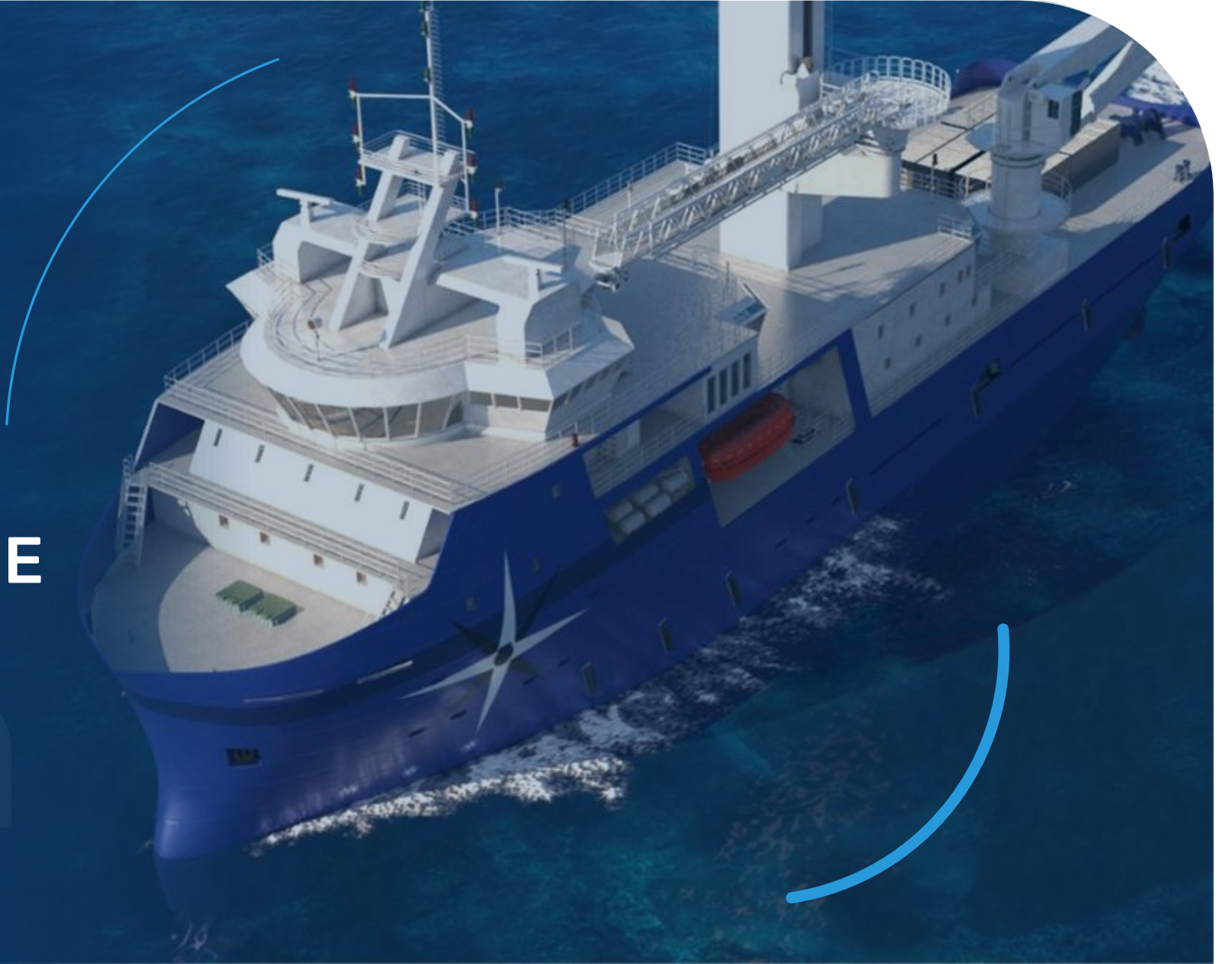




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1QFY2025 Update
February 2025



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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

22.7%



16.4%



PENGUIN

8.1%

COMPLEMENTARY BUSINESS SEGMENTS



Ship Chartering

MAINTENANCE WORK VESSELS

OSVs (AHTs & AHTSs)

