

14 July 2025

ENERGY EQUITY RESEARCH

MARCO POLO MARINE LTD

SGX: 5LY

Bloomberg: MPM:SP

ISIN code: SG1W14938268

Country: Singapore

Industry: Energy

14 July 2025

RECOMMENDATION: HOLD

Current price: S\$0.045

Target price: S\$0.052

Issued shares: 3,758 million (31 March 2025)

Market capitalisation: S\$168.9 million

52-week range: S\$0.035 – S\$0.061

PRICE PERFORMANCE



COMPANY DESCRIPTION

Marco Polo Marine Ltd ("MPML") is a marine logistics company that engages in shipping and shipyard operations. MPML's shipping business relates to the chartering of Offshore Supply Vessels ("OSVs") in regional waters, e.g., Thailand, Malaysia, Indonesia, and Taiwan. MPML also charters offshore wind vessels as well as tugboats & barges. Meanwhile, its shipyard business relates to the provision of shipbuilding as well as ship repair (and other) services at its shipyard in Batam, Indonesia.

SUMMARY

For the six months ended 31 March 2025 (1H FY2025), MPML's revenue fell by 14.4% from S\$61.6 million in 1H FY2024 to S\$52.7 million in 1H FY2025 mainly due to its ship building & repair revenue falling by 26.9%. Gross profit fell by 2.7% from S\$22.2 million in 1H FY2024 to S\$21.6 million in 1H FY2025 due to a more-than-proportional rise in cost of sales. Profit for the period fell by 23.4% from S\$12.0 million in 1H FY2024 to S\$9.2 million in 1H FY2025 in line with a more-than-proportional rise in administrative expenses, other operating expenses, and finance costs. After deducting profit attributable to Non-Controlling Interests ("NCI"), profit attributable to equity holders of the Company fell by 3.4% from S\$11.0 million in 1H FY2024 to S\$10.6 million in 1H FY2025.

RECOMMENDATION

Based on the historical average P/E multiple of 8.27x and Trailing Twelve-Month ("TTM") diluted EPS (cents) of 0.57, we estimate a target price of S\$0.047. Based on the historical average P/E multiple of 1.00x and NAV per share (cents) of 5.58, we estimate a target price of S\$0.056. Based on the historical average yield of 1.91% and TTM DPS (cents) of 0.10, we estimate a target price of S\$0.052. By averaging the estimated target prices, we derive a target price of S\$0.052. The overall target price of S\$0.052 represents an upside potential of 15.6% from the current share price of S\$0.045.

MPML's P/E & P/B multiples may not return to historical averages as implied by the valuation analysis based on historical metrics as the prospects for both the offshore oil & gas and offshore wind industries (thus the charter rates of OSVs and offshore wind vessels) may have worsened after U.S. President Trump introduced his "Liberation Day" tariffs. Thus, MPML's likely share price may be lower than as implied by the overall target price of S\$0.052 such that the upside potential of 15.6% may not be realised.

Nonetheless, while the valuation analysis based on historical metrics has its limitations, we find that the overall target price of S\$0.052 may be representative of MPML's likely share price upside as the overall target price (and associated upside potential) may be supported by: (1) our projected rise in MPML's TTM diluted EPS (cents) of 15.9% from 0.57 at the end of 1H FY2025 to 0.66 at the end of 2H FY2026; and (2) the selected recent privatisation offers' average price premium of 24.7%. Thus, we refer to the overall target price of S\$0.052 when making our recommendation.

On its own, the upside potential of 15.6% may suggest that optimism may be warranted. However, we recognise that there are risks to the target price, such as: (1) a potential depreciation of the United States Dollar ("USD") against the Singapore Dollar ("SGD"); and (2) a projected economic downturn from trade tensions. Accordingly, we recommend a hold.

KEY FINANCIALS	Revenue	Earnings ⁽¹⁾	EPS ⁽²⁾	P/E	DPS	Dividend Yield	NAV per share	P/B
Year ended 30 September	(S\$ million)	(S\$ million)	(cents)	(x)	(cents)	(%)	(cents)	(x)
2023 Actual	127.1	22.6	0.6	7.34	0.1	2.22%	5.4	0.84
2024 Actual	123.5	21.7	0.6	7.78	0.1	2.22%	4.9	0.92
2025 Projection	115.8	21.6	0.6	7.84	0.1	2.22%	-	-
2026 Projection	130.7	24.7	0.7	6.85	0.1	2.22%	-	-

Figures have been rounded. P/E, P/B and dividend yield are based on the current share price of S\$0.045.

⁽¹⁾ Profit after tax attributable to owners of the Company.

⁽²⁾ Earnings Per Share (diluted).

Source: MPML, FPA

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COMPANY OVERVIEW

(I) CORPORATE PROFILE

Marco Polo Marine Ltd (“MPML”) is a marine logistics company that engages in shipping and shipyard operations. MPML’s shipping business relates to the chartering of Offshore Supply Vessels (“OSVs”) in regional waters, e.g., Thailand, Malaysia, Indonesia, and Taiwan. MPML also charters offshore wind vessels¹ as well as tugboats & barges. Meanwhile, its shipyard business relates to the provision of shipbuilding as well as ship repair (and other) services at its shipyard in Batam, Indonesia.

(II) OPERATIONS

MPML has two main business segments: ship chartering and shipyard operations.

(a) Ship chartering

As at 31 March 2025 (end of 1H FY2025)², MPML (as a group) operates 13 OSVs, six (6) offshore wind vessels, eight (8) tugboats, six (6) barges, and two (2) Self-Propelled Barges (“SPBs”).

Offshore Supply Vessels (“OSVs”):

MPML operates nine (9) Anchor Handling Tug & Supply (“AHTS”) vessels, two (2) Anchor Handling Tug (“AHT”) vessels, one (1) Platform Supply Vessel (“PSV”), and one (1) Accommodation Work Barge (“AWB”; or “MWV” for Maintenance Work Vessel)³:

- MPML’s 70.7%-owned Indonesian subsidiary, PT Pelayaran Nasional Bina Buana Raya Tbk (“BBR”), wholly-owns & operates three (3) AHTS vessels and one (1) AHT vessel
- MPML’s 49%-owned Taiwanese subsidiary⁴, PKR Offshore Co. Ltd. (“PKR”), wholly-owns & operates one (1) AHT vessel
- Other subsidiar(ies) (i.e., not BBR nor PKR) wholly-own(s) & operate(s) the remaining six (6) AHTS vessels and one (1) Platform Supply Vessel (“PSV”)
- MPML’s 49%-owned Joint Venture Company (“JV” Company or “JVC”; i.e., not a subsidiary), Pelayaran Era Sdn Bhd (“PESB”), wholly-owns & operates the one (1) AWB.

Other vessels:

MPML (as a group) also owns & operates six (6) offshore wind vessels through PKR. PKR wholly-owns & operates one (1) Commissioning Service Operation Vessel (“CSOV”) and five (5) Crew Transfer Vessels (“CTVs”).

Other subsidiar(ies) wholly-own(s) & operate(s) the eight (8) tugboats and six (6) barges.

BBR wholly-owns & operates the two (2) SPBs.

¹ Refers to vessels chartered mainly to the offshore wind sector. As distinguished from OSVs, which may be chartered mainly to the offshore oil & gas sector.

² MPML’s financial year ends on 30 September.

³ MPML also used the terms “accommodation work boat” in November 2014, “Accommodation Work Vessel” in February 2015, and “Maintenance and Accommodation Work Vessel” in November 2015.

⁴ Even though MPML owns less than 50% of PKR, PKR is considered a subsidiary of MPML as MPML “has rights to variable returns from its involvement” with PKR “and has the ability to affect those returns through its power” over PKR (according to MPML’s AR for FY2024).

Operational regions:

MPML charters its OSVs mainly to the offshore oil & gas sector in Indonesia, Malaysia and Thailand:

- As noted by MPML in December 2021, “only Indonesian-owned and Indonesian-flagged vessels are permitted to operate in Indonesian domestic waters.” Thus, MPML charters its OSVs to Indonesia only through its Indonesian subsidiary BBR
- BBR may, however, charter its three (3) AHTS vessels to other regions too (e.g., Malaysia and Thailand) if the regions offer better charter terms (e.g., higher rates, longer charter duration)
- Other subsidiar(ies) charter(s) the remaining OSVs (excluding the AHT wholly-owned & operated by PKR and the AWB wholly-owned & operated by PESB) mainly to Malaysia and Thailand.

According to ship tracking sites MarineTraffic & VesselFinder, the JVC-owned AWB has been chartered to Ras Laffan, Qatar, as at date of report. According to state-owned corporation QatarEnergy, the Ras Laffan port “serves as a world-class export facility for LNG and other products.” “LNG” refers to Liquefied Natural Gas.

MPML (including BBR) may also charter its OSVs to the offshore wind sector (e.g., in Taiwan) if the sector offers better charter terms (e.g., higher rates, longer charter duration).

PKR charters its AHT vessel, CSOV, and five (5) CTVs to the offshore wind sector mainly in Taiwan.

BBR charters its two (2) SPBs mainly for coal transportation in Indonesian waters.

Other subsidiar(ies) charter(s) the remaining eight (8) tugboats and six (6) barges mainly to entities related to construction, as well as traders of sand and granite.

The vessels that MPML operates (excluding tugboats & barges) are shown in **Exhibit 1**.

(b) Shipyard

MPML operates a shipyard in Batam, Indonesia. The shipyard has four (4) drydocks and two (2) slipways. MPML noted in May 2025 that the shipyard has “a total land area of approximately 34 hectares” and a “seafront of approximately 650 meters”.

Through the shipyard, MPML provides shipbuilding as well as ship repair, maintenance, outfitting, and conversion services.

Exhibit 1: Vessels Operated by MPML (Except Tugboats & Barges)

Name	Actual				Remark(s)
	Flag	Specifications	Year Built (A)	Age (2025 - A)	
<u>Anchor Handling Tug & Supply ("AHTS") vessels:</u>					
MP Valour	Singapore	5,400 BHP (69.2 MT BP)	2012	13	
MP Prowess	Singapore	8,160 BHP (120.05 MT BP)	2014	11	
MP Prestige	Singapore	8,160 BHP (118 MT BP)	2015	10	
MP Prosper	Singapore	8,160 BHP (120 MT BP)	2016	9	
MP Kesatria	Singapore	12,070 BHP (150 MT BP)	2016	9	
MP Prevail	Malaysia	9,000 BHP (120.4 MT BP)	2013	12	Wholly-owned & operated by BBR (subsidiary)
MP Pride	Indonesia	8,160 BHP (115.1 MT BP)	2015	10	Wholly-owned & operated by BBR (subsidiary)
MP Perkasa	Indonesia	8,160 BHP (120.33 MT BP)	2015	10	Wholly-owned & operated by BBR (subsidiary)
MP Prospect	Singapore	8,160 BHP (120.996 MT BP)	2015	10	
<u>Anchor Handling Tug ("AHT") vessels:</u>					
MP Endurance	Indonesia	4,900 BHP (55 MT BP)	2007	18	Wholly-owned & operated by BBR (subsidiary)
Pahlawan	Taiwan	5,000 BHP (65 MT BP)	2010	15	Wholly-owned & operated by PKR (subsidiary)
<u>Platform Supply Vessels ("PSVs"):</u>					
MP Lagenda	Singapore	3,300 DWT	2015	10	
<u>Accommodation Work Barge ("AWB"; or "MWV" for Maintenance Work Vessel):</u>					
MP Dynamic	Malaysia	200 men, 50 ton crane	2015	10	Wholly-owned & operated by PESB (JVC)
<u>Commissioning Service Operation Vessel ("CSOV"):</u>					
MP Wind Archer	Taiwan	110 POB	2025	0	Wholly-owned & operated by PKR (subsidiary)
<u>Crew Transfer Vessels ("CTVs"):</u>					
World Sea	Taiwan	12 POB	2013	12	Wholly-owned & operated by PKR (subsidiary)
World Sail	Taiwan	12 POB	2013	12	Wholly-owned & operated by PKR (subsidiary)
MP Corus	Taiwan	24 POB	2024	1	Wholly-owned & operated by PKR (subsidiary)
MP Eurus	Taiwan	24 POB	2024	1	Wholly-owned & operated by PKR (subsidiary)
MP Dagoda	Taiwan	24 POB	2025	0	Wholly-owned & operated by PKR (subsidiary)
<u>Self-Propelled Barges ("SPBs"):</u>					
Premium Bahari	Indonesia	10,000 DWT	2000	25	Wholly-owned & operated by BBR (subsidiary)
Premier Bahari	Indonesia	12,000 DWT	2024	1	Wholly-owned & operated by BBR (subsidiary)

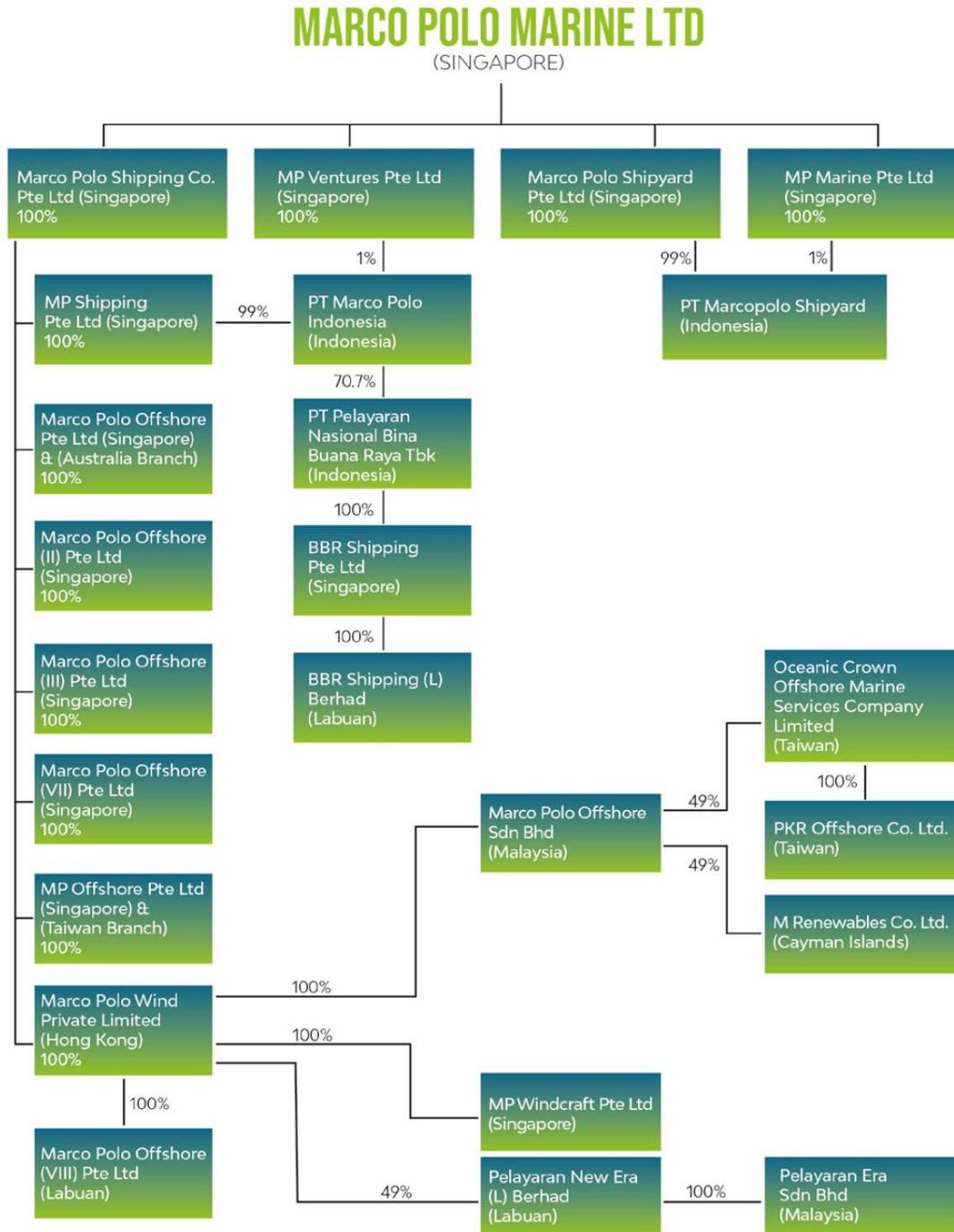
Note: "BHP" = Brake Horsepower. "BP" = Bollard Pull. "DWT" = Deadweight Ton. "POB" = People On Board. Vessel names as collated from MPML's Annual Report ("AR") for the Financial Year ended 30 September 2024 ("FY2024"), BBR's AR for the financial year ended 31 December 2024, and PKR's website. Vessel age estimated from each vessel's build year.

Source: MPML's AR (FY2024) & vessel specification sheets, BBR's latest AR, PKR's website, ship tracking sites (MarineTraffic & VesselFinder), FPA

(III) CORPORATE STRUCTURE

MPML’s corporate structure (edited for accuracy from as shown in MPML’s AR for FY2024)¹ is shown in **Exhibit 2**.

Exhibit 2: Corporate Structure



Source: MPML’s AR (FY2024) & financial statement (1H FY2025), FPA

¹ MPML disposed its shareholdings in JVC Marco Polo Offshore (IV) Pte Ltd (“MPO (IV)”) in 1H FY2025. Prior to the disposal, MPML owned 50% of MPO (IV).

We include a short overview & history of selected subsidiaries and JVCs as follows:

PT Pelayaran Nasional Bina Buana Raya Tbk (“BBR”):

MPML owns 70.7% of its Indonesian subsidiary, BBR.

In December 2021, MPML noted that BBR “is strategically important to the Company as it is the gateway through which the Company is able to penetrate the Indonesian market and maintain a stronghold in the provision of ship chartering services.” MPML added, “Being an Indonesian entity, PT BBR provides the Company with a platform to establish its presence as under the relevant Indonesian laws,” “only Indonesian-owned and Indonesian-flagged vessels are permitted to operate in Indonesian domestic waters.”

Two co-founders of BBR are former Executive Chairman Lee Wan Tang & former Non-Executive Director Lai Qin Zhi. Lee Wan Tang & Lai Qin Zhi are respectively the father & mother of both the Chief Executive Officer (“CEO”) Sean Lee and Non-Executive Director Liely Lee (the four, collectively, may be referred to as the “Lee Family”).

MPML acquired a 49% stake in BBR in August 2011 for a cash consideration of “approximately IDR108,679.7 million” (or around S\$15.6 million previously) from the Lee Family, who collectively owned 100% of BBR. MPML noted in March 2011 that it sought to acquire BBR to ensure MPML could “not only maintain but also to expand its Domestic Shipping business in the longer term.”

MPML noted that it previously engaged in its Domestic Shipping business “substantially via the Sale-and-Leaseback Arrangements.” MPML added that, pursuant to the agreements, “vessels were first disposed by the Group to BBR at market rates, which BBR would then have them re-flagged into Indonesian-flagged vessels before chartering them at market rates to the Group for the Group to carry out the Domestic Shipping through re-chartering.” MPML also noted that “re-chartering revenues which the Group derived from the Domestic Shipping business” contributed “substantially” to its ship chartering revenue.

MPML mentioned that it engaged in the arrangements “with a view towards complying with” Indonesia’s cabotage principle, which generally required “sea-borne transportation of various key specified categories of goods” to be “undertaken solely by Indonesian-flagged vessels” (the “Cabotage Principle”). However, MPML added that should the enforcement of the Cabotage Principle be tightened, it would “no longer be able to conduct Domestic Shipping and its Ship Chartering Business may accordingly be significantly affected.” Thus, MPML commented that it sought to acquire BBR partly to ensure it could “continue to benefit from the Domestic Shipping business through its equity interest in BBR, even in the event of any change in law or tightening of the Cabotage Principle (including its enforcement)”.

In January 2013, MPML listed BBR on the Indonesian Stock Exchange (“IDX”). MPML noted that the Initial Public Offering (“IPO”) “raised total gross proceeds of IDR138 billion, or about US\$14.3 million (based on the prevailing exchange rate of USD1 : IDR9,650)”, though the issue of 600 million shares at IDR 230 each. BBR remains listed on IDX under the ticker BBRM.

In September 2014, MPML announced that Nam Cheong Limited (“NCL”; SGX:1MZ), an SGX-listed offshore marine group that also builds & charters OSVs, “agreed to invest up to approximately US\$30.7 million for a shareholding stake of up to 30% (the “Investment”) on an enlarged basis” in BBR. MPML noted that the investment would be “undertaken via a proposed rights issue of new shares in BBR”. MPML added that it would “continue to be the single largest shareholder of BBR with an approximately 34.8% shareholding stake” upon the completion of the rights issue.

In May 2021, MPML announced that it would acquire a majority stake in BBR through a rights issue. MPML noted that its shareholding in BBR would “rise to maximum 72% from current 34.8% post-Rights Issue”, which would transition BBR “to a subsidiary of the Group from an associate post-Rights Issue”. MPML added in December 2021 that it was “in the interest of the Company to ensure that its shareholding stake in PT BBR” would not be diluted as BBR was “strategically important to the Company”. MPML also noted that a portion of the raised proceeds would be used by BBR to acquire an AHT vessel from MPML, which would allow BBR to “expand its fleet and increase its competitive edge in Indonesia.” Following completion of the rights issue in March 2022, MPML’s shareholding in BBR rose to 70.73% of the “enlarged issued and paid-up share capital” of BBR.

PKR Offshore Co. Ltd. (“PKR”):

MPML owns 49% of PKR through Oceanic Crown Offshore Marine Services Limited (“OC”). MPML owns 49% of OC, which owns 100% of PKR. OC is a JVC incorporated with Taiwanese company, Shengfan Co. Ltd. (who owns 51% of OC). Although MPML owns less than 50% of PKR, PKR is considered a subsidiary of MPML as MPML “has rights to variable returns from its involvement” with PKR “and has the ability to affect those returns through its power” over PKR (quoted from the AR for FY2024).

MPML announced OC’s incorporation in December 2021, and noted that OC was “intended to expand” its “offshore and marine business into Taiwan to support the Offshore Wind Farm projects by chartering vessels to customers within the Taiwan territory.” Thereafter, MPML announced in May 2022 that it acquired PKR through OC. MPML noted that its acquisition of PKR was “expected to increase the Group’s presence in Taiwan” and would “allow Marco Polo Marine to get a step closer to its goal of having 40% of its vessels service Taiwan’s offshore windfarm sector by end FY2022.”

In December 2022, PKR and Vestas Taiwan Co., Ltd (“Vestas”) signed a Memorandum of Understanding (“MOU”) “for the maiden deployment” of MPML’s CSOV. The CSOV was expected to commence operations “towards the end of Q1 2024.”

Subsequently, MPML announced in November 2023 that it formalised the MOU through the signing of a “3-Year Framework Agreement” with Vestas. MPML noted that the CSOV would be “deployed across various offshore wind farms in the Asia Pacific region over three years, based on a minimum utilisation commitment per annum.” MPML added that the CSOV was “expected to commence operations in the East China Sea in the second half of 2024.”

MPML updated in April 2025 though that the CSOV, MP Wind Archer, only “commenced operations and started generating revenue from mid-April 2025.” MPML added that MP Wind Archer’s “maiden charter” would last “from mid-April through August 2025, with an option to extend till end of September 2025.”

In March 2024, MPML announced that PKR “secured the Asia-Pacific Crew Transfer Vessel (“CTV”) framework agreement with Siemens Gamesa for projects spanning Taiwan and Korea.” MPML added that the agreement, “effective from 2024 to 2026, with an option to extend to 2030”, aimed to “support Siemens Gamesa’s ambitious offshore wind projects in Taiwan and Korea”. MPML noted that the “maiden CTV charter in Korea” would “commence in 4Q FY2024 and mark the Group’s successful entry into a new market.” MPML also noted that the agreement was “expected to contribute positively to the revenue and profits of the Group”, but the contribution would not be material to MPML’s performance for FY2024.

Pelayaran Era Sdn Bhd (“PESB”):

MPML owns 49% of PESB through Pelayaran New Era (L) Berhad (“PNE”). MPML owns 49% of PNE, which owns 100% of PESB. PNE is a JVC incorporated with NCL (who owns 51% of PNE).

MPML announced PNE’s incorporation in January 2019, and noted that PNE was “principally engaged in the chartering of vessels.” Thereafter, MPML announced in April 2019 that PNE incorporated PESB. MPML likewise noted that PESB was “principally engaged in the chartering of vessels.”

