Lower Ship Repair Volumes due to One Dry Dock Occupied by CSOV Construction



Decreased 3rd Party Shipbuilding Activities Contributing to Revenue Decline

Ship repairs is a long-term business with 50-70% repeat customers

Shipyard Revenue (S\$m)



Shipyard Revenue (S\$m)



The shipyard was operating at an average utilisation rate of 91% in FY2024 (vs. FY2023: 85%)

*CSOV revenue is eliminated and excluded from Group-level totals.

SHIP CHARTERING DRIVES GROWTH IN FY2024

Ship chartering continues to drive growth

- ◆ OSV utilisation rates reverting to historical norm
- ◆ Higher charter rates and favourable supply-demand environment
- ◆ Rechartering of third-party vessels at higher rates for short-term offshore projects

Ship chartering typically more robust in 2H vs 1H due to monsoon seasonality.



Average charter rates continue upward trend

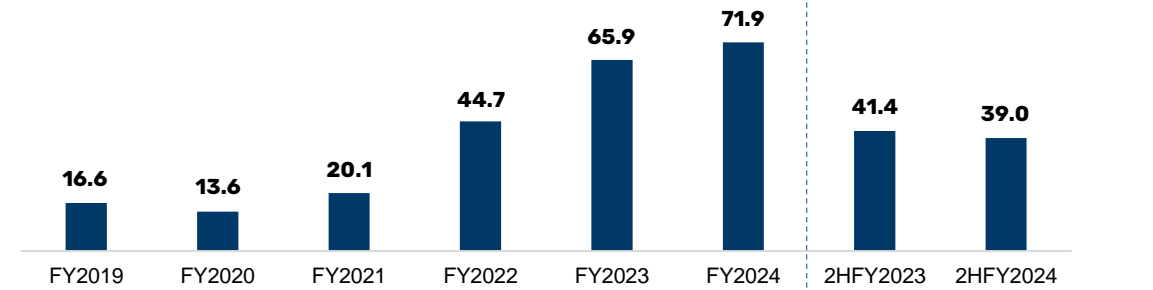
Demand for OSVs from the offshore oil & gas and renewable energy sectors continues to drive higher charter rates



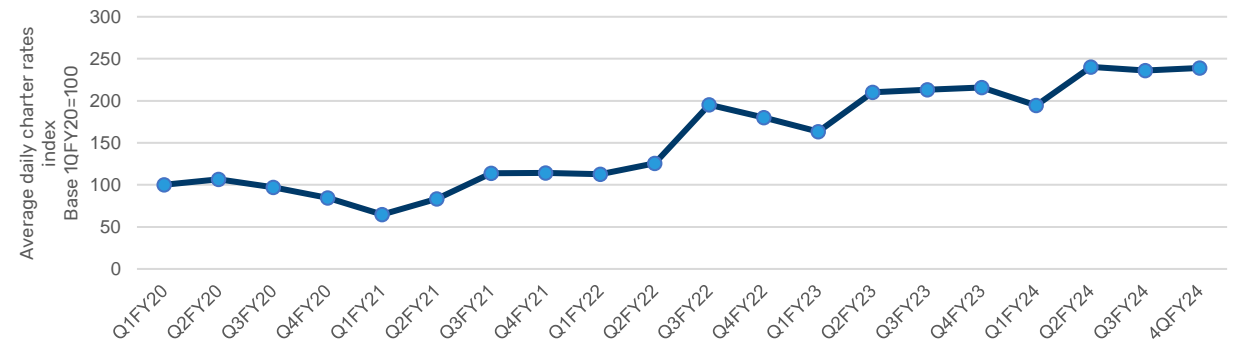
Average utilisation rates reverted closer to historical operating levels

4QFY2024: 68% vs 4QFY2023: 95%.

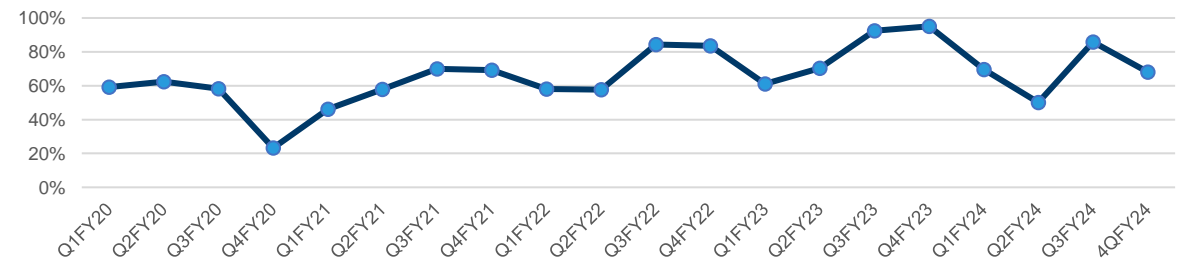
Ship Chartering Revenue (S\$m)