TUGS & BARGES

- 1 CSOV (end-Feb completion) (Revenue recognition expected by the start of 2HFY2025)
- Wind Farm related vessels (3x 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
- Taiwan presence through PKR Offshore



Ship Building & Repair

SHIPBUILDING

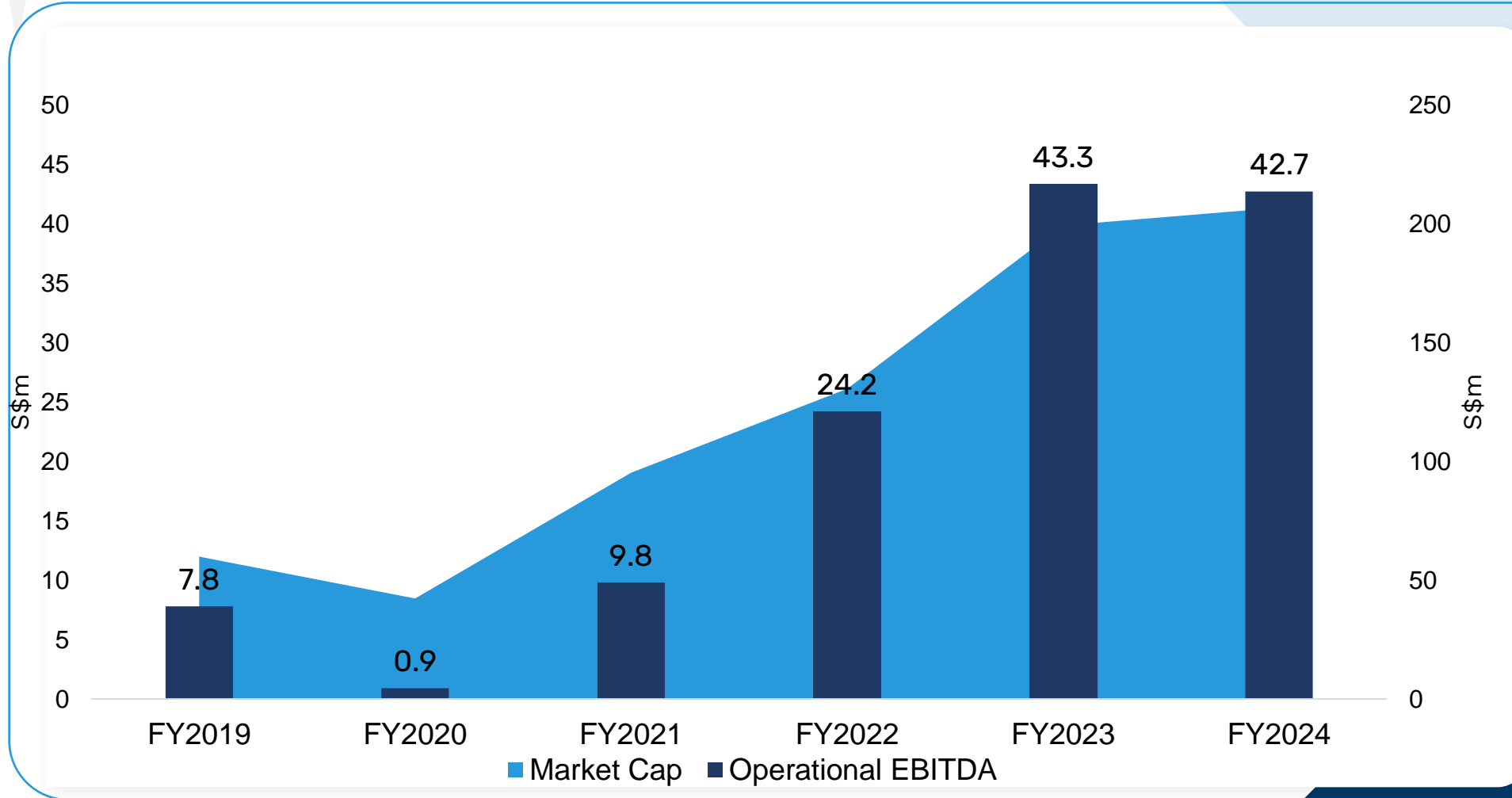
CONVERSION & OUTFITTING

REPAIR & MAINTENANCE

- 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)
- 4th dry dock (end-Mar completion) (Revenue recognition expected in 2HFY2025)