In December 2019, MPML noted that it had “granted a vessel loan of approximately S\$12.5 million to PESB to finance part of the latter’s purchase of a vessel (the “Vessel Loan”).” MPML added that the vessel was sold to PESB as “part of the plan of the Group to explore new business opportunities and to expand its market presence within the South East Asia region” by tapping “on Nam Cheong’s extensive network within Malaysia through the Joint Venture Entities” (PNE & PESB). MPML has thus been recording interest income from the loan under Other Operating Income from FY2019.

MPML later noted in its AR for FY2019 that during FY2019, it “sold a vessel to PNE for a consideration of \$15,039,000 (Note 29), resulting in a gain on disposal of \$7,349,000.” MPML added that a deferred income “was recognised from eliminating 49% of the gain on disposal of the vessel.” MPML has thus also been recognising an annual deferred income of S\$0.2 million from PESB since FY2020 (less than S\$0.1 million recognised in FY2019; recorded under Share of Profits/Losses in Joint Ventures).

(IV) DIRECTORS' & SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**(a) Current shareholdings of directors & substantial shareholders**

The shareholdings of MPML's directors & substantial shareholders are summarised in **Exhibit 3**.

As at 30 December 2024, Teo Kee Bock has 16.3% total (0.1% direct + 16.2% indirect) interest in MPML. Teo Kee Bock is also deemed interested in the 16.2% total (direct) interest held by ACPL.

As at 13 May 2025, Non-Executive Director Teo Junxiang, Darren, has 16.5% total (0.3% direct + 16.2% indirect) interest in MPML. Darren is deemed interested in the 16.2% total (direct) interest held by ACPL.

According to MPML's AR for FY2024, Teo Kee Bock and Darren Teo each hold "20% equity interest in Apricot Capital (Cayman) Ltd ("ACCL")" and are "therefore deemed to be interested in the Shares of the Company held by ACCL through ACPL."

Teo Kee Bock is the father of Darren Teo. As summed up across the latest disclosures, we note that Teo Kee Bock & Darren Teo may collectively have 16.6% total (0.4% direct + 16.2% indirect) interest in MPML.

As at 30 December 2024, Non-Executive Director Jeffrey Hing Yih Peir has 8.1% total (deemed) interest in MPML. Jeffrey Hing Yih Peir is deemed interested in the 8.1% total (direct) interest held by Penguin. According to Penguin's latest AR, Jeffrey Hing Yih Peir is the Executive Chairman of Penguin.

On the next page, we continue our discussion of the shareholdings of the remaining directors & substantial shareholders.

Exhibit 3: Directors' & Substantial Shareholders' Shareholdings

Shareholder	Direct interest		Deemed interest		Total interest		As at
	No. of shares	%	No. of shares	%	No. of shares	%	
Substantial shareholders:							
Teo Kee Bock	4,414,900	0.1%	607,142,857	16.2%	611,557,757	16.3%	30 Dec '24
Apricot Capital Pte Ltd ("ACPL")	607,142,857	16.2%	-	-	607,142,857	16.2%	30 Dec '24
Lee Wan Tang	26,395,160	0.7%	492,139,867	13.1%	518,535,027	13.8%	30 Dec '24
Nautical International Holdings Ltd	142,386,712	3.8%	340,153,155	9.1%	482,539,867	12.9%	30 Dec '24
Penguin International Limited ("Penguin")	303,571,428	8.1%	-	-	303,571,428	8.1%	30 Dec '24
Directors:							
Sean Lee Yun Feng	13,596,900	0.4%	166,214,286	4.4%	179,811,186	4.8%	27 Apr '25
Liely Lee	-	-	166,214,285	4.4%	166,214,285	4.4%	27 Apr '25
Tan Hai Peng Micheal	17,640,000	0.5%	40,535,715	1.1%	58,175,715	1.5%	30 Dec '24
Teo Junxiang, Darren	10,800,000	0.3%	607,142,857	16.2%	617,942,857	16.5%	13 May '25
Jeffrey Hing Yih Peir	-	-	303,571,428	8.1%	303,571,428	8.1%	30 Dec '24
Kelvin Lee Kiam Hwee	-	-	50,000	0.0%	50,000	0.0%	30 Dec '24
Grouped by us:							
Lee Family	39,992,060	1.1%	824,568,438	22.0%	864,560,498	23.0%	n.a.
Teo Kee Bock & Darren Teo ⁽¹⁾	15,214,900	0.4%	607,142,857	16.2%	622,357,757	16.6%	n.a.

n.a. = not applicable, as total interests are summed up from differently-dated disclosures (e.g., disclosure for Darren Teo's shareholdings is dated 27 April 2025 while disclosure for Teo Kee Bock's shareholdings is dated 30 December 2024). ⁽¹⁾ Deemed interest in ACPL included only once to prevent double-counting.

Source: MPML's AR (FY2024) & announcements, FPA

As at 30 December 2024, Independent Non-Executive Chairman Tan Hai Peng Micheal holds 1.5% total (0.5% direct + 1.1% indirect) interest in MPML. According to MPML, Micheal Tan is “deemed interested in 40,535,715 Shares held through Ho Lee Group Pte Ltd” (“Ho Lee Group”). Based on MPML’s AR for FY2024, Micheal Tan is an Executive Director of Ho Lee Group.

As at 30 December 2024, former Independent Director Kelvin Lee Kiam Hwee has total (deemed) interest in 50,000 shares. According to MPML, Kelvin Lee is “deemed interested in 50,000 Shares in relation to employee share options granted to him under the MPM ESOS (2012).” Kelvin Lee retired as a director of MPML after the Annual General Meeting (“AGM”) held on 17 January 2025. MPML noted that Kelvin Lee was “retiring as a Director of the Company pursuant to Rule 210(5)(d)(iv) of the Listing Manual of the SGX-ST.”¹ MPML added that he was retiring “to allow progressive renewal of the board.”

As at 30 December 2024, former Executive Chairman Lee Wan Tang has 13.8% total (0.7% direct + 13.1% indirect) interest in MPML². Lee Wan Tang is deemed interested in the 12.9% total interest held by Nautical International Holdings Ltd as he “holds 660,003 ordinary shares in Nautical International Holdings Ltd” according to MPML’s AR for FY2024. Lee Wan Tang is also deemed interested in 9,600,000 shares (0.3% interest) held in nominee accounts.

Nautical International Holdings Ltd has 12.9% total (3.8% direct + 9.1% indirect) interest in MPML, and is deemed interested in 340,153,155 shares held in nominee accounts.

Nautical International Holdings Ltd was the immediate & ultimate holding company as well as the controlling shareholder of MPML from 14 September 2007 (or earlier)³ to 25 January 2018. On 25 January 2018, MPML issued new shares to the investors who committed to invest a total of S\$60.0 million in MPML. Thereafter, MPML’s controlling interest⁴ was transferred to ACPL.

As at 27 April 2025, CEO & Executive Director Sean Lee has 4.8% total (0.4% direct + 4.4% indirect) interest in MPML. Sean Lee is deemed interested in 5,500,000 shares “which will be issued and allotted to him” should he exercise the options granted to him under an Employee Share Option Scheme (“ESOS”) and 160,714,286 shares held in a nominee account.

As at 27 April 2025, Non-Executive Director Liely Lee has 4.4% total (deemed) interest in MPML. Liely Lee is deemed interested in 5,500,000 shares “which will be issued and allotted to her” should she exercise the options granted to her under an ESOS and 160,714,285 shares held in a nominee account.

MPML noted in March 2018 that Lai Qin Zhi had no shareholding interest in MPML and its subsidiaries. Thus, as summed up across the latest disclosures, the Lee Family may collectively have 23.0% total (1.1% direct + 22.0% indirect) interest in MPML (such that the Lee Family may collectively have a larger total interest in MPML than the Teo Kee Bock & Darren Teo duo).

On the next page, we discuss how the current shareholdings of the directors & substantial shareholders arose.

¹ According to Rule 210(5)(d)(iv), a director is no longer considered independent “if he has been a director of the issuer for an aggregate period of more than nine years (whether before or after listing).” The rule adds, “Such director may continue to be considered independent until the conclusion of the next annual general meeting of the issuer.” Kelvin Lee was first appointed to MPML’s Board in July 2009.

² According to The Straits Times (“ST”), Lee Wan Tang founded Marco Polo Shipping Co Pte Ltd in 1991. ST noted in January 2025 that the CEO “took over the business in 2003 and started the shipyard business, Marco Polo Shipyard Pte Ltd in 2005”. ST added that the CEO subsequently “founded Marco Polo Marine Ltd in 2006, which expanded to include offshore operations in 2009.”

³ Based on MPML’s Prospectus as uploaded by the National University of Singapore. MPML was incorporated on 10 July 2006.

⁴ According to SGX-ST, “controlling interest” refers to “the interest of the controlling shareholder(s)”. Meanwhile, “controlling shareholder” refers to a person who “holds directly or indirectly 15% or more of the total voting rights in the company” (unless determined as a non-controlling shareholder by SGX) or one that “in fact exercises control over a company”.

(b) Equity fund-raising exercise in 2017

At the end of FY2017, MPML had a net liability position of S\$152.6 million. MPML had S\$245.8 million of interest-bearing loans due within one year, yet its current assets was only S\$30.6 million as at end-FY2017.

MPML also noted in its AR for FY2017 that it faced “severe cash flow challenges”. Thus, “to ensure its business sustainability under the prolonged and severely-distressed market conditions,” MPML noted that it “undertook a refinancing and debt restructuring exercise of all its secured and unsecured debts to strengthen its cash flow and working capital position”.

MPML issued a Circular in November 2017 and noted that “for the Group to continue to operate as a going concern following completion of the Debt Restructuring Exercise,” MPML required “fresh funding to meet its working capital requirements.” Thus, it proposed an “equity fund-raising exercise” as part of the debt restructuring exercise to raise S\$60.0 million.

As part of the proposed equity fund-raising exercise, MPML noted that it “entered into several Investment Agreements with Investors with a total commitment by such Investors to subscribe for the Investment Shares at an aggregate subscription price of S\$60,000,000” (at an issue price of S\$0.028 per share). The Investors included:

- ACPL, which agreed to invest S\$20.0 million for 714,285,714 shares (18.77% of the “Fully Enlarged Share Capital” which assumed the issuance & allotment of the maximum number of shares from measures proposed in the Circular)
- Penguin, which agreed to invest S\$10.0 million for 357,142,857 shares (9.38% of the “Fully Enlarged Share Capital”)
- Ho Lee Group, which agreed to invest S\$1.5 million for 53,571,429 shares (1.41% of the “Fully Enlarged Share Capital”).

MPML also noted that up to 15% of the Investment Shares (i.e., shares that the investors subscribed for) may be granted to “key members of the management” (the “Management Award Shares”) in “three (3) tranches of equal amounts”:

- 5% to be awarded upon signing of service agreements
- 5% upon MPML “attaining positive Operating EBITDA in any of the FYs that falls within the Incentive Period” (“on the earlier of” the “10th Business Day from the issuance” of the audited financial statements for FY2022, or “when the total aggregate of the amount payable and/or to be paid” as a separate cash incentive “equals to S\$10 million”)
- 5% upon MPML “attaining an Operating EBITDA of not less than S\$1 million in respect of any FY that falls within the Incentive Period”.

Shareholders approved of the proposed equity fund-raising exercise (as well as other measures proposed in the Circular) in the Extraordinary General Meeting (“EGM”) held in December 2017.

After the CEO and Non-Executive Director Liely Lee signed their respective service agreements, MPML disclosed in January 2018 that each of them was awarded the first tranche of Management Award Shares (53,571,429 shares for the CEO and 53,571,428 shares for Liely Lee). MPML also disclosed in January 2018 that ACPL and Penguin (as well as other investors) were issued the shares that each of them subscribed for, less the award shares “credited directly” to the CEO and Liely Lee.

In January 2020, MPML disclosed that the CEO and Liely Lee were awarded the second & third tranches (107,142,857 shares each for the CEO and Liely Lee) as it “achieved an operating EBITDA in excess of S\$1 million” for FY2019. Accordingly, MPML also disclosed in January 2020 that ACPL and Penguin awarded shares to the CEO and Liely Lee.

Following the completion of the debt restructuring exercise in January 2018, MPML’s financial position improved to a net asset of S\$114.2 million as at end of 2Q FY2018. MPML noted in May 2018 that “debts aggregating S\$179.9 million were waived”.

(c) Changes in interest of directors & substantial shareholders

Over the past three years (from report date), based on changes in interest disclosures, we note that Darren Teo acquired 10.8 million shares for a total consideration of S\$0.5 million as shown in **Exhibit 4**.

The CEO acquired 6.5 million shares for a total consideration of S\$0.3 million.

Lee Wan Tang acquired 134.4 million shares in MPML for a total consideration of S\$4.4 million.

Nautical International Holdings Ltd (of which Lee Wan Tang holds 660,003 of its shares) also exercised warrants to acquire 142.4 million shares in MPML for S\$5.0 million.

Exhibit 4: Changes in Interest of Substantial Shareholders & Directors (Past Three Years)

Shareholder	Date	Change in interest			Direct interest (before)		Direct interest (after)		Circumstance which gave rise to the change in interest
		No. of shares	Price per share	Sum paid	No. of shares	%	No. of shares	%	
Teo Junxiang, Darren	13 May '25	+1,000,000	0.044	44,000.00	9,800,000	0.26%	10,800,000	0.29%	Market purchase
Teo Junxiang, Darren	04 Mar '25	+1,000,000	0.049	49,000.00	8,800,000	0.23%	9,800,000	0.26%	Market purchase
Teo Junxiang, Darren	19 Feb '25	+1,000,000	0.053	53,000.00	7,800,000	0.21%	8,800,000	0.23%	Market purchase
Teo Junxiang, Darren	04 Feb '25	+500,000	0.055	27,500.00	7,300,000	0.19%	7,800,000	0.21%	Market purchase
Teo Junxiang, Darren	02 Dec '24	+800,000	0.052	41,600.00	6,500,000	0.17%	7,300,000	0.19%	Market purchase
Teo Junxiang, Darren	01 Dec '23	+1,000,000	0.049	49,000.00	5,500,000	0.15%	6,500,000	0.17%	Market purchase
Teo Junxiang, Darren	05 Oct '23	+500,000	0.05	25,000.00	5,000,000	0.13%	5,500,000	0.15%	Market purchase
Teo Junxiang, Darren	22 Aug '23	+2,000,000	0.05	100,000.00	3,000,000	0.08%	5,000,000	0.13%	Market purchase
Teo Junxiang, Darren	21 Jul '23	+1,500,000	0.054	81,000.00	1,500,000	0.04%	3,000,000	0.08%	Market purchase
Teo Junxiang, Darren	29 May '23	+1,500,000	0.05	75,000.00	-	-	1,500,000	0.04%	Market purchase
Total		+10,800,000		545,100.00					
Sean Lee Yun Feng	11 Feb '25	+1,000,000	0.054	54,000.00	12,596,900	0.34%	13,596,900	0.36%	Market purchase
Sean Lee Yun Feng	04 Dec '24	+2,000,000	0.053	106,000.00	10,596,900	0.28%	12,596,900	0.34%	Market purchase
Sean Lee Yun Feng	12 May '23	+1,000,000	0.044	44,000.00	9,596,900	0.26%	10,596,900	0.28% ⁽¹⁾	Market purchase
Sean Lee Yun Feng	12 Jan '23	+2,500,000	0.04	100,000.00	7,096,900	0.20%	9,596,900	0.27%	Market purchase
Total		+6,500,000		304,000.00					
Lee Wan Tang	26 Jan '23	+6,580,960	0.035	230,333.60	19,814,200	0.53%	26,395,160	0.7%	Exercise of warrants
Lee Wan Tang ⁽²⁾	Undated	-9,600,000	-	-	29,414,200	n.a.	19,814,200	n.a.	Transfer to nominee account
Lee Wan Tang ⁽³⁾	22 Aug '22	+121,785,714	0.033	4,018,928.56	29,414,200	0.83%	151,199,914	4.27%	Off-market purchase
Lee Wan Tang	14 Jul '22	+3,000,000	0.02944	88,320.00	26,414,200	0.75%	29,414,200	0.83%	Market purchase
Lee Wan Tang	13 Jul '22	+3,000,000	0.029	87,000.00	23,414,200	0.66%	26,414,200	0.75%	Market purchase
Total		+134,366,674		4,424,582.16					
Nautical International Holdings Ltd	26 Jan '23	+142,386,712	0.035	4,983,534.92	-	-	142,386,712	3.82%	Exercise of warrants
Nautical International Holdings Ltd	31 Oct '22	-218,367,441	-	-	218,367,441	6.17%	-	-	Transfer to nominee account
Total		+142,386,712		4,983,534.92					
Yanlord Capital Pte. Ltd.	15 Dec '22	-151,785,714	0.04	6,071,428.56	303,571,428	8.55%	151,785,714	4.27%	Off-market disposal
Micheal Tan	01 Dec '22	+7,840,000	0.035	274,400.00	9,800,000	0.28%	17,640,000	0.50%	Exercise of warrants

Note: Transfers of shares to nominee account(s) are excluded from total change in number of shares. n.a. = not available. ⁽¹⁾ MPML reported that the percentage of direct interest was 0.27% after the transaction. However, we estimate that the percentage was more likely 0.28% as the implied total issued shares would otherwise exceed 3,753,649,080 as at 30 January 2023 (before transaction) & 30 December 2024 (after transaction). ⁽²⁾ As estimated by us based on the changes in interest disclosures published on 22 August 2022 and 26 January 2023. ⁽³⁾ MPML disclosed that Lee Wan Tang had direct interest in 26,414,200 shares before the 22 August 2022 transaction. However, MPML previously disclosed on 14 July 2022 that Lee Wan Tang had direct interest in 29,414,200 shares after the prior transaction. We see no other changes in interest disclosure(s) published for transactions which occurred between (and inclusive of) 14 July 2022 to 22 August 2022. Therefore, we estimate that Lee Wan Tang had direct interest in 29,414,200 shares before the 22 August transaction. Percentage of direct interest estimated based on 3,538,276,828 total issued shares as at 22 February 2022. After the 22 August transaction, Nautical International Holdings Ltd replaced Lee Wan Tang as the shares' buyer. Subsequently, Lee Wan Tang has only deemed (instead of direct) interest in the 121,785,714 shares.

Source: MPML's announcements, FPA

INDUSTRY OUTLOOK

(I) GLOBAL OFFSHORE OIL & GAS

According to the U.S. Energy Information Administration (“EIA”), crude oil prices “increased for the first time in five months in June—averaging \$71/b— primarily due to concerns oil supplies could be disrupted” if “the conflict over Iran’s nuclear program during mid-June escalated.” EIA noted in July 2025 that the “Brent crude oil spot prices increased sharply from \$71/b on June 12 to \$80/b at the height of the conflict on June 19 as the market responded to reports that Iran was considering closing the Strait of Hormuz.” EIA added that an “estimated 20% of global petroleum consumption is shipped through the Strait of Hormuz, and concerns among market participants about its potential closure caused a spike in oil prices and volatility.” EIA noted too that “prices dropped back below \$70/b in subsequent days as the conflict de-escalated.”

Nonetheless, EIA commented that “significant uncertainty remains around the possibility of tensions escalating again.” EIA noted that the “potential for supply disruptions has increased and is likely still reflected in a small risk premium on oil prices”.

EIA commented that the “higher near-term prices due to the existing risk premium from the Israel-Iran conflict” is expected to lead to an increase in global oil inventories, thus “put downward pressure on oil prices.” We note that “higher near-term prices” may encourage producers outside of OPEC+ to increase their crude oil production.

Perhaps accordingly, EIA raised its forecast for the growth of global liquid fuels production (which includes, but is not limited to, crude oil production¹) to “1.8 million b/d in 2025” and “1.1 million b/d in 2026” (from its June forecast of “1.6 million b/d in 2025” and “0.8 million b/d in 2026”). EIA raised its forecast for “production from countries outside of OPEC+” to “1.3 million b/d in 2025” and “0.5 million b/d in 2026” (from “1.1 million b/d” in 2025 and “0.2 million b/d” in 2026). EIA added that its forecast was “completed before OPEC+ announced on July 5 that it would raise production targets for August”, and that the “announced targets are somewhat higher than the target” it assumed for its July forecast.

On the demand side, EIA generally maintained its forecast for the growth in global liquid fuels consumption at “0.8 million b/d in 2025 and 1.1 million b/d in 2026”.

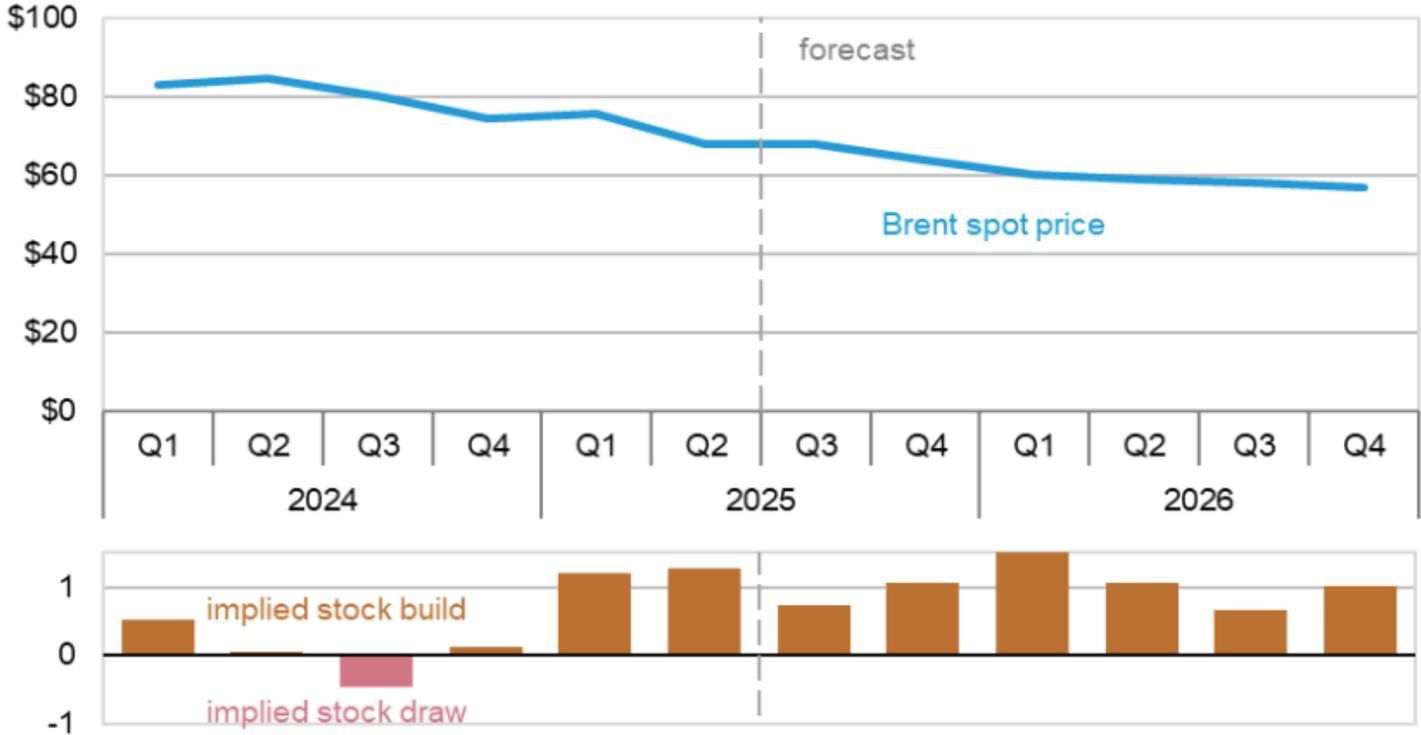
Overall, EIA raised its forecast for the average Brent crude oil prices to US\$69 per barrel in 2025 (from its June forecast of US\$66 per barrel) “due to the existing risk premium from the Israel-Iran conflict.” However, for 2026, EIA lowered its forecast to US\$58 per barrel (from US\$59 per barrel) “as significant increases in global oil inventories put consistent downward pressure on oil prices.”

¹ EIA defined liquid fuels as “All petroleum including crude oil and products of petroleum refining, natural gas liquids, biofuels, and liquids derived from other hydrocarbon sources (including coal to liquids and gas to liquids).” EIA added, “Not included are liquefied natural gas (LNG) and liquid hydrogen.”