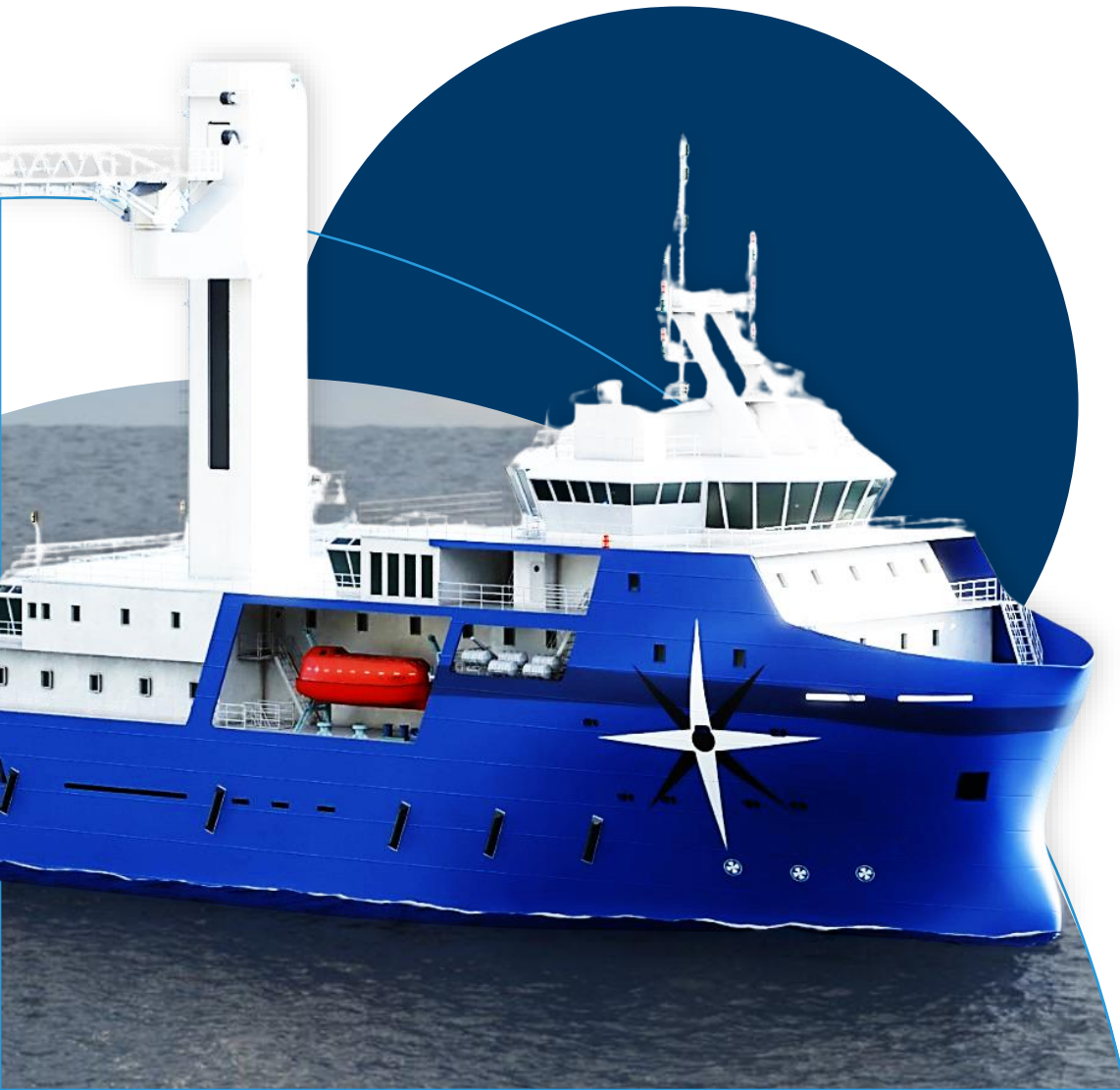
Average Charter Rates



Average Utilisation Rates



OUTLOOK – CONTINUED GROWTH IN SHIP CHARTERING



Ship Chartering

The ship chartering segment will continue to drive growth.