CONSISTENT GROWTH IN MARKET VALUATION





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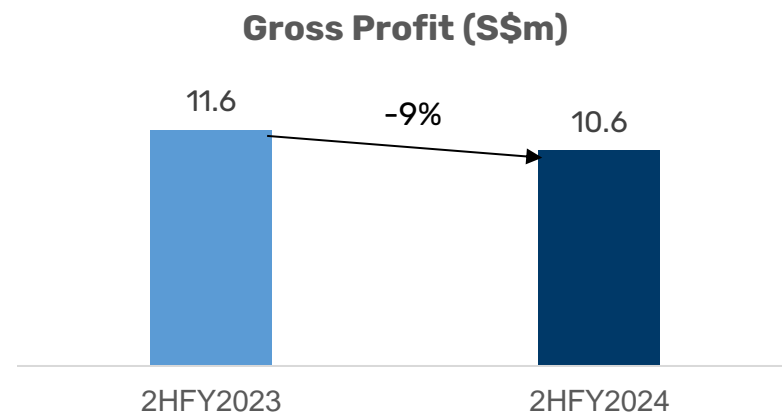
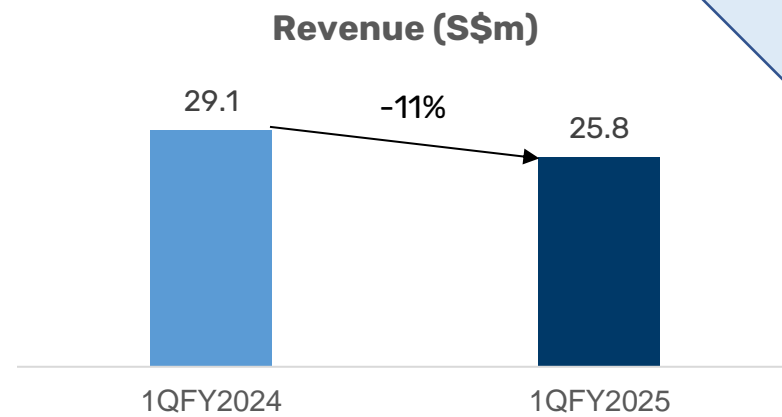