EIA illustrated its July forecast as shown in **Exhibit 5**.

Exhibit 5: Forecasted Brent Crude Oil Spot Price (3Q 2025 to 4Q 2026; published in July 2025)

Brent crude oil spot price and global inventory changes
dollars per barrel (million barrels per day)



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, July 2025

Source: EIA (published July 2025)

Meanwhile, Tidewater, a marine transportation services provider, noted in May 2025 that the “long-term outlook for international and offshore markets remains strong” as stated in **Exhibit 6**. As compared with its February 2025 remarks, Tidewater also similarly noted in May 2025 that “near-term visibility into 2025 offshore spending is more limited”. Tidewater maintained too that “Global offshore capex is expected to rebound meaningfully in 2026 and remain elevated in 2027”.

We note that Tidewater cited global offshore commitments figures from Rystad Energy, an energy research firm, in February 2025 (shown in **Exhibit 6**; figures dated January 2025) and May 2025 (shown in **Exhibit 7**; figures dated April 2025). Based on the cited figures, global offshore commitments are expected to rise from 2025 to 2026, then fall in 2027. However, we also note that Rystad Energy lowered its figure for 2025 (from US\$107 billion to US\$75 billion), and raised its figures for 2026 (from US\$152 billion to US\$168 billion) and 2027 (from US\$136 billion to US\$148 billion).

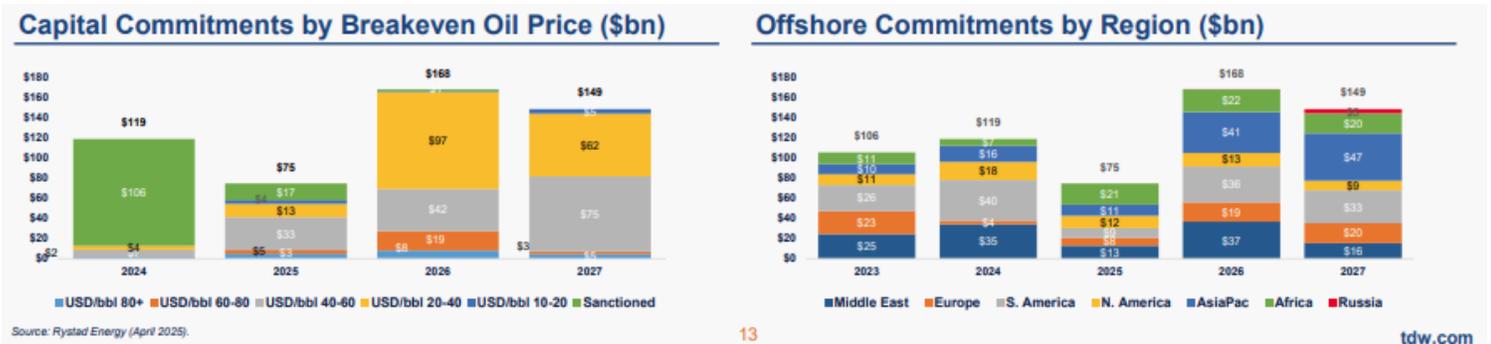
In line with Rystad Energy’s revision of figures, Clarksons, a shipping services provider, noted in July 2025 that given “economic and geo-political uncertainties, some deferral of investment decisions by oil companies has been occurring.”

Rystad Energy noted in April 2025 that offshore oil production “reached 28.4 million barrels per day (bpd)” in 2024. According to data published by EIA, crude oil production was 76.2 million bpd in 2024 while global liquid fuels production (inclusive of crude oil production) was 102.8 million bpd in 2024. Based on data provided by Rystad Energy and EIA, we estimate that offshore oil was around 37.3% of crude oil production and 27.6% of global liquid fuels production in 2024.

Rystad Energy also noted that offshore gas production was “roughly 30% of global supply.”

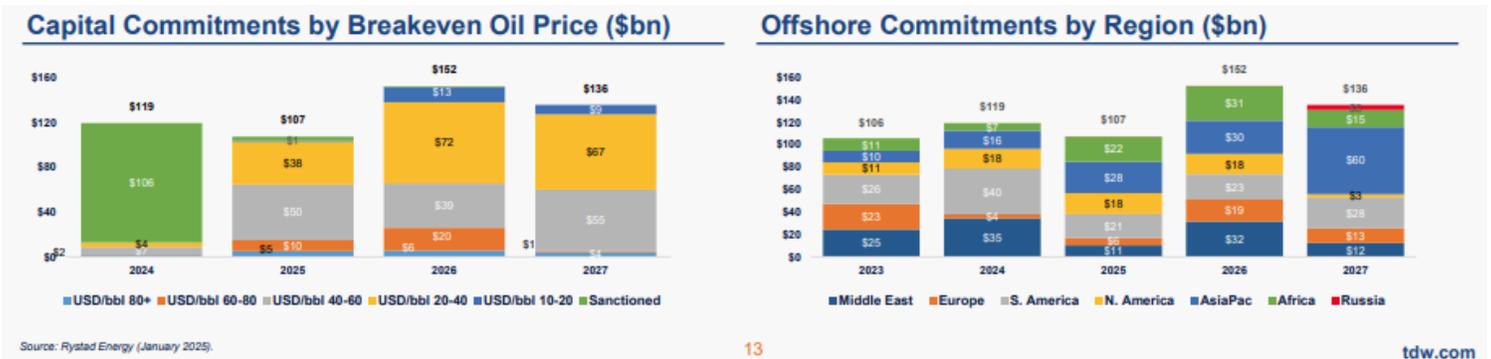
Clarksons noted in March 2025 that offshore oil & gas was “16% Of Global Energy Supply”.

Exhibit 6: Forecasted Global Offshore Commitments (2025 to 2027; published in May 2025)



Source: Rystad Energy (dated April 2025; cited by Tidewater in May 2025)

Exhibit 7: Forecasted Global Offshore Commitments (2025 to 2027; published in February 2025)



Source: Rystad Energy (dated January 2025; cited by Tidewater in February 2025)

While global offshore commitments (in relation to offshore oil & gas) are expected to rise from 2025 to 2026 & 2027, they may fall thereafter though due to an ongoing global energy transition away from fossil fuels (e.g., oil and gas).

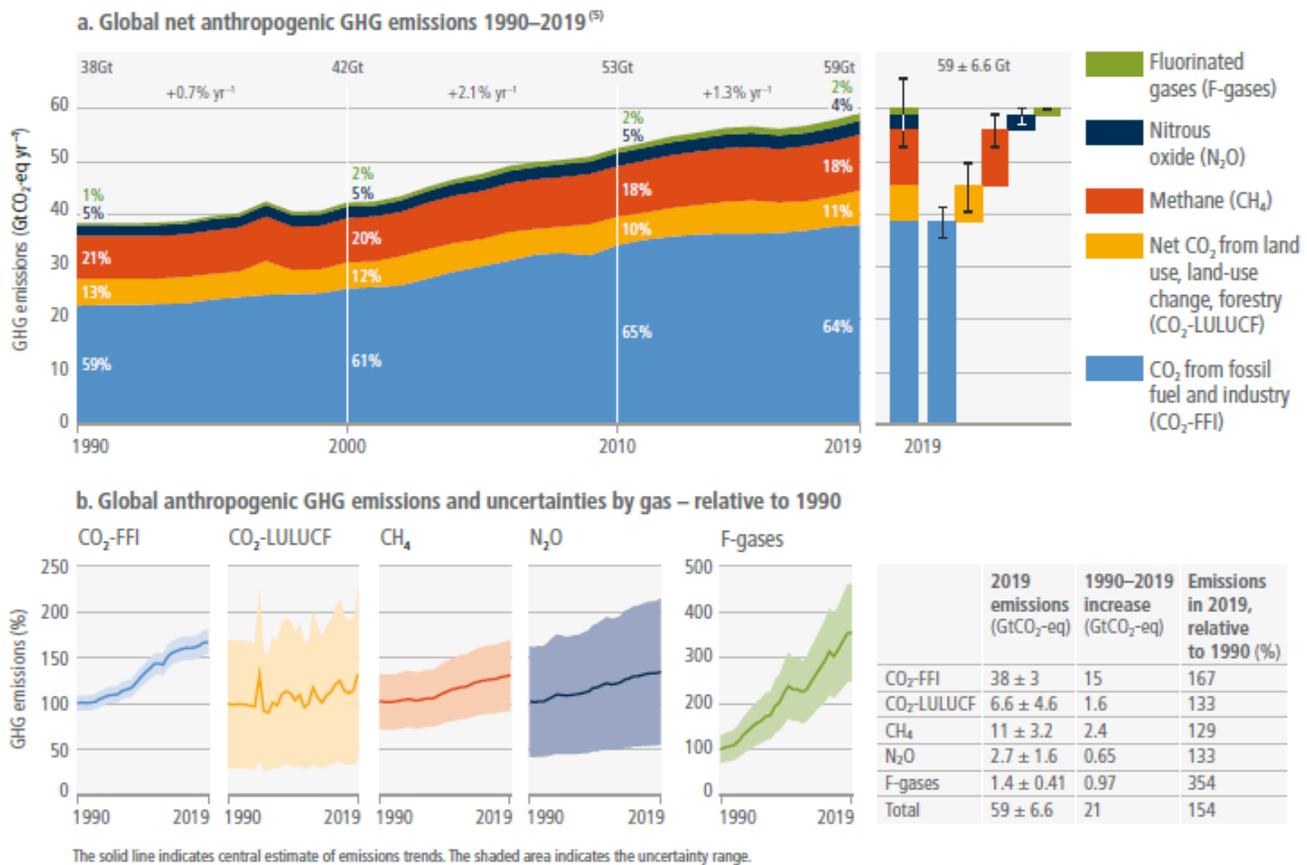
To limit the impacts of climate change, countries around the world signed the Paris Agreement from April 2016 to April 2017. The Paris Agreement aims to “strengthen the global response to the threat of climate change”, partly by “Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels”.

According to the Copernicus Climate Change Service (“C3S”)¹, the 12-month average global surface air temperature was 1.55°C above pre-industrial levels in June 2025. The annual average first exceeded 1.5°C above pre-industrial levels in January 2024.

The World Meteorological Organization (“WMO”) updated in May 2025 that there is a 70% chance “that the 2025-2029 five-year mean will exceed 1.5°C above the 1850-1900 average.”

The Intergovernmental Panel on Climate Change (“IPCC”) noted in 2022 that carbon dioxide (CO₂) emissions “from fossil fuel and industry” accounted for 64% of Greenhouse Gas (“GHG”) emissions in 2019 as shown in **Exhibit 8**. Countries are thus expected to transition away from fossil fuels towards an increasing reliance on renewable energy sources (e.g., solar and wind).

Exhibit 8: Global Anthropogenic Emissions by Gas (1990 to 2019)



Source: IPCC (published in 2022)

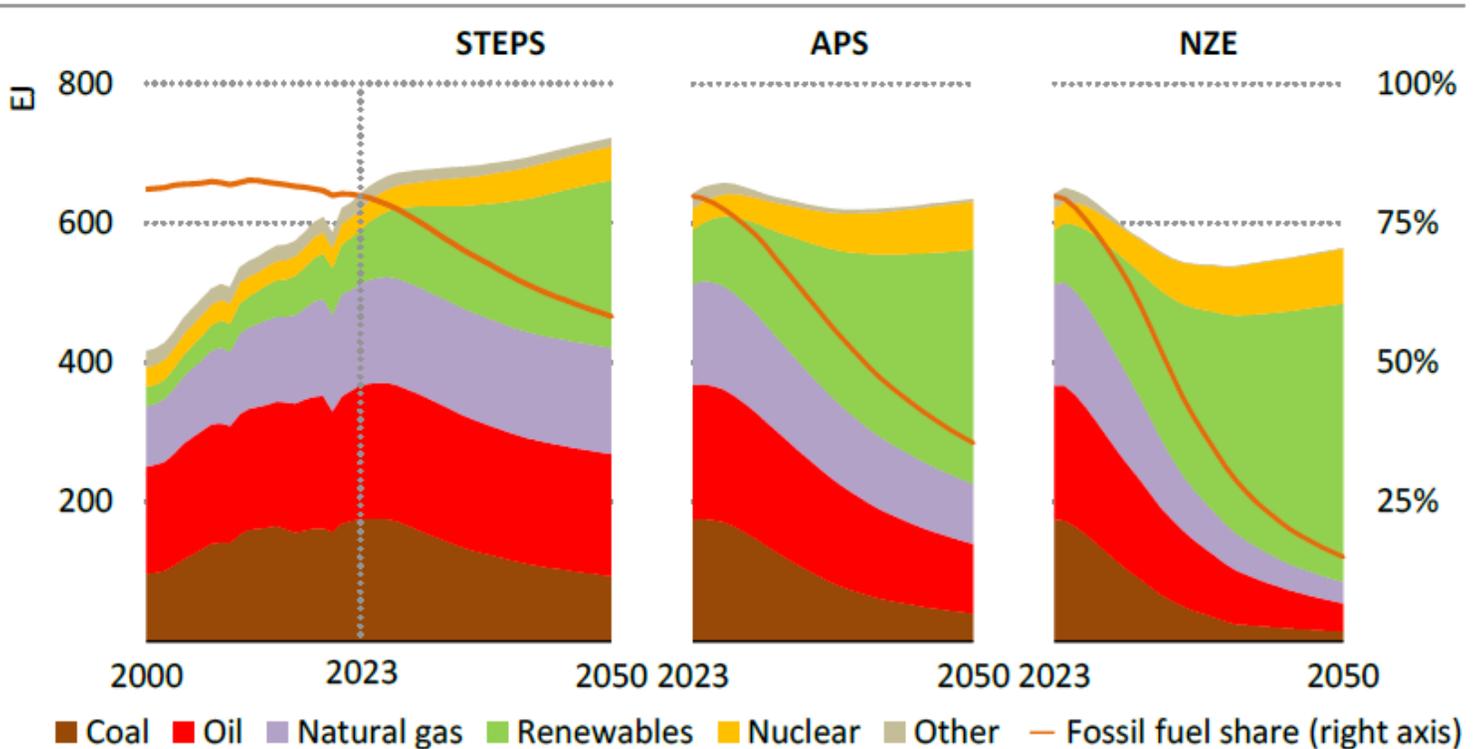
¹ C3S noted that it was “implemented by the European Centre for Medium-Range Weather Forecasts (ECMWF) on behalf of the European Commission.” According to the European Union (“EU”), the European Commission “is the EU’s politically independent executive arm.” The EU added that the European Commission “is alone responsible for drawing up proposals for new European legislation, and it implements the decisions of the European Parliament and the Council of the EU.”

Based on data provided by the International Energy Agency (“IEA”) in October 2024 (illustrated in **Exhibit 9**), the collective share of oil & gas in total (global) energy supply is expected to fall from 52.5% in 2023 to:

- 45.3% in 2050 in the Stated Policies Scenario (“STEPS”), which “provides a sense of the prevailing direction of travel for the energy sector based on a detailed reading of the latest policy settings in countries around the world”
- 29.3% in 2050 in the Announced Pledges Scenario (“APS”), which also “assumes that all national energy and climate targets, including longer term net zero emissions targets and pledges in Nationally Determined Contributions, are met in full and on time”
- 12.6% in 2050 in the Net Zero Emissions by 2050 Scenario (“NZE”), which “portrays a pathway for the global energy sector to achieve net zero CO2 emissions by 2050 which is consistent with limiting long-term global warming to 1.5 °C with limited overshoot (with a 50% probability)”.

Exhibit 9: Forecasted Total Energy Supply by Source & Scenario (2023 to 2050)

Figure 3.1 ▶ **Global total energy supply by source and fossil fuel share by scenario, 2000-2050**



Source: IEA (published October 2024)

Meanwhile, the Organization of the Petroleum Exporting Countries (“OPEC”) indicated in September 2024 that the collective share of oil & gas in total (global) primary energy demand is expected to fall from 53.8% in 2023 to 53.2% in 2050.

(II) ASIAN OFFSHORE WIND

One industry that is expected to benefit from the global energy transition is the offshore wind industry.

IEA noted in October 2024 that global offshore wind capacity was “projected in the STEPS to increase from 73 GW in 2023 to 560 GW in 2035 and more than 1 000 GW in 2050”. IEA added that offshore wind capacity was expected to reach “1 600 GW in 2050 in the APS” and “1 950 GW in the NZE Scenario”.

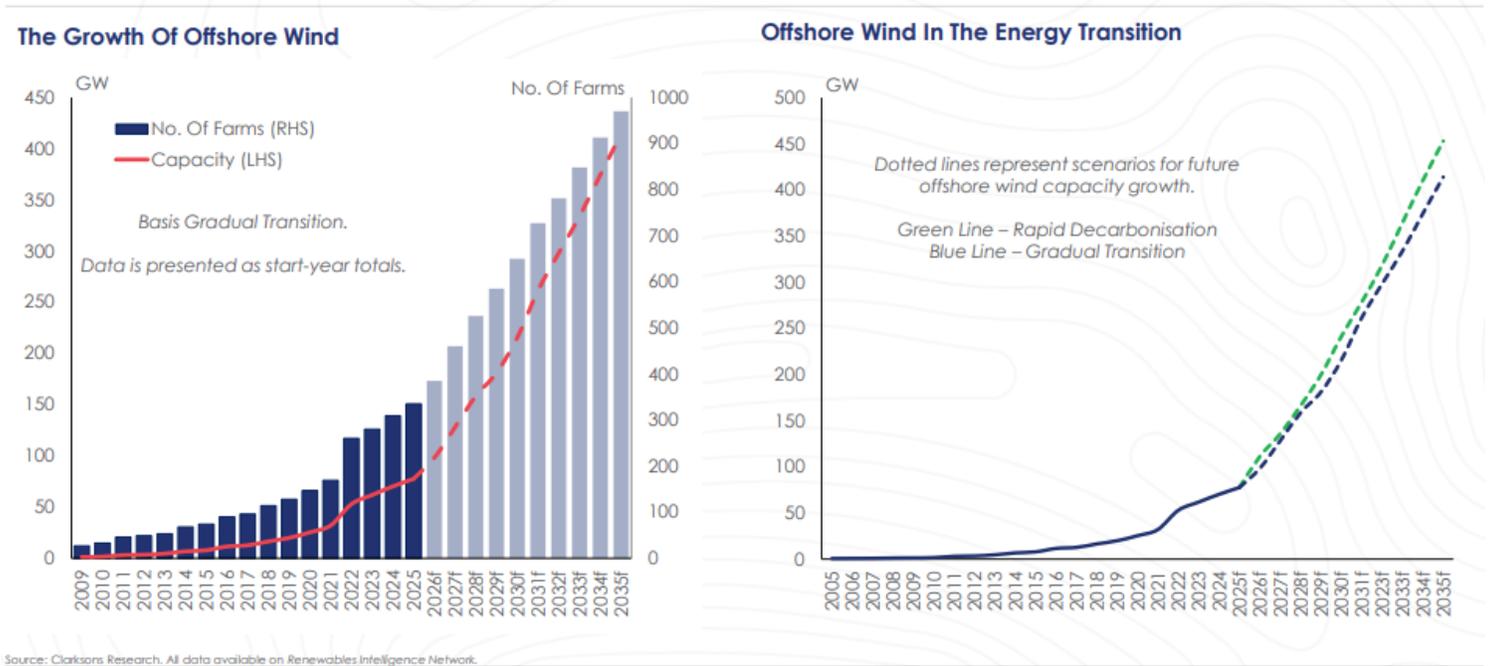
IEA separately indicated in October 2024 that offshore wind capacity was expected to rise by 288.1% (at a Compounded Annual Growth Rate or “CAGR” of 21.4%) from 73.6 GW in 2023 to 285.7 GW in 2030, noting that “China alone” was expected to be “responsible for half of this growth.”

Clarksons similarly noted in March 2025 that offshore wind capacity is expected to rise from 78 GW “today” to around 215 GW “by 2030” as illustrated in **Exhibit 10**.

Exhibit 10: Forecasted Growth in Offshore Wind (2025 to 2035)

Energy Transition and Energy Security: Offshore Wind Growing & Will Play Vital Role

Long-term outlook positive despite recent inflationary & political pressures; ~215 GW projected by 2030 (78 GW today)



Source: Clarksons Research. All data available on Renewables Intelligence Network.

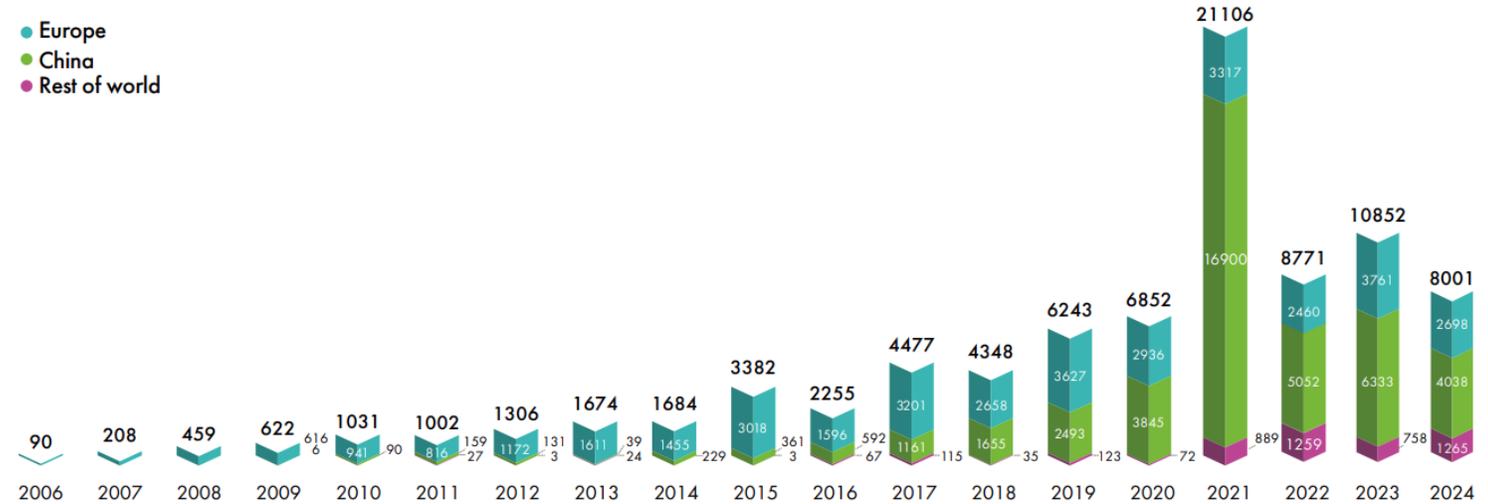
Source: Clarksons (published March 2025)

According to the Global Wind Energy Council (“GWEC”), an international trade association, “global offshore wind capacity reached 83.2 GW” at end-2024, “with 8 GW of additions being grid-connected” in 2024 as shown in **Exhibit 11**. GWEC noted in July 2025 that “For the seventh consecutive year, China added the most offshore wind capacity of any country” such that China “reached 41.8 GW by the end of 2024.”

Exhibit 11: New Offshore Wind Installations (2006 to 2024)

New offshore wind installations (MW)

- Europe
- China
- Rest of world



Source: GWEC (dated June 2025)

GWEC also noted that:

- “Taiwan (China) commissioned 107 units (933 MW) across the Yunlin, Greater Changhua 1 & 2a, Changfang Phase 2 & Xiaodao, and ZhongNeng projects”
- “In Japan, the 112 MW Ishikari Bay New Port Offshore Wind Farm began commercial operations in early 2024”
- “In South Korea, 18 of Doosan’s 5.56 MW turbines were commissioned at the 100 MW Jeju Hallim Offshore Wind Farm – now the largest commercial offshore wind farm in the country.”

MPML has been chartering vessels to the Taiwanese offshore wind sector through PKR after OC acquired PKR in May 2022. In the Annual General Meeting (“AGM”) held on 17 January 2025, MPML’s CEO was noted as stating that “key markets the company is focusing on” also include South Korea and Japan.

The CEO also commented on the Chinese offshore wind sector in the AGM. The CEO was noted as saying that “Most of China’s efforts including wind turbine production are concentrated within its domestic market, making it challenging for foreign companies to enter and for Chinese companies to expand internationally.”