- Tight supply-demand balance in offshore market likely to drive demand for OSVs and support higher average charter rates
- Strategic agreement with Siemens Gamesa to strengthen offshore presence beyond Taiwan
- CSOV to begin charter in first half of FY2025



Shipyard

Ship repair volumes to pick up after end Aug

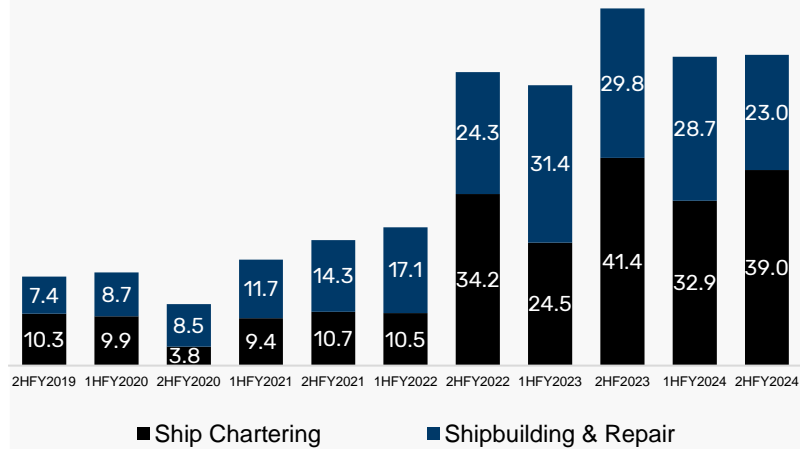
- Ship repair volumes to return to normalcy as third dock is freed up at the end of August 2024

4th Drydock Construction

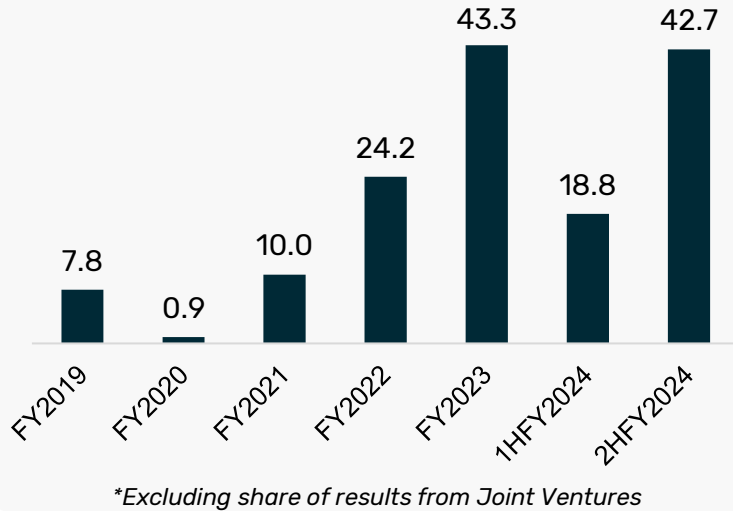
- The 4th drydock commenced construction in May 2024 and will be completed by February 2025

FINANCIAL OVERVIEW

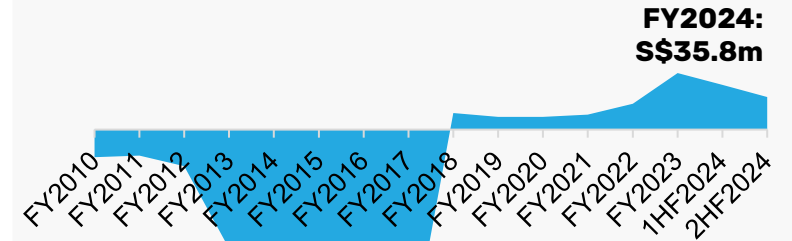
Revenue (S\$m)



Operational EBITDA* (S\$m)



Net (debt)/cash (S\$m)



Earnings grew marginally due to provisions and bank term loan expenses

- Adjusted net profit to owners rose by 4.4% y-o-y to S\$26.3 million in FY2024, compared to S\$25.2 million in FY2023



Optimistic Outlook

- Robust demand from the Taiwan offshore wind farm and oil and gas markets will support higher charter rates of its OSVs in FY2025
- The fourth dry dock will be completed in February 2025
- CSOV to begin charter in first half of 2025



Net Cash Position

- S\$35.8m as of 30 Sep 2024

SUMMARY AND INVESTMENT MERITS



Attractive Valuation

- As of 30 September 2024, the Group's net asset value was S\$0.054/share. This figure comprises 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) and 14 OSVs, including 2 MWVs, 8 tugboats, and 6 barges



Strong Net Cash Position

- As of 30 September 2024, the Group has a net cash position of S\$35.8m



Pivoted to renewables to increase utilisation and boost profitability

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



Designer, Builder, Owner and Operator business model to set Group apart in ancillary support of offshore wind farm 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





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THANK YOU

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