1QFY2025 Highlights

1QFY2025 HIGHLIGHTS

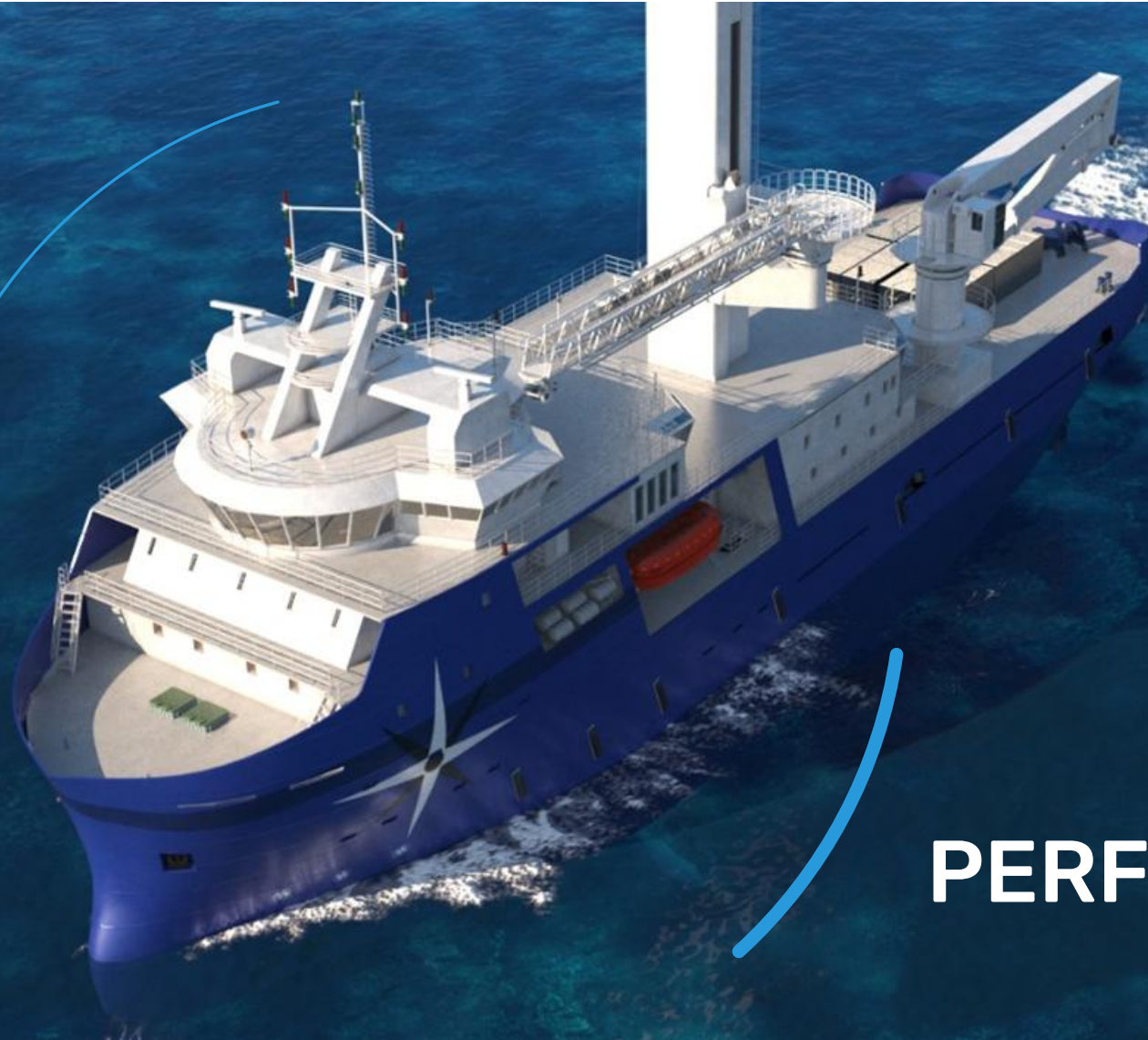
S\$ MILLION	1QFY2025	1QFY2024	% change
Revenue	25.8	29.1	(11%)
Gross Profit	10.6	11.6	(9%)
Gross Profit Margin	41.0%	39.9%	

- Lower revenue from both Ship Chartering and Shipyard.
- Gross margin improved by 1.1 ppt y-o-y
- CSOV and Drydock 4 to be completed by end of Feb 2025 and end Mar 2025 respectively
- Acquisition of 3 CTVs to be deployed in Taiwan in 2HFY2025





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SEGMENTAL PERFORMANCE AND OUTLOOK

SHIP CHARTERING

Ship Chartering revenue decreased 13% y-o-y :

- ◆ Mainly due to lower 3rd party chartering income from Taiwan
- ◆ Average fleet utilisation increased marginally by 1 ppt y-o-y.
- ◆ Offset by generally higher charter rates of utilised vessels

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



Average charter rates continue upward trend

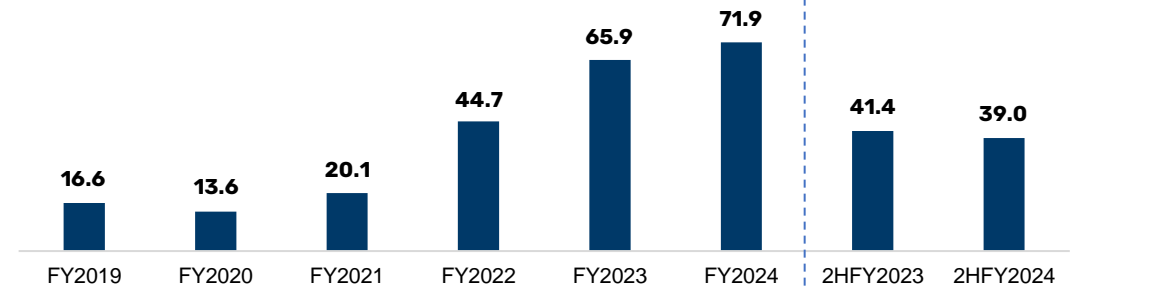
Demand for OSVs from the offshore oil & gas and renewable energy sectors continued to drive higher charter rates from a year ago