In terms of the offshore wind outlook for Asia Pacific (“APAC”), GWEC noted that annual offshore wind installations are expected to rise at a CAGR of 30% from 5.2 GW in 2024 to 19.0 GW in 2030 as shown in **Exhibit 12**, and rise at a CAGR of 9% from 2030 to 29.5 GW in 2034. GWEC added that “The top five markets in APAC for offshore wind additions over the next ten years will be China, Taiwan (China), South Korea, Japan and the Philippines.”

GWEC commented that China is expected to continue “as the dominant market in the region until 2027, with a market share of 87–91%” as shown in **Exhibit 12**. However, as “the sector expands to other countries and GW-level offshore wind capacity starts coming online in Japan and South Korea,” China’s market share is expected to “drop to 79% in 2028 and 68% in 2034.”

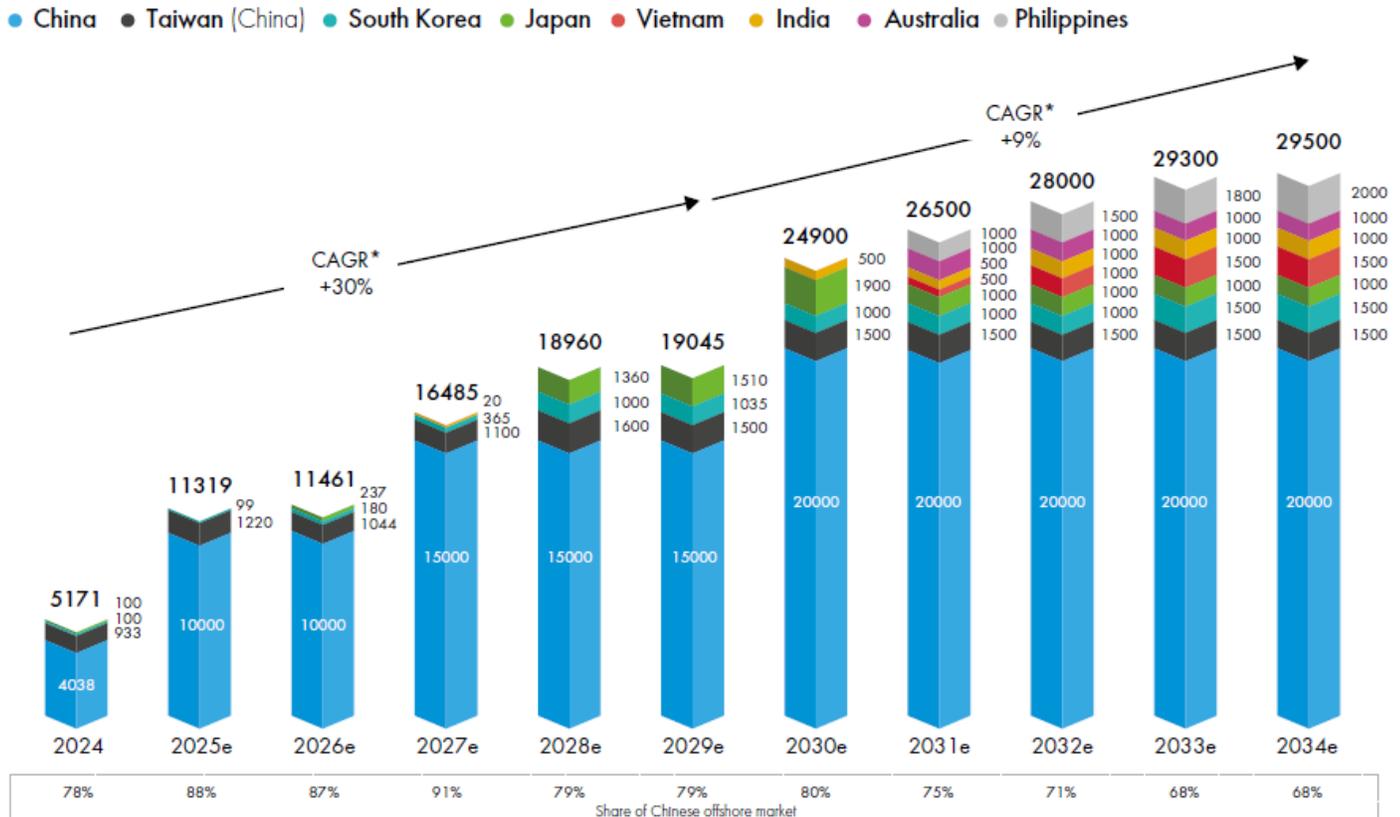
GWEC noted too that it “forecasts 14 GW of offshore wind capacity to be added in 2025-2034” for the Taiwanese offshore wind market, “making Taiwan the second largest offshore wind market in the APAC region.”

For the Japanese offshore wind market, GWEC noted that “Japan is predicted to have 5 GW of offshore wind capacity by 2030 and 9 GW by 2034, making it the third largest market in the APAC region”, if “all of the awarded projects from the Round 1, 2 and 3 offshore wind auctions survive the current challenging macroeconomic environment”. “Round 1, 2 and 3” refers to the auction rounds by which the Japanese government awarded offshore wind projects.

Meanwhile, for the South Korean offshore wind market, GWEC noted that a “total of 9 GW is expected to be added in 2025–2034, making South Korea the fourth-largest market in this region.” GWEC also noted that it “forecasts annual offshore wind installations to ramp up from 2028,” but South Korea’s “14.3 GW by 2030 target is unlikely to be achieved.”

Exhibit 12: Estimated Offshore Wind Growth in Asia Pacific (2025 to 2034)

Offshore wind growth to 2034 in Asia Pacific (MW)



*Compound Annual Growth Rate. Source: GWEC Market Intelligence, June 2025

Source: GWEC (dated June 2025)

(III) MARINE OFFSHORE

(a) Market for OSVs

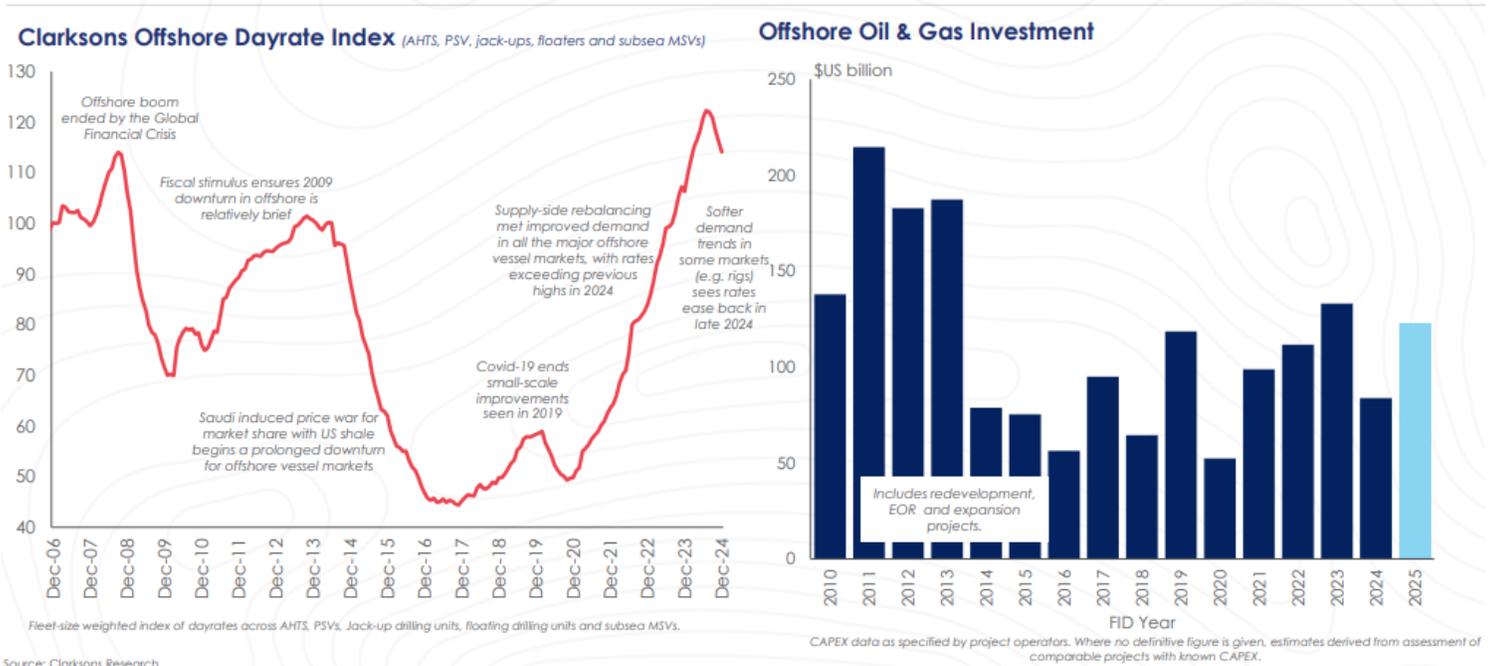
According to Clarksons, a shipping services provider, its Offshore Dayrate Index (which measures changes in day rates “across AHTS, PSVs, Jack-up drilling units, floating drilling units and subsea MSVs”) fell from around mid-2024 to December 2024 as shown in **Exhibit 13**. Clarksons noted in March 2025 that “Softer demand trends in some markets (e.g., rigs)” saw “rates ease back in late 2024”.

Clarksons updated in July 2025 that its offshore index “reached 113 points by end-June 2025, down 8% from its mid-2024 all-time high, and down 1% from the start of the year.” Clarksons noted that given “economic and geo-political uncertainties, some deferral of investment decisions by oil companies has been occurring.” Nonetheless, Clarksons mentioned, “Newbuilding activity is still moderate or limited, with challenges in securing finance, high newbuild pricing and uncertainty surrounding technology/design.” Clarksons summarised that the “immediate outlook is one of demand side softness, but there is better sentiment for 2H 2026 and 2027”.

Exhibit 13: Clarksons Offshore Dayrate Index (Dec 2006 to Dec 2024) & Offshore Oil & Gas Investment (2010 to 2025)

Energy Security: Offshore Oil & Gas Still 16% Of Global Energy Supply

Offshore Dayrates remain at very strong levels, despite recent softer trends in some sectors such as rigs

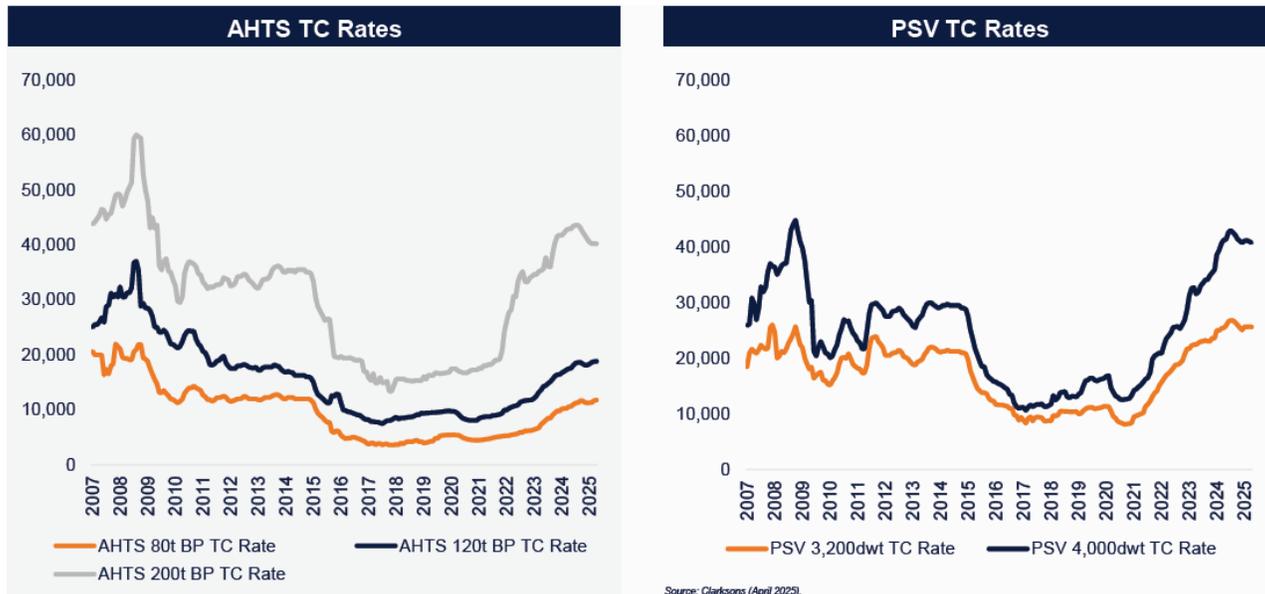


Source: Clarksons (published March 2025)

Partly in line with Clarksons' comments in March & July 2025, the Time Charter ("TC") rates of AHTS vessels with 120t (120 tonnes; or 120 "MT" for metric tonne) Bollard Pull ("BP") and PSVs with 3,200 DWT (Deadweight Ton) generally fell from mid-2024 as shown in **Exhibit 14**. The utilisation rates of AHTS vessels with 120 MT BP and PSVs with 3,200 DWT generally fell from mid-2024 too as shown in **Exhibit 15**.

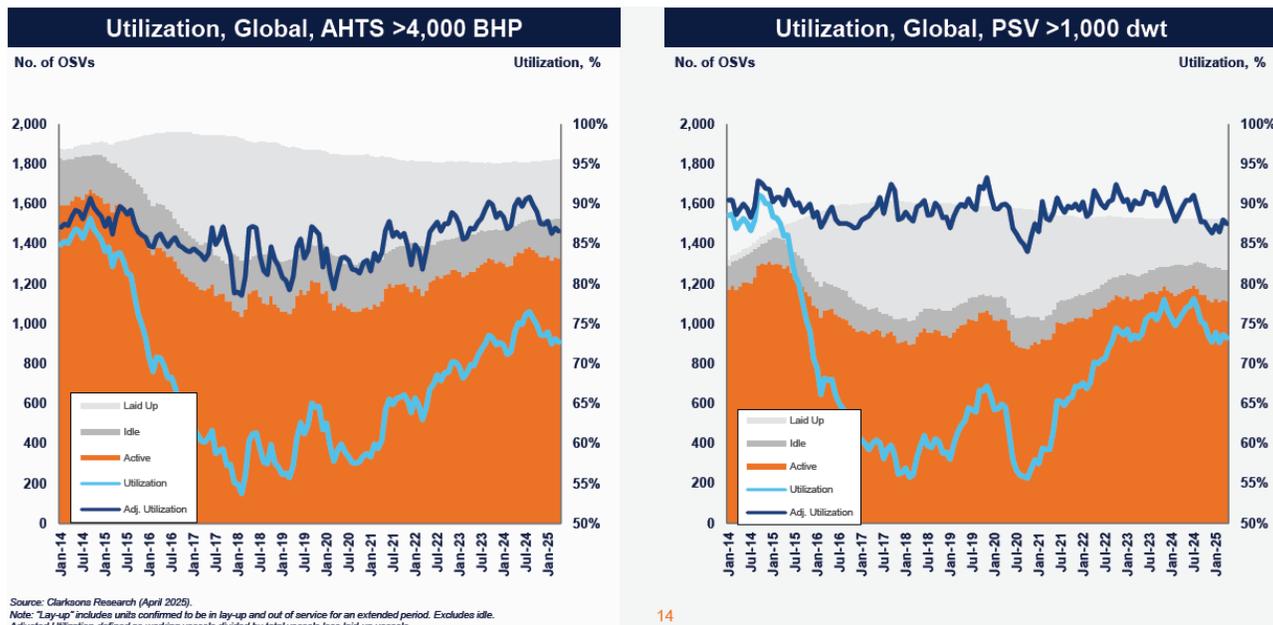
Most of MPML's OSVs are AHTS vessels with around 120 MT BP. MPML also owns & operates one PSV with 3,300 DWT.

Exhibit 14: Time Charter Rates of AHTS Vessels & PSVs (2007 to 2025)



Source: Clarksons (dated April 2025; cited by Tidewater in May 2025)

Exhibit 15: Utilisation Rates of AHTS Vessels & PSVs (2014 to 2025)



Source: Clarksons (dated April 2025; cited by Tidewater in May 2025)

(b) Market for offshore wind vessels

MPML also charters vessels (e.g., CTVs and CSOV) to the offshore wind industry.

According to Integrated Wind Solutions (“IWS”), an offshore wind service company, “offshore wind service” vessels “ensure safe and reliant walk-to-work operations for technicians and services personnel with focus on minimizing disturbance of power production.” IWS noted in January 2025 that “Historically, the staff has been transported to the offshore wind farms using helicopters and by a combination of CTVs and moored floating hotels.” IWS added that “while being efficient in areas closer to shore, CTVs offer limited operability, capacity and support functions compared to SOVs and CSOVs (defined as “Tier 1” vessels).” Thus, with “more farms being built farther off the shoreline, the requirements for larger and more stable vessels with offshore accommodation, such as SOVs/CSOVs, has become prevalent.”

IWS updated in May 2025 that “While offshore wind remains the primary driver of demand for CSOVs and SOVs, the oil and gas sector is becoming increasingly visible in the market with tenders being concluded in Q1 2025.” IWS also noted that with “an increasing number of offshore wind projects which grows in both size and complexity, the demand for service vessels is expected to increase in the coming years.” However, IWS noted too that a “significant number of newbuildings will enter the market in 2025 and 2026, which may impact the competitive landscape for vessel owners in the short term.”

Another publicly available source that discussed recent developments in the offshore wind vessel market is CBM.TECH, a maritime group. While CBM.TECH’s indications may relate mainly to the European offshore wind vessel market, the indications may provide an idea of how the offshore wind vessel market in APAC may develop.

CBM.TECH noted in May 2025 that “sustained investment across both the offshore wind and oil & gas sectors” in Europe has kept utilisation rates “elevated.” However, CTV “activity had tapered somewhat in early 2025 (Q1)” (three months ended 31 March 2025) “in line with seasonal patterns, as several major projects are not scheduled to begin until mid-year (June/July).”

In February 2025, CBM.TECH indicated that CSOV rates have risen by 55.1% from the Q4 10-year average of US\$32,864 to the “Q4 2024” rate of US\$50,960. CBM.TECH indicated too that 12 pax CTV rates have risen by 2.4% from the November 5-year average of US\$2,742 to the November 2024 rate of US\$2,808, while 24 pax CTV rates have risen by 12.6% from the November 5-year average of US\$3,602 to the November 2024 rate of US\$4,056.

Edda Wind, a CSOV provider, noted in February 2025 that there was a “Further pricing divergence between short term (<1 year) and long term tenders observed” in the European CSOV market as shown in **Exhibit 16**. Based on **Exhibit 16**, we note that the “2-3 years” CSOV day rate was about 22% lower than the “3-9 months” rate in the European market.

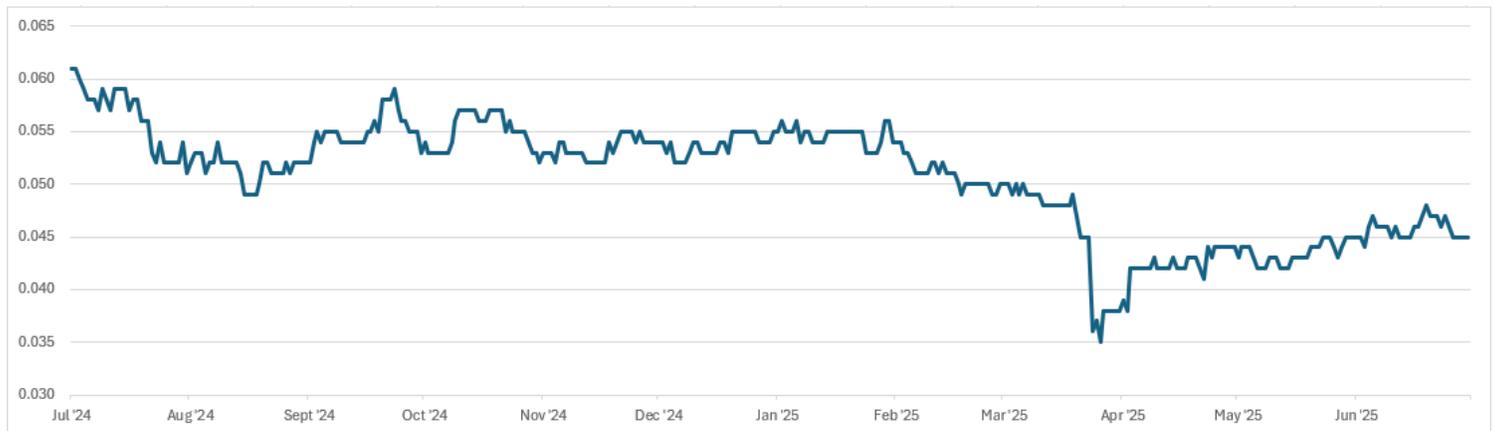
Exhibit 16: CSOV Day Rates in the European Market (by Charter Term)

Source: Clarksons (cited by Edda Wind in February 2025)

RECENT SHARE PRICE DEVELOPMENTS

Over the past year, MPML's share price fell by 26.2% from S\$0.061 on 16 July 2024 to S\$0.045 on 14 July 2025 as shown in Exhibit 17.

Exhibit 17: Share Price Performance (Past Year)



Source: *Investing.com, FPA*

On 22 August 2024, MPML provided an update to its 3Q FY2024 results. Revenue fell by 4.6% from S\$36.8 million in 3Q FY2023 to S\$34.9 million in 3Q FY2024 while gross profit rose by 2.6% from S\$14.2 million in 3Q FY2023 to S\$14.6 million in 3Q FY2024. However, share price fell by 9.3% from S\$0.054 on 22 August 2024 to S\$0.049 on 29 August 2024.

On 28 November 2024, MPML released its 2H FY2024 results. Revenue fell by 13.0% from S\$71.2 million in 2H FY2023 to S\$62.0 million in 2H FY2024 while profit attributable to equity holders of the Company fell by 41.7% from S\$18.3 million in 2H FY2023 to S\$10.7 million in 2H FY2024. Share price rose by 5.8% from S\$0.052 on 28 November 2024 to S\$0.055 on 6 December 2024.

On 3 December 2024, MPML disclosed that Darren Teo bought 800,000 shares at S\$0.052 per share on 2 December 2024. On 5 December 2024, MPML disclosed that the CEO bought 2,000,000 shares at S\$0.053 per share on 4 December 2024. Share price rose by 1.9% from S\$0.053 on 3 December 2024 to S\$0.054 on 12 December 2024 (7 days after 5 December 2024).

On 5 February 2025, MPML disclosed that Darren Teo bought 500,000 shares at S\$0.055 per share on 4 February 2025. On 11 February 2025, MPML disclosed that the CEO bought 1,000,000 shares at S\$0.054 per share on 11 February 2025. However, share price fell by 3.6% from S\$0.055 on 5 February 2025 to S\$0.053 on 18 February 2025 (7 days after 11 February 2025).

On 14 February 2025, MPML provided an update on its 1Q FY2025 results. Revenue fell by 11% from S\$29.1 million in 1Q FY2024 to S\$25.8 million on 1Q FY2025 while gross profit fell by 9% from S\$11.6 million in 1Q FY2024 to S\$10.6 million in 1Q FY2025. MPML also noted that it expected its "Drydock 4 launch, addition of new CSOV and three CTVs" to "start contributing from 2HFY2025". Share price fell by 5.6% from S\$0.054 on 14 February 2025 to S\$0.051 on 21 February 2025.

On 20 February 2025, MPML disclosed that Darren Teo bought 1,000,000 shares at S\$0.053 per share on 19 February 2025. Share price rose by 2.0% from S\$0.051 on 20 February 2025 to S\$0.052 on 27 February 2025.

On 5 March 2025, MPML disclosed that Darren Teo bought 1,000,000 shares at S\$0.050 per share on 4 March 2025. However, share price fell by 2.0% from S\$0.050 on 5 March 2025 to S\$0.049 on 12 March 2025.

On 2 April 2025, U.S. President Donald Trump announced universal & “reciprocal” tariffs on U.S. trading partners. Share price fell by 28.6% from S\$0.049 on 2 April 2025 to S\$0.035 on 9 April 2025.

On 9 April 2025, U.S. President Trump announced a 90-day tariff pause on most countries except China. Share price rose by 8.6% from S\$0.035 on 9 April 2025 to S\$0.038 on 16 April 2025.

On 16 April 2025, The Straits Times (“ST”) reported that Singapore formed a “new task force to address immediate tariff shock, and also plan for the future”. MPML’s share price rose by 13.2% from S\$0.038 on 16 April 2025 to S\$0.043 on 23 April 2025.

On 9 May 2025, MPML released its 1H FY2025 results. Revenue fell by 14.4% from S\$61.6 million in 1H FY2024 to S\$52.7 million in 1H FY2025 while profit attributable to equity holders of the Company fell by 3.4% from S\$11.0 million in 1H FY2024 to S\$10.6 million in 1H FY2025. However, share price remained unchanged at S\$0.044 on 9 May 2025 and 16 May 2025.

On 14 May 2025, MPML disclosed that Darren Teo bought 1,000,000 shares at S\$0.044 per share on 13 May 2025. However, share price fell by 4.5% from S\$0.044 on 14 May 2025 to S\$0.042 on 21 March 2025.

FINANCIAL ANALYSIS

In this section, we review MPML's performance for 1H FY2025. To provide an idea of how each income, expense, or each segment's revenue trended, we will generally review the period from 1H FY2022 to 1H FY2025. We also analyse the period to FY2020 for annual figures.

(I) FINANCIAL REVIEW

MPML's revenue fell by 14.4% from S\$61.6 million in 1H FY2024 to S\$52.7 million in 1H FY2025 as shown in **Exhibit 18**, mainly due to its ship building & repair revenue falling by 26.9%.

Ship building & repair revenue fell by 26.9% from S\$27.0 million in 1H FY2024 to S\$19.8 million in 1H FY2025. MPML noted that the decrease was mainly due to a "reduction in the number of third party ship building projects under construction during the period." MPML separately noted that "the ongoing construction of a Commissioning Service Operation Vessel (CSOV)" had "impacted the capacity for third party shipbuilding projects during the period." The CSOV, MP Wind Archer, was completed around end-February 2025 (near end-1H FY2025).

Meanwhile, MPML also noted that there was a "Slightly lower volume of ship repair projects". Shipyard utilisation for ship repair fell from 89% in 1H FY2024 to 78% in 1H FY2025.

We discuss further the ship building & repair revenue on the next page.

Exhibit 18: Revenue (1H FY2022 to 1H FY2025)

(in S\$ '000)	Actual		1H FY2025 vs 1H FY2024	
	1H FY2025 (ended 31 Mar)	1H FY2024 (ended 31 Mar)	Absolute Change	Change (%)
Ship building & repair	19,768	27,036	(7,268)	(26.9%)
Sales of goods	962	1,671	(709)	(42.4%)
Ship chartering services	31,958	32,864	(906)	(2.8%)
Revenue	52,688	61,571	(8,883)	(14.4%)

(in S\$ '000)	Actual						
	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Ship building & repair	19,768	21,516	27,036	28,541	30,033	23,263	16,335
Sales of goods	962	1,376	1,671	1,281	1,379	1,059	752
Ship chartering	31,958	39,067	32,864	41,359	24,533	34,131	10,555
Revenue	52,688	61,959	61,571	71,181	55,945	58,453	27,642

Source: MPML's financial statements, FPA

Ship building & repair revenue mainly comprised ship repair revenue from FY2020 to FY2024 as shown in **Exhibit 19**.

Exhibit 19: Breakdown of Ship Building & Repair Revenue (FY2020 to FY2024)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Ship building	18,834	15,836	2,424	3,841	-
Ship repair	29,718	42,738	37,174	21,187	16,667
Ship building & repair revenue	48,552	58,574	39,598	25,028	16,667

Source: MPML's ARs, FPA

Ship building revenue:

MPML derived ship building revenue only from customer(s) based in Singapore in FY2021 & FY2022 as shown in **Exhibit 20**. In August 2020, MPML announced that it "secured shipbuilding contracts (the "Contracts") for the construction of 2 identical units of smart floating fish farm (the "Smart Fish Farms") from Singapore Aquaculture Technologies (SAT) Pte. Ltd." MPML also noted in its AR for FY2021 that its shipyard had "taken on shipbuilding projects with the construction of two smart floating fish farms during the year." MPML noted in its presentation for 1H FY2022 that it continued construction of smart fish farms.

MPML derived ship building revenue only from customers based in Indonesia in FY2023 & FY2024. In its AR for FY2023, MPML noted that it "stepped up its marketing efforts by actively engaging local ship owners in Indonesia," and "successfully secured several new build projects with progressive deliveries up till" 2H FY2024.

Exhibit 20: Breakdown of Ship Building Revenue (FY2020 to FY2024)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Singapore	-	-	2,424	3,841	-
Indonesia	18,834	15,836	-	-	-
Ship building revenue	18,834	15,836	2,424	3,841	-

Source: MPML's ARs, FPA

Ship repair revenue:

In FY2020, FY2021, and FY2024, MPML derived ship repair revenue mainly from customers based in Indonesia as shown in **Exhibit 20**. In FY2022 & FY2023, MPML derived ship repair revenue mainly from customers based in Singapore.

Ship repair revenue (including those from customers based in Singapore and in Indonesia) rose from S\$16.7 million in FY2020 to S\$42.7 million in FY2023 before falling to S\$29.7 million in FY2024.

MPML noted in January 2022 that there was “strong demand for ship repairs” in FY2021 from: (1) a “wider customer base (as the Group expanded its customer base beyond offshore vessels to include more merchant vessels such as containerships, bulkers and tankers)”; (2) “Increased market share (Shipyards services in the Group’s Batam shipyard are priced about 15-20% lower than shipyards in Singapore)”; and (3) “implementation of the Ballast Water Management System by the IMO Marine Environmental Protection Committee”.

In its AR for FY2022, MPML continued to note that it “benefitted from an increasingly diverse customer base, a surge in market share as compared to other regional shipyards and a rise in demand for ship installation works driven by the implementation of the Ballast Water Management system mandated by the IMO Marine Environmental Protection Committee.”

Despite shipyard utilisation (for ship repair) remaining at 84% in FY2022 & FY2023, ship repair revenue rose by 15.0% from S\$37.2 million in FY2022 to S\$42.7 million in FY2023. MPML noted in November 2023 that there was an “increase in contract values of the repair projects” in FY2023.

In November 2024, MPML noted that “one of the three docks was allocated exclusively to the CSOV construction from May to August 2024, effectively reducing the Group’s capacity for revenue-generating ship repair projects.”

Exhibit 21: Breakdown of Ship Repair Revenue (FY2020 to FY2024)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Singapore	4,184	20,170	20,445	6,319	5,336
Indonesia	15,941	16,985	11,734	10,218	9,068
Malaysia	894	623	339	81	1,469
Thailand	5,486	-	-	-	-
Taiwan	-	-	-	-	214
Others	3,213	4,960	4,656	4,569	580
Ship repair revenue	29,718	42,738	37,174	21,187	16,667

Shipyards utilisation (for ship repair)

91% **84%** **84%** **n.a.** **n.a.**

n.a. = not available. Note: MPML noted in December 2021 that the “Average utilization of 3 dry docks for FY2021” was “~ 86%”, but noted in January 2022 that “its yard had an average utilisation of 80% towards the end of FY2021.”

Source: MPML’s ARs, presentations, and announcements, FPA

Sales of goods:

Sales of goods fell by 42.4% from S\$1.7 million in 1H FY2024 to S\$1.0 million in 1H FY2025.

From FY2020 to FY2024, MPML derived its sales of goods revenue only from customer(s) based in Indonesia as shown in **Exhibit 22**. We note that sales of goods as a percentage of ship building & repair revenue have been rising from 3.3% in FY2020 to 6.3% in FY2024.

Exhibit 22: Sales of Goods (FY2020 to FY2024)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Indonesia	3,047	2,660	1,811	980	546
Sales of goods	3,047	2,660	1,811	980	546
Ship building	18,834	15,836	2,424	3,841	-
Ship repair	29,718	42,738	37,174	21,187	16,667
Ship building & repair revenue	48,552	58,574	39,598	25,028	16,667
Sales of goods as % of shipyard revenue	6.3%	4.5%	4.6%	3.9%	3.3%

Source: MPML's ARs, FPA

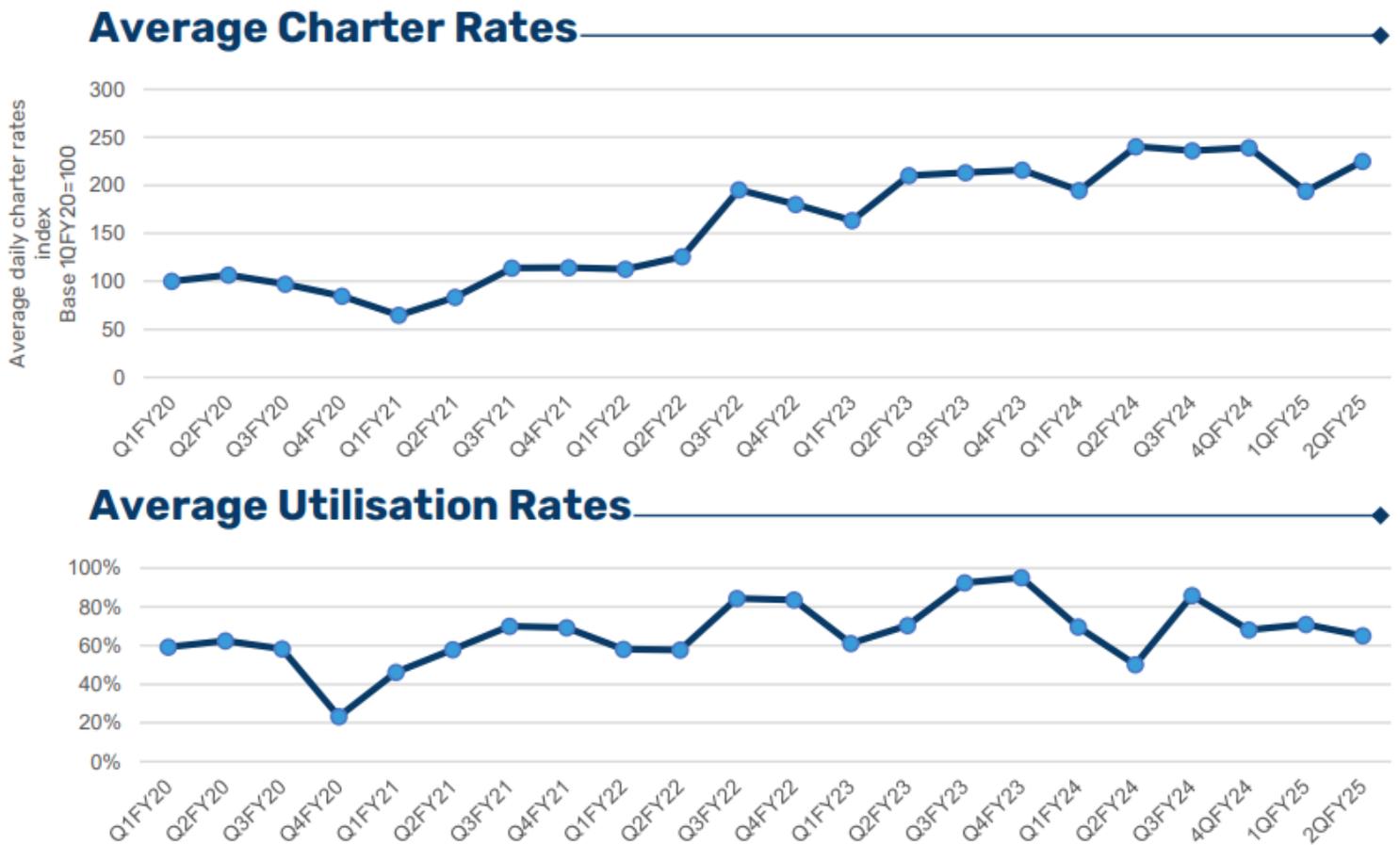
Ship chartering revenue:

Ship chartering revenue fell by 2.8% from S\$32.9 million in 1H FY2024 to S\$32.0 million in 1H FY2025. MPML noted that the decrease was mainly due to “a decrease in rechartering of 3rd party vessels from Taiwan.” MPML separately added that the decrease was “partially offset by an improvement in the average fleet utilisation rate (68% in 1HFY2025 vs. 60% in 1HFY2024).”

During the Annual General Meeting (“AGM”) held in January 2025 (after MPML released its AR for FY2024), the CEO also noted that MPML “occasionally charters third-party vessels for rechartering to support operations.”

MPML’s average fleet utilisation rates & average charter rates from 1Q FY2020 to 2Q FY2025 are shown in **Exhibit 23**.

Exhibit 23: Average Fleet Utilisation Rates & Average Charter Rates (1Q FY2020 to 2Q FY2025)



Source: MPML’s Presentation (1H FY2025)

We estimate the average fleet utilisation rates & average charter rates for periods where data was not explicitly provided by MPML. Thereafter, we use our estimates to calculate the effective charter rate (average fleet utilisation rate × average charter rate) from 1H FY2020 to 1H FY2025 as shown in **Exhibit 24**.

Exhibit 24: Estimated Average Charter Rates (1Q FY2020 = 100) & Average Fleet Utilisation Rates (1Q FY20 to 2Q FY25)

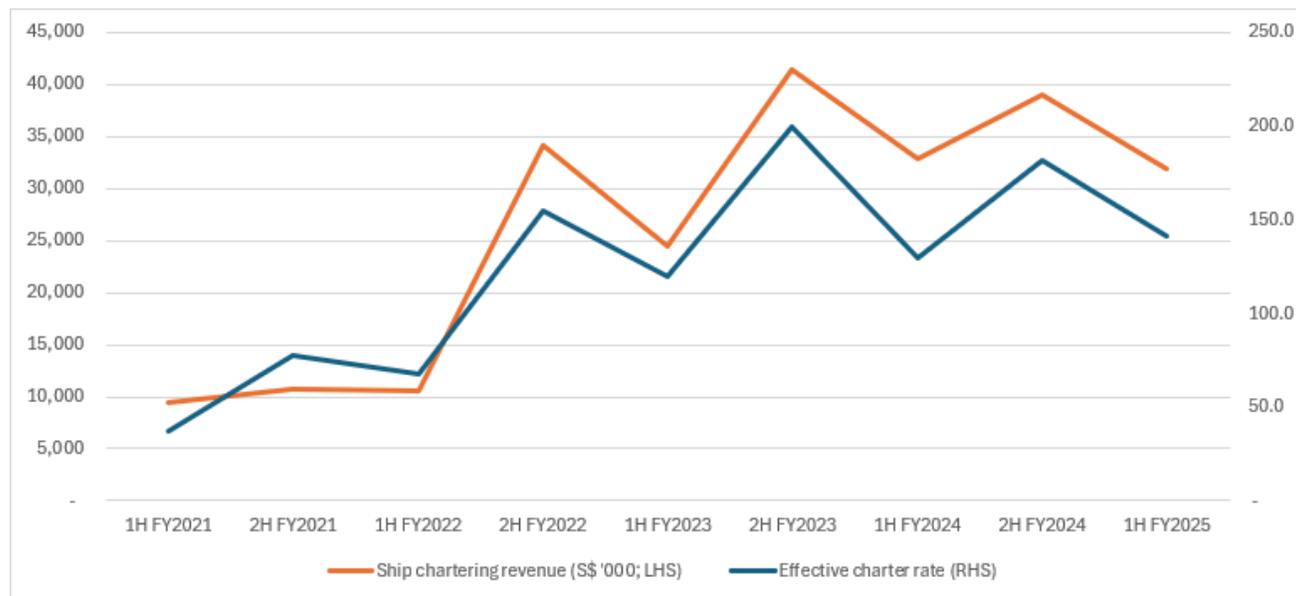
Period	Avg charter rates (1Q FY2020 = 100; A)	Average utilisation (B)	Effective charter rate (A × B)	Period	Avg charter rates (1Q FY2020 = 100; A)	Average utilisation (B)	Effective charter rate (A × B)	Ship chartering revenue (S\$ '000)
2Q FY2025	223.0	65%	145.0	1H FY2025	208.0	68%	141.4	31,958
1Q FY2025	193.0	71%	137.0	2H FY2024	236.5	77%	182.1	39,067
4Q FY2024	238.0	68%	161.8	1H FY2024	216.0	60%	129.6	32,864
3Q FY2024	235.0	86%	202.1	2H FY2023	213.5	94%	199.6	41,359
2Q FY2024	239.0	50%	119.5	1H FY2023	185.5	65%	119.6	24,533
1Q FY2024	193.0	70%	135.1	2H FY2022	186.5	83%	154.8	34,131
4Q FY2023	215.0	95%	204.3	1H FY2022	118.5	57%	67.5	10,555
3Q FY2023	212.0	92%	195.0	2H FY2021	113.0	69%	77.4	10,659
2Q FY2023	209.0	69%	144.2	1H FY2021	73.5	51%	37.5	9,439
1Q FY2023	162.0	60%	97.2	2H FY2020	90.0	40%	35.6	n.a.
4Q FY2022	179.0	83%	148.6	1H FY2020	103.0	60%	61.3	n.a.
3Q FY2022	194.0	83%	161.0					
2Q FY2022	125.0	57%	71.3					
1Q FY2022	112.0	57%	63.8					
4Q FY2021	113.0	68%	76.8					
3Q FY2021	113.0	69%	78.0					
2Q FY2021	83.0	57%	47.3					
1Q FY2021	64.0	45%	28.8					
4Q FY2020	84.0	22%	18.5					
3Q FY2020	96.0	57%	54.7					
2Q FY2020	106.0	61%	64.7					
1Q FY2020	100.0	58%	58.0					

n.a. = not available.

Source: MPML's presentations, FPA

We note that changes in the effective charter rate generally correspond with changes in MPML's ship chartering revenue from 1H FY2021 to 1H FY2025 as shown in **Exhibit 25** (ship chartering revenue in 1H & 2H FY2020 was not available).

Exhibit 25: Ship Chartering Revenue vs Effective Charter Rate (1H FY2021 to 1H FY2025)



Source: MPML's presentations, FPA

We also estimate the end-of-period AHTS 120t BP TC Rate from 1Q FY2020 to 2Q FY2025. Thereafter, we index our estimates against the 1Q FY2020 rate which we set at 100 (like how MPML presented its average charter rates).

We compare MPML's average charter rates from 1Q FY2020 to 2Q FY2025 against our indexed estimates for the same period as shown in **Exhibit 26**. We note that MPML's average charter rates from 1Q FY2020 to 2Q FY2025 generally rose faster than the rise in AHTS 120t BP TC Rate in the same period.

The faster rise in MPML's average charter rates from 1Q FY2020 to 2Q FY2025 may be due to MPML chartering its vessels to the offshore wind sector (besides just the offshore oil & gas sector), especially after MPML's JVC OC acquired PKR in May 2022. MPML noted in January 2022 that "Rates for vessels chartered out to offshore windfarms tend to be higher than vessels chartered out for the Oil & Gas sector, although operational costs are also expected to be higher for the vessels chartered to offshore windfarms."

Exhibit 26: MPML's Average Charter Rates vs End-of-Period AHTS 120t BP TC Rate (1Q FY2020 to 2Q FY2025)



Source: Clarksons (dated April 2025; cited by Tidewater), MPML's presentation, Automeris.io, FPA

MPML may charter tugboats & barges owned by MPML (excluding BBR) to Singapore-based entities related to construction as well as Singapore-based traders of sand & granite.

MPML may also:

- charter OSVs owned by MPML (excluding BBR & PKR) to customers in the offshore oil & gas sector in Malaysia or Thailand (or other regions), or to those in the offshore wind sector in Taiwan (or other regions)
- charter (or likely recharter before BBR became a subsidiary) BBR's OSVs to customers in the offshore oil & gas sector in Indonesia, Malaysia, or Thailand (or other regions), or to those in the offshore wind sector in Taiwan (or other regions)
- charter PKR's AHT vessel to customers in the offshore wind sector in Taiwan (or other regions)
- charter PKR's offshore wind vessels to customers in the offshore wind sector in Taiwan (or other regions)
- charter BBR's SPBs as well as BBR's tugboats & barges to Indonesia-based customers looking to transport coal.

Ship chartering revenue from Singapore-based customers rose by 179.6% from S\$6.9 million in FY2020 to S\$12.3 million in FY2021. MPML noted in its AR for FY2021 that the utilisation rate for its tugboats & barges saw "progressive improvement with the resumption of construction activities in Singapore."

Thereafter, ship chartering revenue from Singapore-based customers fell from S\$12.3 million in FY2021 to S\$4.6 million in FY2024. MPML noted in May 2022 that the utilisation of its "fleet of tugboats and barges" was "expected to stabilise as construction activities in Singapore slowly resumes to pre-COVID19 levels." MPML had also been disposing its tugboats & barges from FY2022, such that its total tugboats & barges fell from 24 at end-FY2021 to 14 at end-FY2024.

Ship chartering revenue rose by 122.3% from S\$20.1 million in FY2021 to S\$44.7 million in FY2022. MPML noted in its AR for FY2022 that the "increase was mainly due to the consolidation of results of PT BBR and PKRO from March and May 2022 onwards respectively." MPML added, "PT BBR has contributed a revenue of S\$6.9 million whereas PKRO has contributed a revenue of S\$10.4 million from the point of consolidation after taking into consideration Group eliminations."

In March 2022 (end of 1H FY2022), BBR became a subsidiary of MPML after MPML gained a majority stake in BBR. In May 2022 (near mid of 2H FY2022), PKR became a subsidiary of MPML after OC acquired PKR.

Thereafter, ship chartering revenue rose by 47.5% from S\$44.7 million in FY2022 to S\$65.9 million in FY2023. MPML noted in its AR for FY2023 that the "increase in revenue was mainly due to the full consolidation of PT BBR and PKRO's results in the current financial year as compared to the partial consolidation in FY2022 as these 2 entities only became subsidiaries of the Group in the middle of last financial year." MPML added that "PT BBR has contributed a revenue of S\$13.6 million and PKRO has contributed a revenue of S\$21.7 million in FY2023".

MPML noted in its AR for FY2024 that ship chartering revenue rose by 9.2% from S\$65.9 million in FY2023 to S\$71.9 million in FY2024 mainly due to "higher charter rates achieved for its fleet of offshore vessels and an increase in rechartering of third-party vessels in the current year."

Ship chartering revenue from FY2020 to FY2024, as broken down by the customers' locations, is shown in **Exhibit 27**.

Revenue from tugs & barges (as estimated by revenue from Singapore-based customers) as a percentage of ship chartering revenue has been falling from 61.4% in FY2021 to 6.4% in FY2024. Given that MPML had also been disposing its tugboats & barges from FY2022, we note that MPML may be diversifying from the chartering of tugboats & barges.

After MPML acquired a majority stake in BBR in March 2022, ship chartering revenue from Thailand-based customers rose from nil in FY2021 to S\$7.3 million in FY2022. Ship chartering revenue from Thailand-based customers continued rising by 119.8% to S\$16.1 million in FY2023, and by 26.1% to S\$20.3 million in FY2024.

After OC acquired PKR in May 2022, ship chartering revenue from Taiwan-based customers rose by 546.5% from S\$3.1 million in FY2021 to S\$20.3 million in FY2022. We note that the CEO was married to Taiwanese singer & actress Vivian Hsu as at FY2022. However, ST later reported that the CEO divorced Hsu in December 2023 (i.e., during 1Q FY2023).

Exhibit 27: Breakdown of Ship Chartering Services Revenue (FY2020 to FY2024)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Singapore	4,630	4,729	7,151	12,345	6,872
Indonesia	8,034	5,466	5,547	537	404
Malaysia	4,588	6,990	3,460	1,002	1,800
Thailand	20,308	16,110	7,328	-	-
Taiwan	34,371	32,597	20,321	3,143	85
Others	-	-	879	3,071	4,475
Ship chartering services	71,931	65,892	44,686	20,098	13,636
Tugboats & barges	14	18	21	24	24 ⁽¹⁾
Singapore as % of ship chartering services revenue	6.4%	7.2%	16.0%	61.4%	50.4%

⁽¹⁾ Estimated based on MPML's presentation dated March 2021.

Source: MPML's ARs & presentations, FPA

Gross profit:

Gross profit fell by 2.7% from S\$22.2 million in 1H FY2024 to S\$21.6 million in 1H FY2025 as shown in **Exhibit 28**, due to a more-than-proportional rise in cost of sales.