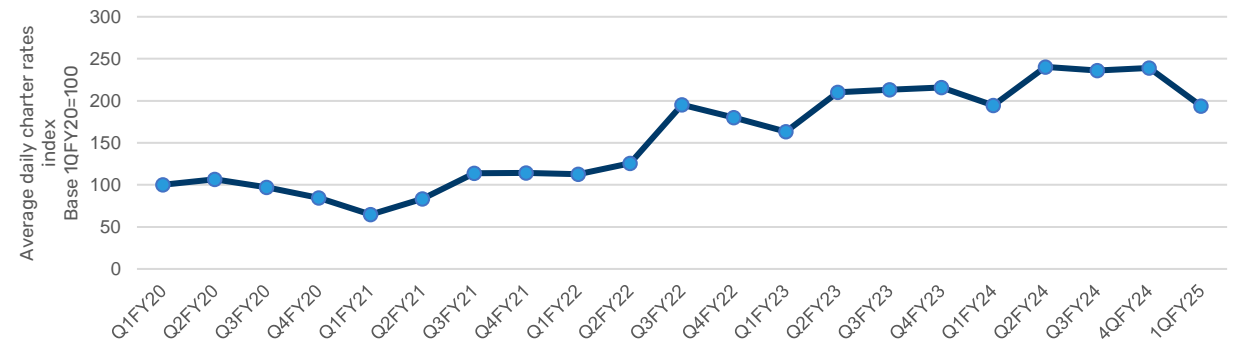
Average utilisation rates reverted closer to historical operating levels

1QFY2025: 71% vs. 1QFY2024: 70%.

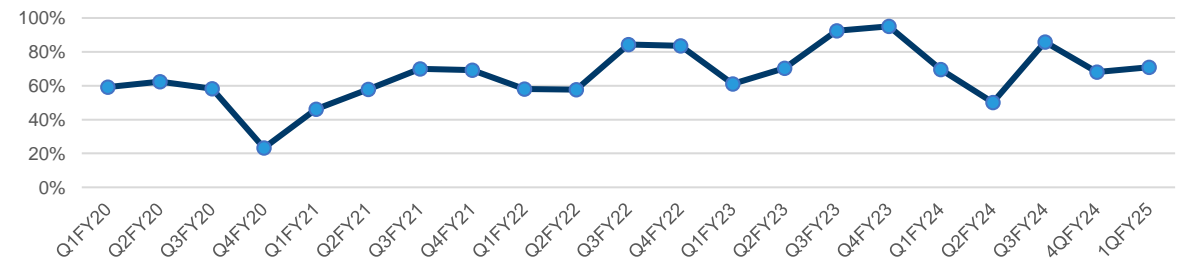
Ship Chartering Revenue (S\$m)