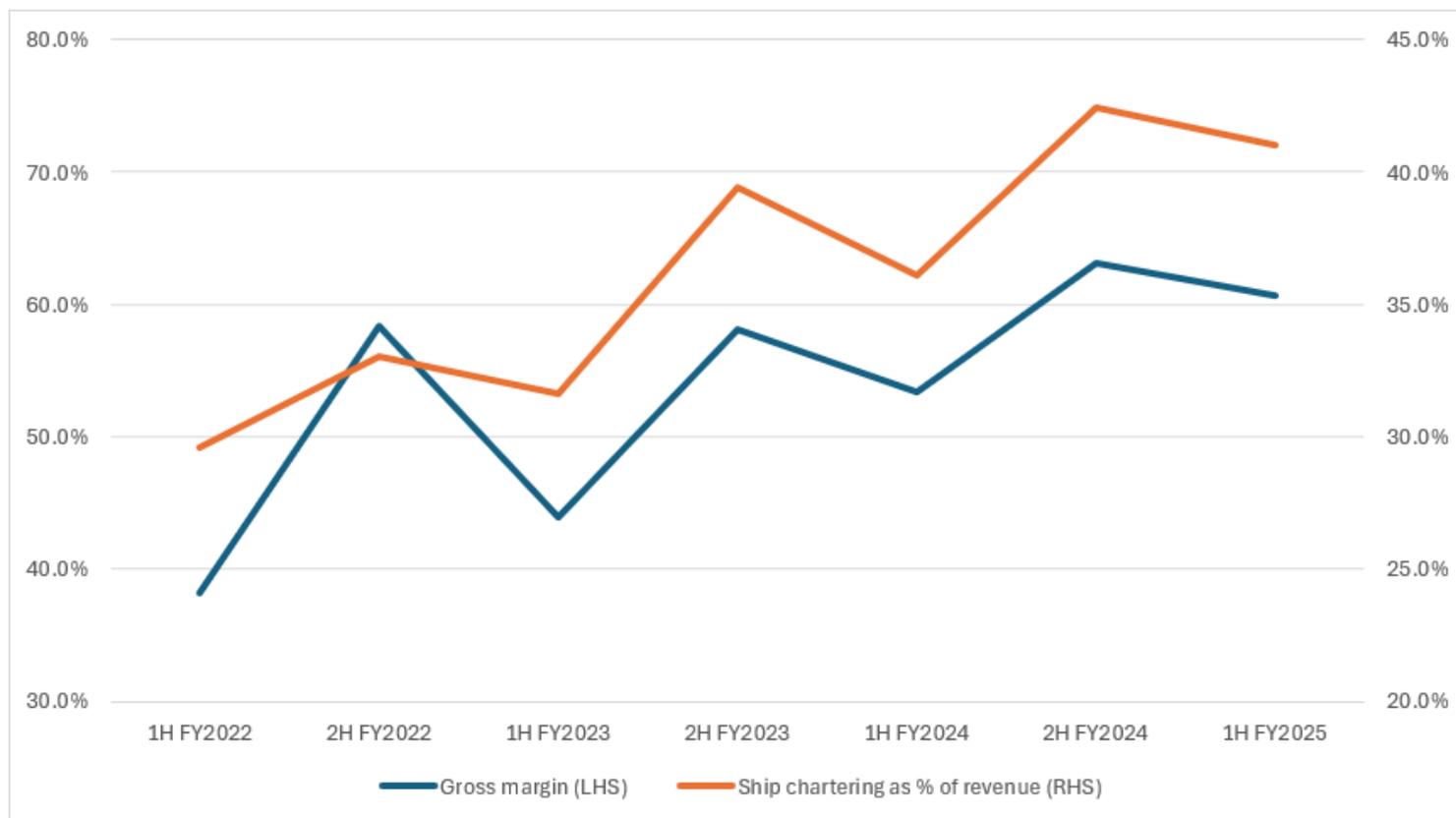
Gross margin rose from 36.1% in 1H FY2024 to 41.0% in 1H FY2025. MPML noted that the increase was “mainly due to the decrease in volume of rechartering of 3rd party vessels as these types of charters generally carry a lower profit margin.”

Exhibit 28: Gross Profit (1H FY2022 to 1H FY2025)

(in S\$ '000)	Actual						
	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Revenue	52,688	61,959	61,571	71,182	55,944	58,453	27,642
Cost of sales	(31,061)	(35,665)	(39,350)	(43,137)	(38,248)	(39,153)	(19,464)
Gross profit	21,627	26,294	22,221	28,045	17,696	19,300	8,178
Gross margin	41.0%	42.4%	36.1%	39.4%	31.6%	33.0%	29.6%

Source: MPML's financial statements, FPA

Changes in gross margin tended to follow changes in ship chartering revenue as a percentage of total revenue from 1H FY2022 to 1H FY2025, as shown in **Exhibit 29**. Thus, ship chartering may have a higher gross margin than shipbuilding & repair.

Exhibit 29: Gross Margin vs Ship Chartering Revenue as Percentage of Revenue (1H FY2022 to 1H FY2025)

Source: MPML's financial statements, FPA

We note that cost of inventories comprised over 80% of cost of sales from FY2020 to FY2024, as shown in **Exhibit 30**. Inventories include raw materials, which MPML noted “mainly consist of steel plates and equipment” that “are used in the Group’s shipbuilding activities”. This may suggest that gross margin may fall if ship building revenue as a percentage of total revenue rises.

However, gross margin rose from 14.3% in FY2020 to 39.3% in FY2024 as shown in **Exhibit 30** despite ship building revenue as a percentage of total revenue rising in the same period. In contrast, ship repair revenue as a percentage of total revenue fell in the same period. Ship chartering revenue as a percentage of total revenue rose in the same period. Thus, the rise in gross margin from FY2020 to FY2024 was likely due to the fall in ship chartering revenue as a percentage of total revenue and/or the rise in ship building revenue as a percentage of total revenue.

Accordingly, we note that ship chartering is likely to have a higher gross margin than ship repair. Given that ship building involves the use of raw materials, we also note that ship chartering is likely to have a higher gross margin than ship building.

Exhibit 30: Cost of Sales Breakdown (FY2020 to FY2024)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Cost of inventories	64,566	70,983	51,139	28,975	21,827
Depreciation of PP&E	9,095	9,001	7,478	5,120	4,597
Others (incl. rounding)	1,354	1,401	-	-	(1)
Cost of sales	75,015	81,385	58,617	34,095	26,423
As % of cost of sales:					
Cost of inventories	86.1%	87.2%	87.2%	85.0%	82.6%
Depreciation of PP&E	12.1%	11.1%	12.8%	15.0%	17.4%
Others	1.8%	1.7%	-	-	(0.0%)
Cost of sales	100.0%	100.0%	100.0%	100.0%	100.0%
As % of revenue:					
Ship building	15.2%	12.5%	2.8%	8.3%	-
Ship repair	24.1%	33.6%	43.2%	46.0%	54.0%
Sales of goods	2.5%	2.1%	2.1%	2.1%	1.8%
Ship chartering	58.2%	51.8%	51.9%	43.6%	44.2%
Revenue	100.0%	100.0%	100.0%	100.0%	100.0%
Gross profit	48,515	45,741	27,478	12,011	4,426
Revenue	123,530	127,126	86,095	46,106	30,849
Gross margin	39.3%	36.0%	31.9%	26.1%	14.3%

Source: MPML’s ARs, FPA

Other operating income:

Other operating income fell by 10.6% from S\$2.5 million in 1H FY2024 to S\$2.2 million in 1H FY2025. MPML noted that the decrease was “primarily due to reduction in gain on disposal of property, plant and equipment by S\$0.7 million, interest income by S\$0.4 million, and sale of scrap material by S\$0.2 million which was partially offset by an increase in foreign exchange gain by S\$1.0 million.”

We assume that MPML’s scrap metals came from its ship building & repair activities. Thus, we compare sales of scrap metals with ship building & repair revenue. Sales of scrap metal as a percentage of ship building & repair revenue rose from 0.6% in FY2020 to 2.9% in FY2024 as shown in **Exhibit 31**.

Interest income on bank balances & fixed deposits as a percentage of fixed deposits rose from 0.7% in FY2021 to 4.3% in FY2024, generally in line with the rise in average effective federal funds rate from FY2021 to FY2024 as shown in **Exhibit 31**.

During FY2019, MPML sold a vessel to PESB. For PESB to finance part of the purchase, MPML granted PESB a loan of “approximately S\$12.5 million”. MPML has thus been recording interest income from the loan from FY2019. MPML noted in its AR for FY2024 that the interest is charged “at 3% per annum over 1-month SOFR (2023: 1-month SOFR) on monthly basis.”

The benchmark rate used for the loan to the joint venture has been the 1-month SOFR from FY2023. For reference, we have included both the average effective federal funds rate and the average SOFR from FY2020 to FY2024 in **Exhibit 31**.

From FY2019 to FY2022, the benchmark rate used had been the 1-month USD LIBOR.

The breakdown of MPML’s other operating income from FY2020 to FY2024 (provided in MPML’s ARs) is shown in **Exhibit 31**.

Exhibit 31: Other Operating Income (FY2020 to FY2024)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Bad debts recovered	17	272	249	114	154
Foreign exchange gain	-	-	717	-	-
Gain on disposal of PP&E, net	1,724	1,027	985	6,265	32
Gain on acquisition of debt	-	-	-	6,238	-
Gain on bargain purchase	-	-	612	-	-
Gain on remeasurement of previously held equity interest	-	-	5,172	-	-
Government grant income	25	26	70	531	377
Interest income on bank balances & fixed deposits	2,023	1,225	140	42	104
Interest income from loan to a joint venture	532	590	552	651	467
Sales of scrap metals	875	913	518	197	106
Sundry income	77	65	176	185	272
Insurance claim income	1,050	661	-	-	-
Other operating income	6,323	4,779	9,191	14,223	1,512
Sales of scrap metals	875	913	518	197	106
Ship building & repair	29,718	42,738	37,174	21,187	16,667
Sales of scrap metals as % of ship building & repair	2.9%	2.1%	1.4%	0.9%	0.6%
Interest income on bank balances & fixed deposits	2,023	1,225	140	42	104
Fixed deposits	47,219	38,766	17,555	6,096	4,062
Interest income as % of fixed deposits	4.3%	3.2%	0.8%	0.7%	2.6%
Effective SOFR (average)	5.3%	4.6%	0.7%	0.0%	0.8%
Effective federal funds rate (average)	5.3%	4.6%	0.8%	0.1%	0.8%

Source: MPML’s ARs, FPA

Administrative expenses:

Administrative expenses rose by 9.9% from S\$8.2 million in 1H FY2024 to S\$9.0 million in 1H FY2025, despite the fall in revenue. MPML noted that the increase “was primarily attributed to an increase in staff costs by S\$0.4 million, mainly due to an increase in overall headcount and wages across the Group.” MPML added that “there was a share option expenses of S\$0.3 million recognized in 1HFY2025 from the granting of options to employees” and that “there were no such expenses in 1HFY2024.”

Personnel expenses may not be fully included in administrative expenses. However, we also note that changes in administrative expenses were generally in line with changes in personnel expenses from FY2020 to FY2024 as shown in **Exhibit 32**. Thus, we include a breakdown of personnel expenses from FY2020 to FY2024 in **Exhibit 32**.

Directors’ remuneration was S\$5.2 million (or 43.8% of personnel expenses) in FY2022. MPML noted that there was an incentive plan implemented for key management personnel. MPML added that the “amount of incentive recognised with respect to FY2022’s financial performance” was “approximately S\$3.4 million whereas the amount of incentive that were paid out with respect to FY2021’s financial performance” was “approximately S\$0.7 million.” MPML also noted that the incentive plan would “expire after the incentives in relation to FY2022” were “paid out.”

In November 2017, MPML noted that investors who subscribed for shares during the equity fund-raising exercise in 2017 agreed for MPML to “implement a cash incentive plan” for “Key Management Personnel on a profit-sharing basis.” MPML added that it may “distribute to the Key Management Personnel, in the aggregate,” a sum that depended on the Operating EBITDA achieved by the Group based on its audited accounts during the incentive period (which ended at end-FY2022).

Personnel expenses rose by S\$3.8 million from S\$10.2 million in FY2023 to S\$14.0 million in FY2024. MPML noted that staff costs rose by S\$3.3 million, “which resulted from an increase in performance-based bonus payouts (in respect of prior year’s performance) of S\$2.0 million and a rise in salaries of S\$1.3 million from the increase in staff headcount across the Group.”

Exhibit 32: Administrative Expenses (FY2020 to FY2024)

(in S\$ '000)	Estimate				
	FY2024	FY2023	FY2022	FY2021	FY2020
Administrative expenses	14,586	10,726	12,210	6,066	6,321
Less: Administrative expenses (previous FY)	(10,726)	(12,210)	(6,066)	(6,321)	(6,324)
Change in administrative expenses	3,860	(1,484)	6,144	(255)	(3)

Personnel expenses	13,967	10,198	11,788	5,668	5,951
Less: Personnel expenses (previous FY)	(10,198)	(11,788)	(5,668)	(5,951)	(6,121)
Change in personnel expenses	3,769	(1,590)	6,120	(283)	(170)

(in S\$ '000)	Actual				
	FY2024	FY2023	FY2022	FY2021	FY2020
Wages, salaries and bonuses	10,956	8,230	5,903	4,370	4,285
Contributions to defined contribution plan	756	600	479	347	385
Directors’ fee of the Company	238	215	178	172	181
Directors’ remuneration	1,678	1,103	5,158	767	1,049
Other staff costs	39	39	59	12	10
Share options expenses	288	-	-	-	-
Share-based payment expense	12	11	11	-	41
Personnel expenses	13,967	10,198	11,788	5,668	5,951

Source: MPML’s ARs, FPA

Other operating expenses:

Other operating expenses rose by 27.4% from S\$3.3 million in 1H FY2024 to S\$4.2 million in 1H FY2025. MPML noted that the increase “was mainly attributable to an increase in legal expenses by S\$0.3 million, an increase in depreciation expenses by S\$0.3 million and an increase in marketing expenses by S\$0.1 million.”

We estimate the breakdown of other operating expenses from FY2020 to FY2024 as shown in **Exhibit 33**.

We note that other operating expenses rose by 42.3% from S\$9.2 million in FY2023 to S\$13.1 million in FY2024 partly due to: (1) net foreign exchange loss rising by 65.3% (S\$2.2 million) from S\$3.3 million in FY2023 to S\$5.5 million in FY2024; and (2) provision for contractual liabilities rising by 290.2% (S\$1.3 million) from S\$0.5 million in FY2023 to S\$1.8 million in FY2024.

We also note that net foreign exchange loss comprised 36.1% of other operating expenses in FY2023 and 41.9% of other operating expenses in FY2024.

Exhibit 33: Other Operating Expenses (FY2020 to FY2024)

(in S\$ '000)	Estimate				
	FY2024	FY2023	FY2022	FY2021	FY2020
Depreciation of PP&E	1,345	1,309	1,202	1,517	2,414
Foreign exchange loss, net	5,486	3,318	-	758	343
Legal and professional fee	955	554	741	316	283
Others	5,293	4,007	3,619	2,363	2,730
Other operating expenses	13,079	9,188	5,562	4,954	5,770

Also included in other operating expenses:

Provision for contractual liabilities	1,799	461	n.a.	n.a.	n.a.
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n.a. = not available.

Source: MPML's ARs, FPA

Finance costs:

Finance costs rose by 560.8% from S\$0.1 million in 1H FY2024 to S\$0.8 million in 1H FY2025. MPML noted that the increase was “primarily due to the drawdown of loans for the construction of the Group’s CSOV and for the construction of the fourth drydock at the Group’s shipyard in Batam, Indonesia, during the last financial year.”

The breakdown of finance costs from FY2020 to FY2024 is shown in **Exhibit 34**.

MPML noted in its AR for FY2021 that it drew down in FY2021 “Temporary Bridging Loans from financial institutions under Enterprise Singapore’s Temporary Bridging Loan Programme with a repayment tenor of 5 years.”

MPML drew down term loans A, B, and C (as labelled by MPML in its AR for FY2024) in 2H FY2024. Thus, half-year (or less) worth of interest expenses on term loans A, B, and C may have been recognised in FY2024, which may have contributed to the fall in effective interest on term loans ($\frac{\text{Annual interest expenses on term loans}}{\text{Interest-bearing loans}}$) from 3.6% in FY2023 to 1.2% in FY2024.

Exhibit 34: Breakdown of Finance Costs (FY2020 to FY2024)

(in S\$ '000)	Actual / Estimate				
	1H FY2025	2H FY2024	1H FY2024	2H FY2022	1H FY2022
Finance costs	793	1,511	120	67	62
Interest-bearing loans	28,258	32,981	1,747	3,250	3,737
Effective interest rate (annualised)	5.6%	9.2%	13.7%	4.1%	3.3%
Interest-bearing loans (current)	17,675	25,057	966	966	966
Interest-bearing loans (non-current)	10,583	7,924	781	2,284	2,771
Interest-bearing loans	28,258	32,981	1,747	3,250	3,737
Temporary bridging loan (SGD)	n.a.	1,232	1,747	3,250	3,737
Term loan A (USD)	n.a.	22,256	-	-	-
Term loans B & C (IDR)	n.a.	9,493	-	-	-
Interest-bearing loans	n.a.	32,981	1,747	3,250	3,737
Lease liabilities (current)	1,809	1,809	1,416	298	36
Lease liabilities (non-current)	4,538	5,528	4,014	209	44
Lease liabilities	n.a.	7,337	5,430	507	80

Disclosed fixed (or effective) interest rates:

Temporary bridging loan (SGD; effective)	n.a.	2.75 - 3.00%	n.a.	2.75 - 3.00%	n.a.
Term loan A (USD; fixed)	n.a.	3.62%	-	-	-
Term loans B & C (IDR; fixed)	n.a.	8.50%	-	-	-

n.a. = not applicable. Effective interest rate annualised by multiplying by two.

Source: MPML’s ARs, FPA

Share of profits in joint venture:

Share of profits in joint ventures remained at S\$86,000 (nearest '000) in 1H FY2024 & 1H FY2025. MPML noted that the share of profits “was mainly attributable to the Group’s joint venture, Pelayaran Era Sdn Bhd.”

MPML noted in its AR for FY2019 that during FY2019, it “sold a vessel to PNE for a consideration of \$15,039,000 (Note 29), resulting in a gain on disposal of \$7,349,000.” MPML added that a deferred income “was recognised from eliminating 49% of the gain on disposal of the vessel.” MPML has thus been recognising an annual deferred income of S\$0.2 million from PESB since FY2020 (less than S\$0.1 million recognised in FY2019).

Profit before income tax:

Accordingly, profit before income tax fell by 24.5% from S\$13.2 million in 1H FY2024 to S\$10.0 million in 1H FY2025 as shown in **Exhibit 35**, in line with a more-than-proportional rise in administrative expenses, other operating expenses, and finance costs.

Income tax expense:

Income tax expense fell by 35.8% from S\$1.2 million in 1H FY2024 to S\$0.8 million in 1H FY2025 as shown in **Exhibit 35**, generally in line with the fall in profit before income tax.

In its financial statement for 2H FY2023, MPML noted that there “was an under provision of income tax expense amounting to S\$1.1 million in respect of prior years.” Accordingly, MPML’s effective tax rate in 1H FY2023 (17.9%) and 2H FY2023 (18.3%) was higher than those in other semi-annual periods from 1H FY2022 to 1H FY2025 as shown in **Exhibit 35**.

Exhibit 35: Income Tax Expense (1H FY2022 to 1H FY2025)

(in S\$ '000)	Actual / Estimate						
	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Income tax expense	(761)	(621)	(1,185)	(3,646)	(1,044)	(376)	(850)
Profit before income tax	9,956	12,523	13,190	23,593	6,878	11,660	11,592
Effective tax rate	7.6%	5.0%	9.0%	15.5%	15.2%	3.2%	7.3%

Source: MPML’s financial statements, FPA

Profit for the period & attributable to equity holders of the Company:

After deducting income tax expense from profit before income tax, profit for the period fell by 23.4% from S\$12.0 million in 1H FY2024 to S\$9.2 million in 1H FY2025.

After deducting profit attributable to Non-Controlling Interests (“NCI”), profit attributable to equity holders of the Company fell by 3.4% from S\$11.0 million in 1H FY2024 to S\$10.6 million in 1H FY2025.

Earnings Per Share (“EPS”):

The weighted number of shares in issue (basic & diluted) remained the same in 1H FY2024 & 1H FY2025. Thus, basic & diluted EPS (cents) fell by 3.4% from 0.29 in 1H FY2024 to 0.28 in 1H FY2025.

Dividend Per Share (“DPS”):

MPML did not declare any dividend for 1H FY2024 nor 1H FY2025. However, MPML declared DPS (cents) of 0.1 for FY2023 & FY2024.

MPML's financial performance for 1H FY2024 & 1H FY2025 is summarised in **Exhibit 36**.

Exhibit 36: Financial Performance (1H FY2024 & 1H FY2025)

(in S\$ '000)	Actual		1H FY2025 vs 1H FY2024	
	1H FY2025 (ended 31 Mar)	1H FY2024 (ended 31 Mar)	Absolute Change	Change (%)
Ship building & repair	19,768	27,036	(7,268)	(26.9%)
Sales of goods	962	1,671	(709)	(42.4%)
Ship chartering services	31,958	32,864	(906)	(2.8%)
Revenue	52,688	61,571	(8,883)	(14.4%)
Cost of sales	(31,061)	(39,350)	8,289	(21.1%)
Gross profit	21,627	22,221	(594)	(2.7%)
Other operating income	2,209	2,472	(263)	(10.6%)
Administrative expenses	(9,006)	(8,197)	(809)	9.9%
Other operating expenses	(4,167)	(3,272)	(895)	27.4%
Profit from operations	10,663	13,224	(2,561)	(19.4%)
Finance costs	(793)	(120)	(673)	560.8%
Share of profits in joint ventures	86	86	-	-
Profit before income tax	9,956	13,190	(3,234)	(24.5%)
Income tax expense	(761)	(1,185)	424	(35.8%)
Profit for the period	9,195	12,005	(2,810)	(23.4%)
Attributable to:				
Owners of the Company	10,642	11,021	(379)	(3.4%)
Non-Controlling Interest ("NCI")	(1,447)	984	(2,431)	(247.1%)
Profit for the period	9,195	12,005	(2,810)	(23.4%)
Weighted number of shares in issue (basic & diluted; '000)	3,757,850	3,757,850	-	-
Earnings Per Share (basic & diluted "EPS")	0.28	0.29	(0.01)	(3.4%)

Source: MPML's financial statements, FPA

FINANCIAL PROJECTIONS

(I) REVENUE PROJECTION

Ship building:

In the financial statements for 1H FY2024 & 2H FY2024, MPML noted that ship building activities were “expected to continue their momentum in relation to the construction of barges with progressive deliveries up to 1HFY2025.” Thus, we note that ship building revenue may have remained stable from 1H FY2024 to 1H FY2025.

MPML began construction of the barges in 1H FY2023. In its financial statement for 1H FY2023, MPML noted that it “managed to clinch several new build contracts for the construction of barges”. Accordingly, ship building revenue rose by 553.3% from S\$2.4 million in FY2022 to S\$15.8 million in FY2023. MPML’s ship building revenue in FY2022 was lower than in FY2023 as it may have been working on fewer shipbuilding projects. MPML was building smart fish farms in FY2022 (and FY2021).

As MPML may have started constructing the barges around the mid of 1H FY2023, we assume that MPML maintained the same pace of barge construction only from 2H FY2023 to 1H FY2025. Accordingly, we assume that MPML recognised the same ship building revenue from 2H FY2023 to 1H FY2025 (we assume no seasonality in MPML’s ship building revenue as MPML noted in its ARs for FY2023 & FY2024 that ship building revenue is measured by “progress towards complete satisfaction of the service” instead of directly by the number or contract value of project(s) secured in the period).

MPML’s ship building revenue in FY2024 was S\$18.8 million. Thus, we assume that ship building revenue was S\$9.4 million in 1H & 2H FY2024. As we assume that ship building revenue will be the same from 2H FY2023 to 1H FY2025, we likewise assume that ship building revenue in 2H FY2023 & 1H FY2025 was S\$9.4 million.