Average Charter Rates



Average Utilisation Rates





Shipyard revenue decreased 9% y-o-y



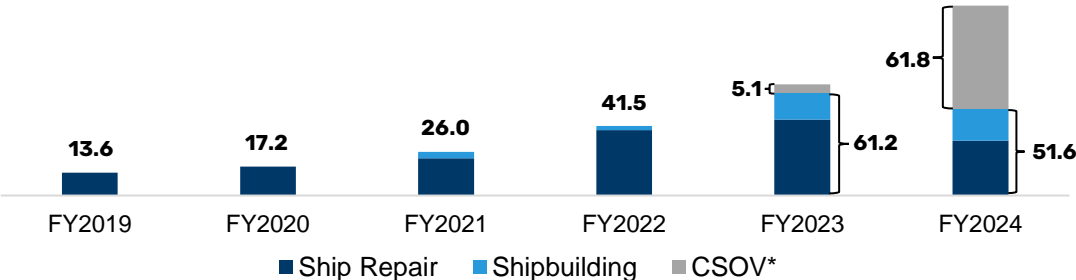
Increase in ship repair projects



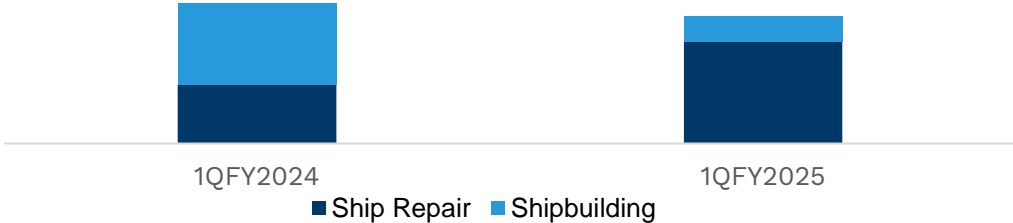
Decrease in ship building activities

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 83% in 1QFY2025 (vs. 1QFY2024: 79%)

*Pertains to only ship repair

OUTLOOK - To see start of investment returns in 2HFY2025



Ship Chartering

Ship chartering segment will continue to drive growth.

- Tight supply-demand balance in offshore market likely to drive demand for OSVs and support charter rates
- CSOV and 3 CTVs in Taiwan to generate meaningful income in 2HFY2025; full benefit to accrue in FY2026
- Decline in 3rd party vessel rechartering demand to persist for the rest of FY2025



Shipyard

Ship repair momentum to persist

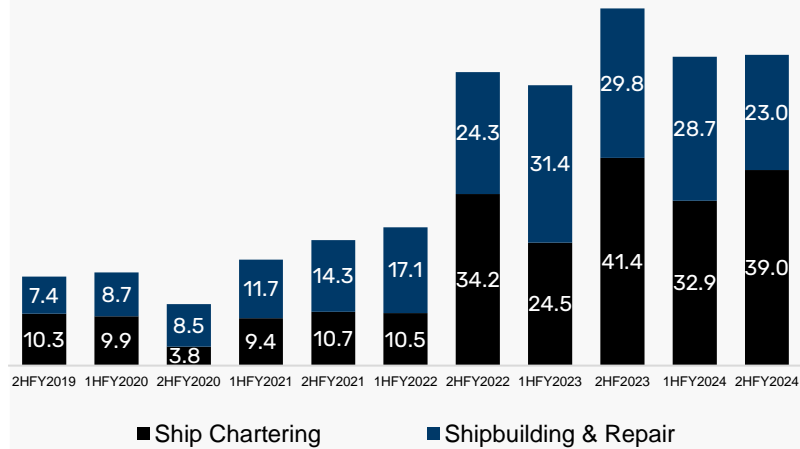
- Strong momentum in average utilisation rates in 1QFY2025 anticipated to persist through FY2025

4th Drydock

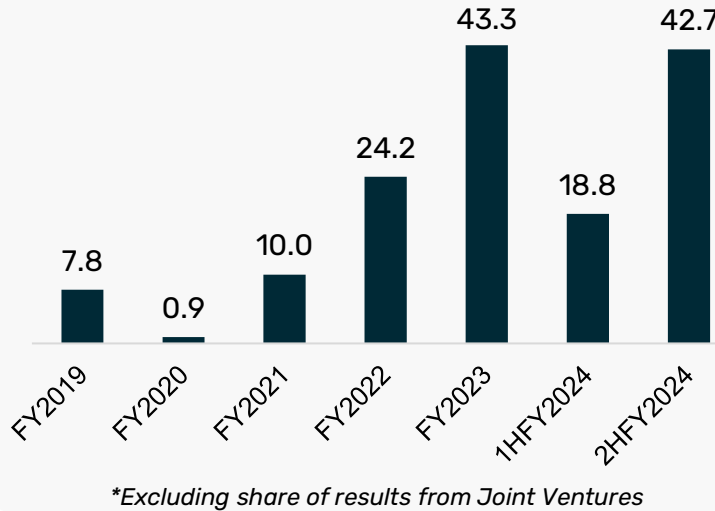
- Completed by end of March
- Expect meaningful contribution in 2HFY2025 after potential post-launch teething issues