MPML noted in the financial statement for 1H FY2025 that “shipbuilding activities are expected to moderate, with momentum slowing as progressive deliveries are completed in 2HFY2025.” We assume that MPML will complete its “progressive deliveries” in mid-2H FY2025. Thus, we project ship building revenue in 2H FY2025 to be S\$4.7 million, or half of the assumed ship building revenue in 1H FY2025, such that ship building revenue in FY2025 will be S\$14.1 million.

There may be little indication of: (1) whether MPML will secure ship building project(s) in FY2026; and (2) what the contract value of the project(s) will be if MPML secures ship building project(s) for FY2026. Thus, we assume that ship building revenue in FY2026 will be S\$14.1 million (or S\$7.1 million each in 1H & 2H FY2026), the same as projected for FY2025.

Ship repair:

In November 2024, MPML noted that “one of the three docks was allocated exclusively to the CSOV construction from May to August 2024, effectively reducing the Group’s capacity for revenue-generating ship repair projects.” MPML separately disclosed in December 2024 that the utilisation rate of the shipyard was 91% in FY2024 (and 85% in FY2023).

Given that MPML disclosed in May 2025 that the shipyard utilisation rate was 89% in 1H FY2024 (78% in 1H FY2025), we estimate that the shipyard utilisation rate was 93% in 2H FY2024 (FY2024 utilisation of 91% × 2 – 1H FY2024 utilisation of 89%).

MPML also noted separately in May 2025 that the shipyard utilisation of 78% in 1H FY2025 pertained only to ship repair. Thus, past shipyard utilisation figures may relate only to available shipyard capacity used for ship repair. As one of MPML’s three drydocks was “allocated exclusively to the CSOV construction from May to August 2024” (i.e., around half of 2H FY2024), we estimate that the utilisation rate of MPML’s three drydocks (for ship repair) was 78% in 1H FY2024 instead:

Shipyard utilisation (ship repair only) in 1H FY2024

$$\begin{aligned}
 &= \frac{\text{Months (May 2024 to Aug 2024)}}{\text{Months (Apr 2024 to Sep 2024)}} \times \left(93\% \times \frac{2 \text{ drydocks for ship repair}}{3 \text{ drydocks in total}} \right) \\
 &\quad + \frac{\text{Months (Apr 2024 to Sep 2024)} - \text{Months (May 2024 to Aug 2024)}}{\text{Months (Apr 2024 to Sep 2024)}} \times \left(93\% \times \frac{3 \text{ drydocks for ship repair}}{3 \text{ drydocks in total}} \right) \\
 &= \frac{3 \text{ months}}{6 \text{ months}} \times \left(93\% \times \frac{2 \text{ drydocks for ship repair}}{3 \text{ drydocks in total}} \right) + \frac{6 \text{ months} - 3 \text{ months}}{6 \text{ months}} \times \left(93\% \times \frac{3 \text{ drydocks for ship repair}}{3 \text{ drydocks in total}} \right) \\
 &= 78\% \text{ (rounded from 77.5\%)}
 \end{aligned}$$

Thereafter, we also collate the shipyard utilisation rate (for ship repair) from 1H FY2022 to 2H FY2024 as shown in **Exhibit 37**.

By deducting our estimated ship building revenue from the ship building & repair revenue for each period, we estimate the ship repair revenue from 1H FY2022 to 1H FY2025 as also shown in **Exhibit 37**.

By dividing the estimated ship repair revenue over the shipyard utilisation rate (for ship repair) for each period, we estimate the semi-annualised contract value that MPML secured from 1H FY2022 to 1H FY2025. We note that the semi-annualised contract value that MPML secured rose from S\$17.6 million in 1H FY2022 to S\$29.9 million in 1H FY2023, before falling to S\$13.3 million in 1H FY2025. Accordingly, we assume that the semi-annualised contract value that MPML will secure from 2H FY2025 to 2H FY2026 will be S\$13.3 million, the same as in 1H FY2025, should there be no change in MPML’s shipyard capacity.

However, in May 2025, MPML noted that the “expected completion of the fourth drydock in May 2025 is anticipated to support ship repair revenue growth from 2HFY2025, though the full impact will be more visible in FY2026.” In September 2023, MPML noted that the completion of Dry Dock 4 would “increase repair capacity by up to 25%”. We assume that: (1) the fourth drydock was completed at end of May 2025 (second month of 2H FY2025); (2) the completion of the fourth drydock increased MPML’s shipyard capacity (for ship repair) by 25%; and (3) an increase in shipyard capacity will lead to a proportional rise in the semi-annualised contract value that MPML can secure, such that the completion of the fourth drydock will start contributing to MPML’s ship repair revenue from start of June 2025 (third month of 2H FY2025). Accordingly, we project that the semi-annualised contract value that MPML will secure will rise by 16.7% $\left(25\% \times \frac{\text{Months (Jun 2025 to Sep 2025)}}{\text{Months (Mar 2025 to Sep 2025)}} \right)$ from 1H FY2025 to 2H FY2025, and rise by 25% from 1H FY2025 to 1H FY2026. Thereafter, we assume no further expansion of shipyard capacity after 2H FY2025 such that the semi-annualised contract value that MPML will secure will stay the same in 1H & 2H FY2026.

We assume too that the utilisation of the shipyard (for ship repair) from 2H FY2025 to 2H FY2026 will be 83%, the average from 1H FY2022 to 1H FY2025. Thus, by multiplying the semi-annualised contract value with the utilisation rate of the shipyard (for ship repair) for each period, we project that ship repair revenue will be S\$12.8 million in 2H FY2025 (S\$23.2 million in FY2025), and S\$13.8 million in 1H & 2H FY2026 (S\$27.5 million in FY2026) as shown in **Exhibit 37**.

Accordingly, we project that ship building & repair revenue will be S\$17.5 million in 2H FY2025 (S\$31.3 million in FY2025) and S\$20.8 million in 1H & 2H FY2026 (S\$41.6 million in FY2026) as shown in **Exhibit 37**.

Exhibit 37: Projected Ship Building & Repair Revenue (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual / Estimate						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
(Est.) Ship building	7,063	7,063	4,709	9,417	9,417	9,417	9,417	6,419	504	1,921
(Est.) Ship repair	13,756	13,756	12,839	10,351	12,099	17,619	19,124	23,614	22,760	14,415
Ship building & repair revenue	20,819	20,819	17,548	19,768	21,516	27,036	28,541	30,033	23,263	16,335
Estimating utilisation rates in 2H:										
Utilisation rate (semi-annual; actual <u>underlined</u>)	83%	83%	83%	<u>78%</u>	78%	<u>89%</u>	89%	<u>79%</u>	86%	<u>82%</u>
Utilisation rate (annual; actual <u>underlined</u>)	83%		80%		<u>91%</u>		<u>84%</u>		84%	
Projecting ship repair revenue:										
(Est.) Ship repair revenue	13,756	13,756	12,839	10,351	12,099	17,619	19,124	23,614	22,760	14,415
(Divided by) Utilisation rate	83%	83%	83%	78%	78%	89%	89%	79%	86%	82%
Semi-annualised contract value	16,588	16,588	15,482	13,271	15,612	19,797	21,488	29,891	26,465	17,579

Source: MPML's financial statements, presentations, and media releases, FPA

Sales of goods:

Sales of goods as a percentage of ship building & repair revenue averaged 5.1% from 1H FY2022 to 1H FY2025. We assume that the percentage will stay at 5.1% from 2H FY2025 to 2H FY2026, thus project that sales of goods will be S\$0.9 million in 2H FY2025 (S\$1.9 million in FY2025) and S\$1.1 million in 1H & 2H FY2026 (S\$2.1 million in FY2026) as shown in **Exhibit 38**.

Exhibit 38: Projected Sales of Goods (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual / Estimate						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Sales of goods	1,061	1,061	894	962	1,376	1,671	1,281	1,379	1,059	752
Ship building & repair revenue	20,819	20,819	17,548	19,768	21,516	27,036	28,541	30,033	23,263	16,335
Sales of goods as % of ship building & repair revenue	5.1%	5.1%	5.1%	4.9%	6.4%	6.2%	4.5%	4.6%	4.6%	4.6%

Source: MPML's financial statements, presentations, and media releases, FPA

Ship chartering:

To project ship chartering revenue, we project separately MPML's revenue from the chartering of: (1) tugs & barges; (2) the current fleet of OSVs & CTVs; (3) the new CSOV, MP Wind Archer; and (4) the three new CTVs¹.

Ship chartering – tugs & barges:

We assume that MPML chartered its tugs & barges only to Singapore-based customers from 1H FY2022 to 1H FY2025, such that it earned ship chartering revenue from tugs & barges only from Singapore-based customers in the same period². By dividing the ship chartering revenue by the number of tugs & barges operated by MPML for each period, we estimate the ship chartering revenue from each tug or barge that MPML operated for each period from 1H FY2022 to 1H FY2025.

We assume that the ship chartering revenue that MPML earns from each tug or barge it operates will be S\$0.2 million from 2H FY2025 to 2H FY2026, the average from 1H FY2022 to 1H FY2025. We also assume that MPML will dispose one (1) tug or barge for each semi-annual period from 1H FY2025 to 2H FY2026, as the number of tugs & barges that MPML operated had been falling from 24 in 1H FY2022 to 14 in 1H FY2025.

Thus, we project that MPML's ship chartering revenue from the chartering of tugs & barges (to Singapore-based customers) will be S\$2.0 million in 2H FY2025 (S\$4.9 million in FY2025), S\$1.8 million in 1H FY2026, and S\$1.7 million in 2H FY2026 (S\$3.5 million in FY2026) as shown in **Exhibit 39**.

Exhibit 39: Projected Ship Chartering Revenue from Tugs & Barges (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Singapore ship chartering revenue	1,693	1,847	2,001	2,944	2,198	2,432	2,556	2,173	2,495	4,656
÷ No. of tugs & barges	11	12	13	14	14	16	18	21	21	24
S. C. revenue per tug or barge	154	154	154	210	157	152	142	103	119	194

Source: MPML's financial statements & presentations, FPA

¹ MPML noted in May 2025 that "With the commencement of the Group's CSOV and its three new CTVs in Taiwan in 3QFY2025, these vessels are expected to contribute to the Group's revenue, with more pronounced benefits materializing in FY2026." Based on MPML's remark, we note that the new CSOV and three CTVs are expected to contribute to MPML's revenue only from 3Q FY2025. Thus, we exclude the three new CTVs from MPML's current fleet of OSVs & CTVs when projecting MPML's ship chartering revenue.

² The assumption may not hold true as: (1) BBR sold two sets of tugs & barges (a set comprises a tug & a barge) and a barge in January 2023 (mid of 1H FY2023); and (2) MPML announced in March 2022 that it acquired a majority stake in BBR, such that MPML would have recognised BBR's revenue from tugs & barges from around March 2022 to point of sale (January 2023). However, our projection for ship chartering revenue from MPML's tugs & barges may still be valid as: (1) BBR noted in its AR for the financial year ended 31 December 2022 that its fleet "operated in Indonesia, Malaysia and Thailand" (i.e., not in Singapore); and (2) MPML noted in both its presentations for 2H FY2022 (before BBR's sale of tugs & barges) and 1H FY2023 (after BBR's sale) that it operated "21 Tugs and Barges", which suggests that MPML did not include BBR's tugs & barges when noting the number of tugs & barges it operated.

Ship chartering – current fleet of OSVs & CTVs:

In May 2025, MPML noted that “the OSV market remains stable, supported by demand from offshore wind farms and the oil and gas industries.” However, Clarksons noted in July 2025 that the “immediate outlook is one of demand side softness,” although “there is better sentiment for 2H 2026 and 2027” (page 21). Thus, we note that OSV demand may fall slightly from 1H FY2025 (ended March 2025) to mid-1H FY2026 (ended June 2026), before improving in 2H FY2026.

Clarksons added too in July 2025 that “Newbuilding activity is still moderate or limited, with challenges in securing finance, high newbuild pricing and uncertainty surrounding technology/design.” Thus, we note that OSV supply may remain stable from 1H FY2025 to 2H FY2026.

Accordingly, we assume that MPML’s average charter rates (1Q FY2020 = 100) will fall from 208 in 1H FY2025 (as estimated by us in **Exhibit 24** on page 31) to 200 in 2H FY2025 & 1H FY2026. Thereafter, we assume that MPML’s average charter rates will rise to 237 in 2H FY2026, the same as in 2H FY2024.

MPML’s average utilisation rates tended to be higher in 2H than 1H of each financial year from 1H FY2022 to 1H FY2025. Thus, we assume that MPML’s average utilisation rates in 2H FY2025 & 2H FY2026 will be 77%, the same as in 2H FY2024. We also assume that MPML’s average utilisation rates in 1H FY2026 will be 68%, the same as in 1H FY2025.

By multiplying the assumed average charter rates & average utilisation rates for each period, we project MPML’s effective charter rates for each period from 2H FY2025 to 2H FY2026. We also assume that MPML’s ship chartering revenue from its current fleet of OSVs & CTVs¹ (as well as from the re-chartering of third-party vessels) from 2H FY2025 to 2H FY2026 will change proportionally to the change in MPML’s effective charter rates for each respective period.

Thus, we project that MPML’s ship chartering revenue from its current fleet of OSVs & CTVs will be S\$31.6 million in 2H FY2025 (S\$60.6 million in FY2025), S\$27.9 million in 1H FY2026, and S\$37.4 million in 2H FY2026 (S\$65.3 million in FY2026) as follows:

Ship chartering (“S. C.”) revenue (OSVs & CTVs) in 2H FY2025	= S. C. revenue (OSVs & CTVs) in 1H FY2025
	$\times \frac{\text{Effective charter rate in 2H FY2025 (1Q FY2020 = 100)}}{\text{Effective charter rate in 1H FY2025 (1Q FY2020 = 100)}}$
	= S\$29.0 million $\times \frac{154}{141}$ = S\$31.6 million
S. C. revenue (OSVs & CTVs) in 1H FY2026	= S. C. revenue (OSVs & CTVs) in 2H FY2025
	$\times \frac{\text{Effective charter rate in 1H FY2026 (1Q FY2020 = 100)}}{\text{Effective charter rate in 2H FY2025 (1Q FY2020 = 100)}}$
	= S\$31.6 million $\times \frac{136}{154}$ = S\$27.9 million
S. C. revenue (OSVs & CTVs) in 2H FY2026	= S. C. revenue (OSVs & CTVs) in 1H FY2026
	$\times \frac{\text{Effective charter rate in 2H FY2026 (1Q FY2020 = 100)}}{\text{Effective charter rate in 1H FY2026 (1Q FY2020 = 100)}}$
	= S\$27.9 million $\times \frac{182}{136}$ = S\$37.4 million

¹ Excludes the three CTVs that PKR acquired in FY2024 & FY2025.

Our projected ship chartering revenue from MPML's current fleet of OSVs & CTVs are shown in **Exhibit 40**.

Exhibit 40: Projected Ship Chartering Revenue from Current Fleet of OSVs & CTVs (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
(Est.) Average charter rates (1Q FY2020 = 100)	237	200	200	208	237	216	214	186	187	119
(Est.) Average utilisation rates	77%	68%	77%	68%	77%	60%	94%	65%	83%	57%
Effective charter rates	182	136	154	141	182	130	200	120	155	68
Effective charter rates (previous period)	136	154	141	182	130	200	120	155	68	77
Change in effective charter rates (%)	33.9%	(11.7%)	8.9%	(22.3%)	40.5%	(35.1%)	66.8%	(22.7%)	129.2%	(12.7%)
Ship chartering revenue from current OSVs & CTVs	37,356	27,898	31,590	29,014	36,869	30,432	38,803	22,360	31,636	5,899
S. C. revenue from current OSVs & CTVs (prev. period)	27,898	31,590	29,014	36,869	30,432	38,803	22,360	31,636	5,899	(3,389)
Change in S. C. revenue from current OSVs & CTVs (%)	33.9%	(11.7%)	8.9%	(21.3%)	21.2%	(21.6%)	73.5%	(29.3%)	436.3%	(274.1%)

Source: MPML's financial statements & presentations, FPA

Ship chartering – new CSOV:

In April 2025, MPML announced that its CSOV, MP Wind Archer, “has commenced its maiden charter to Siemens Gamesa Renewable Energy (SGRE) for offshore wind commissioning works in the Hailong Wind Farm project from mid-April through August 2025, with an option to extend till end of September 2025.”

MPML also announced in November 2023 that PKR signed a 3-Year Framework Agreement with Vestas. Under the agreement, MPML’s CSOV “will be deployed across various offshore wind farms in the Asia Pacific region over three years, based on a minimum utilisation commitment per annum.”

Thus, we note that MPML’s CSOV, MP Wind Archer, is expected to be on a shorter-term charter to SGRE from mid-April 2025 to August or September 2025 (i.e., 2H FY2025). Thereafter, it may embark on a longer-term charter to Vestas.

As CBM.TECH noted in February 2025 that the CSOV rate was US\$50,960 in the three months ended 31 December 2024, we assume that MPML will secure a CSOV short-term charter rate of US\$50,960 per day in 2H FY2025.

GWEC indicated in July 2025 that Taiwanese offshore wind capacity is expected to rise by 1.2 GW in 2025 and 1.0 GW in 2026 (as shown in **Exhibit 12** on page 20). IWS also noted in May 2025 that “the demand for service vessels is expected to increase in the coming years” with “an increasing number of offshore wind projects which grows in both size and complexity”. However, we assume that MPML’s day rate will stay at US\$50,960 in 1H & 2H FY2026 should it charter its CSOV only on a short-term basis, as IWS noted too that a “significant number of newbuildings will enter the market in 2025 and 2026, which may impact the competitive landscape for vessel owners in the short term.”

MPML’s CSOV may embark on a longer-term charter after 2H FY2025 though. Based on Edda Wind’s indications (as shown in **Exhibit 16** on page 23), we note that the “2-3 years” CSOV day rate was about 22% lower than the “3-9 months” rate in the European market. Thus, we assume that MPML’s CSOV day rate will fall by 22% to US\$39,049 in 1H & 2H FY2026.

We assume too that:

- the USD-to-SGD exchange rate will remain at 1.2794 as at 11 July 2025, as obtained from Yahoo! Finance
- the CSOV will be chartered for 4.5 (out of six) months in 2H FY2025 (mid-April 2025 to August 2025) such that the CSOV’s utilisation rate will be 75% in 2H FY2025
- the CSOV’s utilisation rate will remain at 75% in 1H & 2H FY2026.

Thus, we project that the ship chartering revenue from MPML’s new CSOV will be S\$8.9 million in 2H FY2025 (& FY2025), S\$6.9 million in 1H FY2026, and S\$7.0 million in 2H FY2026 (S\$13.9 million in FY2026) as shown in **Exhibit 41**.

Exhibit 41: Projected Ship Chartering Revenue from New CSOV (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Projecting revenue from the new CSOV:										
CSOV day rate (USD)	50,960	50,960	50,960	n.a.						
* adjustment for longer-term time charter	78%	78%	100%	n.a.						
CSOV day rate for longer-term charter (USD)	39,749	39,749	50,960	n.a.						
* USD-to-SGD exchange rate	1.2794	1.2794	1.2794	n.a.						
* number of new CSOV	1	1	1	n.a.						
* days in operation (assuming 100% utilisation)	183	182	183	n.a.						
* utilisation rate	75%	75%	75%	n.a.						
Ship chartering revenue from new CSOV	6,980	6,942	8,948	-	-	-	-	-	-	-

n.a. = not applicable.

Source: MPML’s financial statements & presentations, I4C Offshore (cited by CBM.TECH), Clarksons (cited by CBM.TECH & Edda Wind), Yahoo! Finance, FPA

Ship chartering – new CTVs:

MPML announced in March 2024 that PKR “secured the Asia-Pacific Crew Transfer Vessel (“CTV”) framework agreement with Siemens Gamesa for projects spanning Taiwan and Korea.” MPML noted that the agreement would be “effective from 2024 to 2026, with an option to extend to 2030”. MPML added that under the agreement, “maiden CTV charter in Korea will commence in 4Q FY2024 and mark the Group’s successful entry into a new market.”

However, MPML noted in May 2025 that “the Group’s CSOV and its three new CTVs” were expected to be deployed to Taiwan in 3Q FY2025. Thus, we assume that the three new CTVs will be deployed only in 3Q FY2025.

As CBM.TECH noted in February 2025 that the 24 pax CTV rate was US\$4,056 per day in November 2024, we assume that MPML will secure a day rate of US\$4,056 for its new CTVs in 2H FY2025. We also assume that the day rate will remain at US\$4,056 in 1H & 2H FY2026.

We assume too that:

- the USD-to-SGD exchange rate will remain at 1.2794 as at 11 July 2025, as obtained from Yahoo! Finance
- the CTVs’ utilisation rate from 2H FY2025 to 2H FY2026 will remain at 75%, the same as that of the new CSOV

Thus, we project that the ship chartering revenue from MPML’s new CTVs will be S\$2.1 million in 2H FY2025 (& FY2025), S\$2.1 million in 1H FY2026, and S\$2.1 million in 2H FY2026 (S\$4.3 million in FY2026) as shown in **Exhibit 42**.

Accordingly, we project that ship chartering revenue will rise to S\$44.7 million in 2H FY2025 (S\$76.6 million in FY2025), S\$38.8 million in 1H FY2026, and S\$48.2 million in 2H FY2026 (S\$87.0 million in FY2026) as shown in **Exhibit 43**.

Exhibit 42: Projected Ship Chartering Revenue from New CTVs (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
24 pax CTV day rate (USD)	4,056	4,056	4,056	n.a.						
* USD-to-SGD exchange rate	1.2794	1.2794	1.2794	n.a.						
* number of new CTVs	3	3	3	n.a.						
* days in operation (assuming 100% utilisation)	183	182	183	n.a.						
* utilisation rate	75%	75%	75%	n.a.						
Revenue from new CTVs	2,137	2,125	2,137	-	-	-	-	-	-	-

n.a. = not applicable.

Source: MPML’s financial statements & presentations, I4C Offshore (cited by CBM.TECH), Clarksons (cited by CBM.TECH), Yahoo! Finance, FPA

Exhibit 43: Projected Ship Chartering Revenue (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual / Estimate						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Tugs & barges	1,693	1,847	2,001	2,944	2,198	2,432	2,556	2,173	2,495	4,656
Current OSVs & CTVs	37,356	27,898	31,590	29,014	36,869	30,432	38,803	22,360	31,636	5,899
New CSOV	6,980	6,942	8,948	-	-	-	-	-	-	-
New CTVs (24 pax)	2,137	2,125	2,137	-	-	-	-	-	-	-
Ship chartering revenue	48,166	38,812	44,677	31,958	39,067	32,864	41,359	24,533	34,131	10,555

Source: MPML’s financial statements & presentations, I4C Offshore (cited by CBM.TECH), Clarksons (cited by CBM.TECH & Edda Wind), Yahoo! Finance, FPA

Overall revenue:

Overall, we project that MPML's revenue will be S\$63.1 million in 2H FY2025 (S\$115.8 million in FY2025), S\$60.7 million in 1H FY2026, and S\$70.0 million in 2H FY2026 (S\$130.7 million in FY2026) as shown in **Exhibit 44**.

Exhibit 44: Projected Revenue (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual / Estimate						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Ship building & repair revenue	20,819	20,819	17,548	19,768	21,516	27,036	28,541	30,033	23,263	16,335
Sales of goods	1,061	1,061	894	962	1,376	1,671	1,281	1,379	1,059	752
Ship chartering revenue	48,166	38,812	44,677	31,958	39,067	32,864	41,359	24,533	34,131	10,555
Revenue	70,046	60,692	63,119	52,688	61,959	61,571	71,181	55,945	58,453	27,642
(Est.) Ship building	7,063	7,063	4,709	9,417	9,417	9,417	9,417	6,419	504	1,921
(Est.) Ship repair	13,756	13,756	12,839	10,351	12,099	17,619	19,124	23,614	22,760	14,415
Ship building & repair revenue	20,819	20,819	17,548	19,768	21,516	27,036	28,541	30,033	23,263	16,335
Tugs & barges	1,693	1,847	2,001	2,944	2,198	2,432	2,556	2,173	2,495	4,656
Current OSVs & CTVs	37,356	27,898	31,590	29,014	36,869	30,432	38,803	22,360	31,636	5,899
New CSOV	6,980	6,942	8,948	-	-	-	-	-	-	-
New CTVs (24 pax)	2,137	2,125	2,137	-	-	-	-	-	-	-
Ship chartering revenue	48,166	38,812	44,677	31,958	39,067	32,864	41,359	24,533	34,131	10,555

Source: MPML's financial statements & presentations, I4C Offshore (cited by CBM.TECH), Clarksons (cited by CBM.TECH & Edda Wind), Yahoo! Finance, FPA

(II) GROSS PROFIT PROJECTION

Based on our projections, we note that ship chartering revenue as a percentage of overall revenue is expected to be 70.8% in 2H FY2025, 63.9% in 1H FY2026, and 68.8% in 2H FY2026 as shown in **Exhibit 45**. We assume that gross margin from 2H FY2025 to 2H FY2026 will rise or fall in line with the change in ship chartering revenue as a percentage of overall revenue. Thus, we project that MPML's gross margin will be 47.8% in 2H FY2025, 43.2% in 1H FY2026, and 46.5% in 2H FY2026.