FINANCIAL OVERVIEW

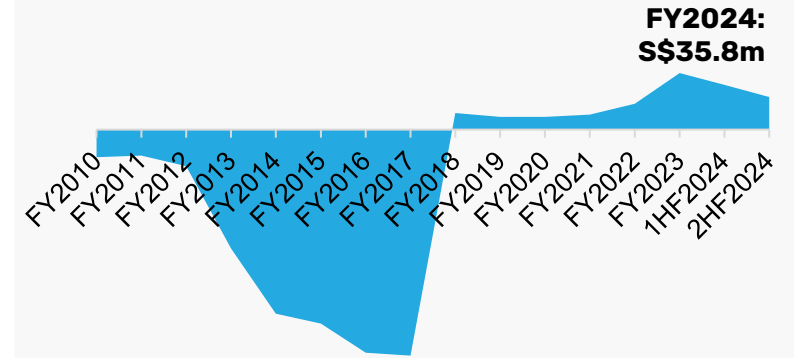
Revenue (S\$m)



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 to contribute meaningfully to income in 2HFY2025
- CSOV and 3 CTVs in Taiwan to contribute meaningfully to income in 2HFY2025



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



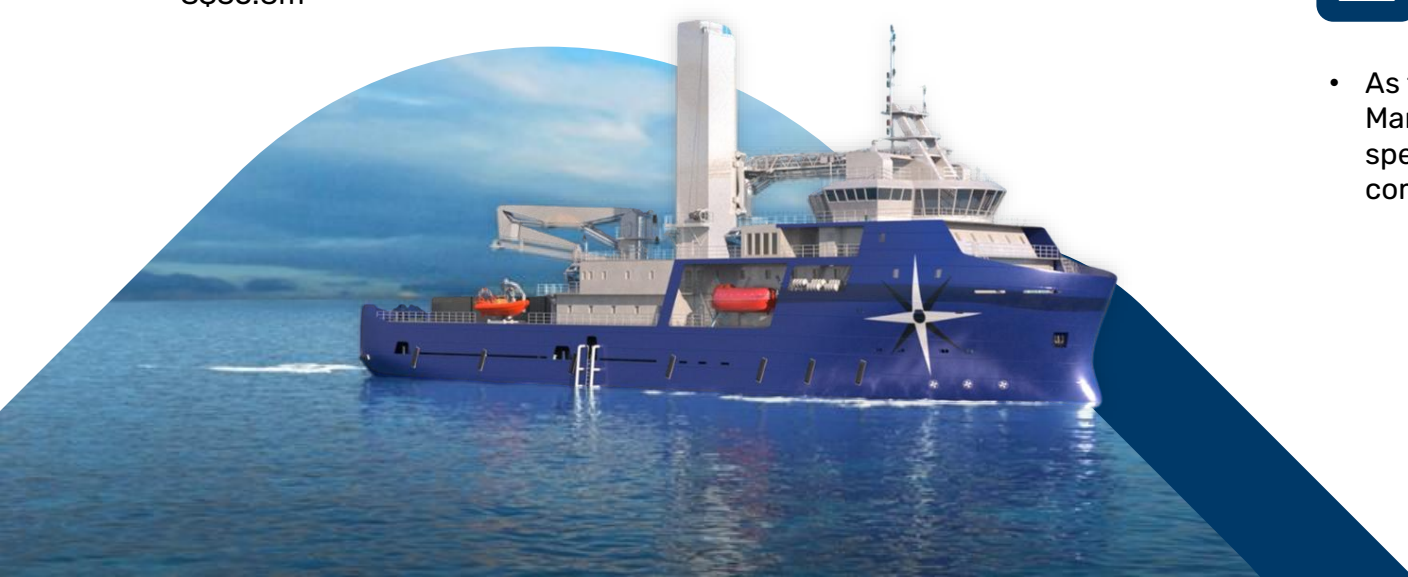
Pivoted to renewables to increase utilisation and boost profitability

- 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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