Accordingly, we project that gross profit will be S\$30.2 million in 2H FY2025, S\$26.2 million in 1H FY2026, and S\$32.6 million in 2H FY2026 as shown in **Exhibit 45**.

We also include a comparison of MPML's gross margin and its ship chartering revenue as a percentage of overall revenue as shown in **Exhibit 46**.

Exhibit 45: Projected Gross Profit & Gross Margin (2H FY2025 to 2H FY2026)

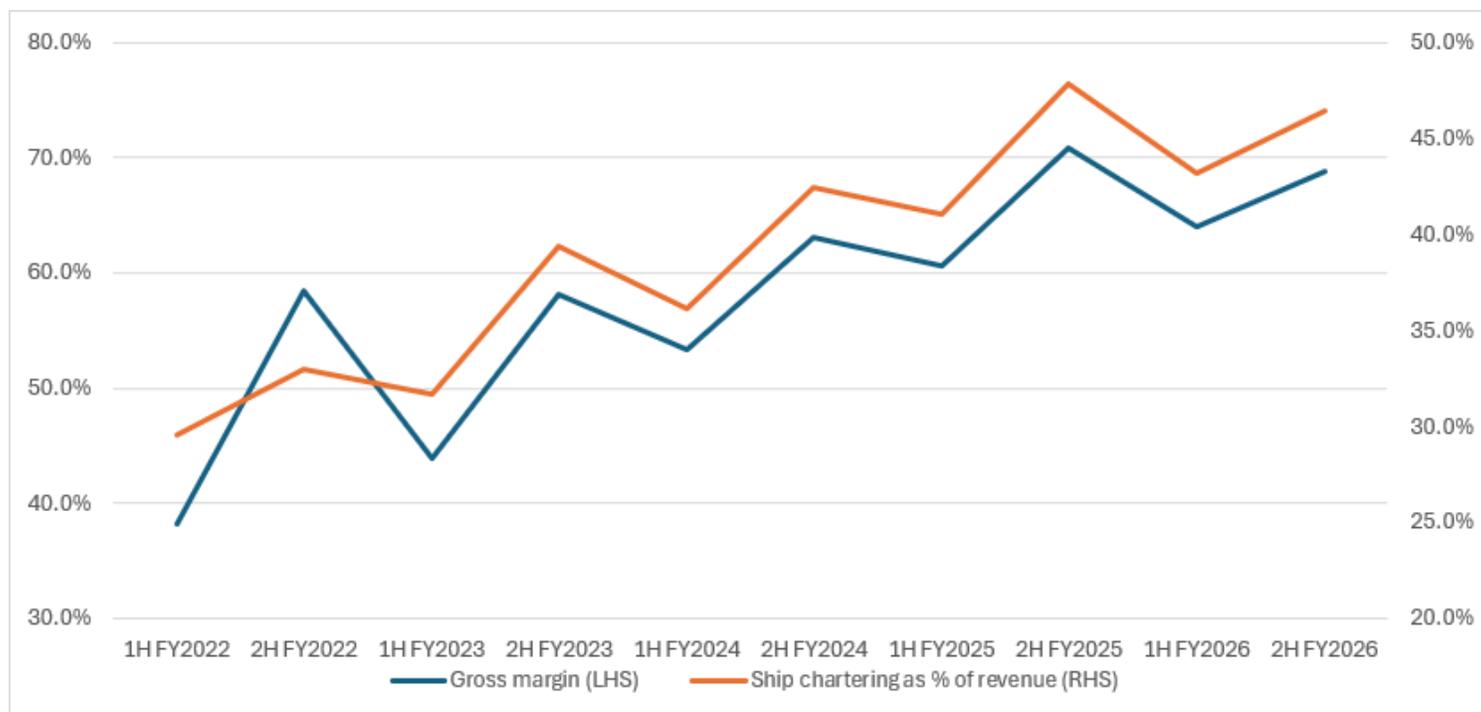
(in S\$ '000)	Projection			Actual / Estimate						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Gross profit	32,560	26,237	30,202	21,627	26,294	22,221	28,045	17,696	19,300	8,178
Revenue	70,046	60,692	63,119	52,688	61,959	61,571	71,181	55,945	58,453	27,642
Gross margin	46.5%	43.2%	47.8%	41.0%	42.4%	36.1%	39.4%	31.6%	33.0%	29.6%
Ship building & repair revenue	20,819	20,819	17,548	19,768	21,516	27,036	28,541	30,033	23,263	16,335
Sales of goods	1,061	1,061	894	962	1,376	1,671	1,281	1,379	1,059	752
Ship chartering revenue	48,166	38,812	44,677	31,958	39,067	32,864	41,359	24,533	34,131	10,555
Revenue	70,046	60,692	63,119	52,688	61,959	61,571	71,181	55,945	58,453	27,642

As % of revenue:

Ship chartering revenue	68.8%	63.9%	70.8%	60.7%	63.1%	53.4%	58.1%	43.9%	58.4%	38.2%
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Source: MPML's financial statements, FPA

Exhibit 46: Projected Gross Margin vs Ship Chartering as Percentage of Overall Revenue (2H FY2025 to 2H FY2026)



Source: MPML's financial statements, FPA

(III) EARNINGS PROJECTION**Other operating income:**

MPML noted in May 2025 that there was “an increase in foreign exchange gain by S\$1.0 million” in 1H FY2025. We assume no further foreign exchange gain or loss in FY2025 & FY2026, such that foreign exchange gain will be S\$1.0 million in FY2025 and nil in FY2026.

MPML also noted that there was a “reduction in gain on disposal of property, plant and equipment by S\$0.7 million,” and “interest income by S\$0.4 million”. Accordingly, we assume no gain on disposal of property, plant & equipment in FY2025 & FY2026 despite expecting that MPML will continue disposing its tugs & barges from 2H FY2025 to 2H FY2026. We also assume that interest income on bank balances & fixed deposits will fall by S\$0.4 million from S\$2.0 million in FY2024 to S\$1.6 million in FY2025 & FY2026 (e.g., due to a fall in fixed deposits).

MPML noted too that sale of scrap material fell by S\$0.2 million from 1H FY2024 to 1H FY2025. However, we note that the fall in sale of scrap material may have been in line with ship building & repair revenue falling by 26.9% in the same period. Thus, we assume instead that sale of scrap material as a percentage of ship building & repair revenue in FY2025 & FY2026 will be 2.2%, the average from FY2022 to FY2024. Thus, we project sale of scrap material to be S\$0.8 million (2.2% of S\$37.3 million) in FY2025 and S\$0.8 million (2.2% of S\$37.7 million) in FY2026.

MPML noted in its AR for FY2024 that the interest from loan to a joint venture is charged “at 3% per annum over 1-month SOFR (2023: 1-month SOFR) on monthly basis.” After FY2024, the U.S. Federal Reserve lowered the target federal funds range from 4.75–5.00% at end-FY2024 to 4.25–4.50% as at end-1H FY2025. We expect that the SOFR rate in FY2025 & FY2026 will thus fall from its FY2024 level, especially if the U.S. Federal Reserve continues to lower the target federal funds range. Accordingly, we project that interest income from loan to a joint venture will fall in FY2025 and in FY2026.

Government grant income fell from S\$70,000 in FY2022 to S\$25,000 in FY2024. We assume that government grant income in FY2025 & FY2026 will be S\$25,000, the same as in FY2024. Sundry income generally fell from S\$0.2 million in FY2022 to S\$0.1 million in FY2024. We assume that sundry income in FY2025 & FY2026 will remain the same as in FY2024. We also assume no bad debts recovered nor insurance claim income in FY2025 & FY2026.

Accordingly, we project that other operating income will be S\$4.0 million in FY2025 and S\$3.0 million in FY2026 as shown in **Exhibit 47**.

Exhibit 47: Projected Other Operating Income (FY2025 & FY2026)

(in S\$ '000)	Projection		Actual		
	FY2026	FY2025	FY2024	FY2023	FY2022
Bad debts recovered	-	-	17	272	249
Foreign exchange gain	-	1,000	-	-	717
Gain on disposal of PP&E, net	-	-	1,724	1,027	985
Gain on acquisition of debt	-	-	-	-	-
Gain on bargain purchase	-	-	-	-	612
Gain on remeasurement of previously held equity interest	-	-	-	-	5,172
Government grant income	25	25	25	26	70
Interest income on bank balances & fixed deposits	1,623	1,623	2,023	1,225	140
Interest income from loan to a joint venture	480	500	532	590	552
Sales of scrap metals	815	805	875	913	518
Sundry income	77	77	77	65	176
Insurance claim income	-	-	1,050	661	-
Other operating income	3,020	4,030	6,323	4,779	9,191
Sales of scrap metals	815	805	875	913	518
Ship building & repair	37,746	37,316	29,718	42,738	37,174
Sales of scrap metals as % of ship building & repair	2.2%	2.2%	2.9%	2.1%	1.4%

Source: MPML's ARs, FPA

Administrative expenses:

Administrative expenses as a percentage of revenue fluctuated between 7.3% (2H FY2023) and 17.1% (1H FY2025) from 1H FY2022 to 1H FY2025 as shown in **Exhibit 48**.

In May 2024, MPML noted that administrative expenses rose to S\$8.2 million in 1H FY2024 “mainly due to a rise in staff costs by S\$2.6 million, which resulted from an increase in performance based bonus payouts (with reference to prior year’s performance) of S\$2.0 million and a rise in salaries of S\$0.6 million from the increase in staff headcount across the Group.”

Administrative expenses rose to S\$9.0 million in 1H FY2025. In May 2025, MPML noted that the increase “was primarily attributed to an increase in staff costs by S\$0.4 million, mainly due to an increase in overall headcount and wages across the Group.” MPML added that “there was a share option expenses of S\$0.3 million recognized in 1HFY2025 from the granting of options to employees of the Group and there were no such expenses in 1HFY2024.”

Based on MPML’s comments, we note that: (1) administrative expenses are likely to rise in FY2025 & FY2026 should MPML continue to increase its overall headcount & wages; and (2) MPML may grant performance based bonuses in 1H of each year, such that administrative expenses may be higher in 1H than 2H of each financial year.

Accordingly, we project that administrative expenses as a percentage of revenue in 2H FY2025 & 2H FY2026 will be 12.4%, the average from 1H FY2022 to 1H FY2025. Administrative expenses would thus rise from S\$6.4 million in 2H FY2024 to S\$7.9 million in 2H FY2025 and to S\$8.7 million in 2H FY2026, in line with an increase in headcount & wages.

We also project that administrative expenses in 1H FY2026 will be S\$8.6 million (higher than in 2H FY2025), the average of that in 1H FY2024 & 1H FY2025, as performance based bonuses may be paid out in 1H FY2026.

Our projections for administrative expenses are shown in **Exhibit 48**.

Exhibit 48: Projected Administrative Expenses (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual / Estimate						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Administrative expenses	8,717	8,602	7,855	9,006	6,389	8,197	5,164	5,562	7,852	4,358
Revenue	70,046	60,692	63,119	52,688	61,959	61,571	71,181	55,945	58,453	27,642
Administrative expenses as % of revenue	12.4%	14.2%	12.4%	17.1%	10.3%	13.3%	7.3%	9.9%	13.4%	15.8%

Source: MPML’s financial statements, FPA

Other operating expenses:

Foreign exchange loss comprised S\$3.3 million (36.1%) of other operating expenses in FY2023 and S\$5.5 million (41.9%) in FY2024. While we assume that there will be no foreign exchange gain or loss in FY2025 & FY2026, other expenses may arise in FY2025 & FY2026. Thus, we assume that other operating expenses in FY2025 & FY2026 will remain at S\$13.1 million, the same as in FY2024.

Finance costs:

We assume that finance costs from 2H FY2025 to 2H FY2026 will remain at S\$0.8 million, the same as in 1H FY2025. Thus, we project that finance costs will be S\$1.6 million in FY2025 & FY2026.

Share of profits in joint venture:

We assume that share of profits in joint venture from 2H FY2025 to 2H FY2026 will remain at S\$0.1 million, the same as in 1H FY2025. Thus, we project that share of profits in joint venture will be S\$0.2 million in FY2025 & FY2026.

Profit before income tax:

Accordingly, we project that profit before income tax will be S\$24.5 million in FY2025 and S\$30.0 million in FY2026.

Income tax expense:

In its financial statement for 2H FY2023, MPML noted that there “was an under provision of income tax expense amounting to S\$1.1 million in respect of prior years.” Accordingly, MPML’s effective tax rate in 1H FY2023 (17.9%) and 2H FY2023 (18.3%) was higher than those in other semi-annual periods from 1H FY2022 to 1H FY2025 as shown in **Exhibit 49**.

We assume that the effective tax rate in 2H FY2025 to 2H FY2026 will be 7.8%, the average from 1H FY2024 to 1H FY2025 (i.e., after 1H & 2H FY2023, as well as the acquisition of BBR and PKR). We also assume that profit before income tax will be S\$15.3 million in 2H FY2025 (projected S\$24.5 million in FY2025 – actual S\$9.2 million in 1H FY2025), and S\$15.0 million in 1H & 2H FY2025 (half of the projected S\$30.0 million in FY2026). Thus, we project that the income tax expense will be S\$1.2 million in 2H FY2025 and S\$1.2 million in 1H & 2H FY2025 as shown in **Exhibit 49**.

Exhibit 49: Projected Income Tax Expense (2H FY2025 to 2H FY2026)

(in S\$ '000)	Projection			Actual						
	2H FY2026	1H FY2026	2H FY2025	1H FY2025	2H FY2024	1H FY2024	2H FY2023	1H FY2023	2H FY2022	1H FY2022
Income tax expense	1,168	1,168	1,192	761	621	1,185	3,646	1,044	376	850
Profit before income tax	15,002	15,002	15,309	9,195	11,902	12,005	19,947	5,834	11,284	10,742
Effective tax rate (%)	7.8%	7.8%	7.8%	8.3%	5.2%	9.9%	18.3%	17.9%	3.3%	7.9%

Source: MPML’s financial statements, FPA

Profit for the period:

After deducting income tax, we project that profit for the period will be S\$22.6 million in FY2025 and S\$27.7 million in FY2026.

Profit attributable to owners of the Company:

After the acquisition of BBR & PKR in FY2022, profit attributable to NCI as a percentage of profit for the period averaged 10.8% in FY2023 & FY2024. Thus, we assume that profit attributable to NCI as a percentage of profit for the period will remain at 10.8% in FY2025 & FY2026. However, MPML incurred a loss attributable to NCI of S\$1.4 million in 1H FY2025.

Accordingly, we project that profit attributable to NCI in FY2025 will be S\$1.0 million (10.8% × S\$22.6 million profit for the year – S\$1.4 million loss in 1H FY2025) in FY2025 and S\$3.0 million in FY2026 (10.8% × S\$27.7 million), such that profit attributable to owners of the Company will be S\$21.6 million in FY2025 and S\$24.7 million in FY2026.

Earnings per share (“EPS”):

We assume that the weighted number of shares in issue (basic & diluted) in FY2025 & FY2026 will be the same as in FY2024. Thus, we project that EPS (basic & diluted in cents) will be 0.57 in FY2025 and 0.66 in FY2026 as shown in **Exhibit 50**.

Dividend per share (“DPS”):

We assume that DPS (cents) in FY2025 & FY2026 will be 0.1 cents, the same as in FY2024, as shown in **Exhibit 50**.

Accordingly, our projections are summarised in **Exhibit 50**.

Exhibit 50: Projected Financial Performance (FY2025 & FY2026)

(in S\$ '000)	Projection		Actual		
	FY2026	FY2025	FY2024	FY2023	FY2022
Shipbuilding	14,126	14,126	18,834	15,836	2,424
Ship repair services	27,513	23,190	29,718	42,738	37,174
Sales of goods	2,122	1,856	3,047	2,660	1,811
Ship chartering services	86,978	76,635	71,931	65,892	44,686
Revenue	130,738	115,807	123,530	127,126	86,095
Cost of sales	(71,941)	(63,978)	(75,015)	(81,385)	(58,617)
Gross profit	58,797	51,829	48,515	45,741	27,478
Other operating income	3,020	4,030	6,323	4,779	9,191
Reversal of impairment loss on amount due from a subsidiary previously held as a joint venture	-	-	-	-	4,229
Administrative expenses	(17,319)	(16,861)	(14,586)	(10,726)	(12,210)
Other operating expenses	(13,079)	(13,079)	(13,079)	(9,188)	(5,562)
Profit from operations	31,419	25,919	27,173	30,606	23,126
Finance costs	(1,586)	(1,586)	(1,631)	(306)	(129)
Share of profits in joint ventures	171	171	171	171	255
Profit before income tax	30,004	24,504	25,713	30,471	23,252
Income tax expense	(2,337)	(1,953)	(1,806)	(4,690)	(1,226)
Profit for the period	27,667	22,551	23,907	25,781	22,026
Attributable to:					
Owners of the Company	24,673	21,557	21,700	22,580	21,343
Non-Controlling Interest (“NCI”)	2,995	994	2,207	3,201	683
Profit for the period	27,667	22,551	23,907	25,781	22,026
Weighted no. of shares in issue (basic & diluted; '000)	3,753,649	3,753,649	3,753,649	3,683,396	3,532,099
Earnings per share (basic & diluted in cents)	0.66	0.57	0.58	0.61	0.60
Dividend per share (cents)	0.10	0.10	0.10	0.10	-

Source: MPML's ARs, FPA

VALUATION ANALYSIS

(I) PEER COMPARISON ANALYSIS

We performed a peer comparison analysis to review how MPML is faring against industry peers in terms of current valuation metrics. We selected SGX-listed peer companies that also operates shipyard(s), charters OSVs, and have P/E ratios that are positive¹ and do not seem anomalous². Then, we compared MPML against its peers in terms of P/E multiple, P/B multiple and dividend yield.

Below, we list the selected peer companies to compare with MPML (along with a brief description of each company) as follows:

i. Baker Technology Limited (“BTL”; SGX:BTP)

BTL is a manufacturer and provider of specialised marine offshore equipment & services, focused on the oil & gas and renewables industries. BTL operates shipyard(s) in Singapore. BTL also owns & operates AHTS vessels & a liftboat. BTL’s main business is in the design, construction, operation, and chartering of mobile offshore units and OSVs, along with the design & construction of a wide range of critical equipment & components for the marine offshore industry (specifically, for oil & gas and renewables).

ii. Pacific Radiance Ltd (“PRL”; SGX:RXS)

PRL is an integrated offshore and marine service provider. It supports the offshore oil & gas and offshore wind industries through services such as vessel chartering, ship management, ship agency and project management services. PRL also operates a shipyard in Singapore, and offers ship repair & maintenance as well as fabrication & conversion services.

The results of our peer comparison analysis are shown in **Exhibit 51**.

¹ As at 11 July 2025, NCL (SGX:1MZ) has a P/E ratio of -40.85x. Thus, even though NCL operates shipyard(s) and charters OSVs, we exclude NCL from our peer comparison analysis.

² As at 11 July 2025, Kim Heng (SGX:5G2) has a P/E ratio of 221.93x which we consider anomalous for the purpose of peer comparison analysis. Thus, even though Kim Heng operates shipyard(s) and “has a fleet of quality anchor handling tugs, barges and cranes for both sale and rent” (as quoted from Kim Heng), we exclude NCL from our peer comparison analysis.

Exhibit 51: Peer Comparison Analysis

Company	Currency	Stock Symbol	Price as at 14 Jul '25	Market Cap (million)	Diluted EPS (cents) ⁽¹⁾	P/E	DPS (cents) ⁽²⁾	Dividend Yield (%)	NAV per share (cents) ⁽³⁾	P/B
Marco Polo Marine Ltd ("MPML")	SGD	5LY	0.045	168.91	0.57	7.92	0.10	2.22%	5.58	0.81
Peer companies:										
Baker Technology Limited ("BTL") ⁽⁴⁾	SGD	BTP	0.550	111.58	8.96	6.14	2.00	3.64%	115.99	0.47
Pacific Radiance ("PRL") ⁽⁵⁾	SGD	RXS	0.040	57.92	2.46	1.63	0.05	1.25%	7.51	0.53
Peer average:		-	-	-	-	3.88	-	2.44%	-	0.50

⁽¹⁾ & ⁽²⁾ Trailing Twelve-Months ("TTM"). ⁽³⁾ Most recent financial statement. ⁽⁴⁾ While NAV per share for MPML and PRL were calculated using total equity (i.e., includes non-controlling interests or "NCI"), NAV per share for BTL was calculated using "Shareholders' equity" (i.e., excludes NCI) as per BTL's latest AR. ⁽⁵⁾ Converted from United States Dollar ("USD") to SGD using USD-to-SGD exchange rate of 1:1.3593 as at 31 December 2024 from Yahoo! Finance.

Source: SGX Stock Screener, respective companies, Yahoo! Finance, FPA

(a) P/E multiple

Based on the results in **Exhibit 51**, MPML is currently trading at a P/E multiple of 7.92x which is higher than the peer average P/E of 3.88x. This suggests that MPML is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S\$0.022 if MPML is to trade at the peer average P/E of 3.88x as follows:

$$\begin{aligned}
 \text{Estimated target price (P/E multiple)} &= \text{Peer average P/E} \times \text{TTM diluted EPS} \\
 &= 3.88 \times \text{S\$}0.0057 \\
 &= \text{S\$}0.022
 \end{aligned}$$

The estimated target price of S\$0.022 represents a downside potential of 51.1% from the current share price of S\$0.045.

(b) P/B multiple

Based on the results in **Exhibit 51**, MPML is currently trading at a P/B multiple of 0.81x which is higher than the peer average P/B of 0.50x. This suggests that MPML is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S\$0.028 if MPML is to trade at the peer average P/B of 0.50x as follows:

$$\begin{aligned}
 \text{Estimated target price (P/B multiple)} &= \text{Peer average P/B} \times \text{NAV per share} \\
 &= 0.50 \times \text{S\$}0.0558 \\
 &= \text{S\$}0.028
 \end{aligned}$$

The estimated target price of S\$0.028 represents a downside potential of 37.8% from the current share price of S\$0.045.

(c) Dividend yield

Based on the results in **Exhibit 51**, MPML's current dividend yield of 2.22% is less attractive than the peer average yield of 2.44%, which suggests that MPML is overvalued at the current share price. Adopting a relative valuation approach, we estimate a target price of S\$0.041 if MPML is to trade at the peer average yield of 2.44% as follows:

$$\begin{aligned} \text{Estimated target price (Dividend yield)} &= \frac{\text{Current yield}}{\text{Peer average yield}} \times \text{Current share price} \\ &= \frac{2.22\%}{2.44\%} \times \text{S\$0.045} \\ &= \text{S\$0.041} \end{aligned}$$

The estimated target price of S\$0.041 represents a downside potential of 8.9% from the current share price of S\$0.045.

(d) Target price

From our analysis, MPML seems to be overvalued in terms of its P/E multiple, P/B multiple and dividend yield. By averaging our estimated target prices based on P/E multiple, P/B multiple and dividend yield, we derive an overall target price of S\$0.025 as follows:

$$\begin{aligned} \text{Overall target price} &= \frac{1}{3} \times [\text{Estimated target price (P/E multiple)} + \text{Estimated target price (P/B multiple)} \\ &\quad + \text{Estimated target price (Dividend yield)}] \\ &= \frac{1}{3} \times [\text{S\$0.022} + \text{S\$0.028} + \text{S\$0.041}] \\ &= \text{S\$0.025} \end{aligned}$$

The overall target price of S\$0.025 represents a downside potential of 44.4% from the current share price of S\$0.045.

However, MPML's target price may be pulled down due to its higher-than-peer-average P/B multiple, which may be partially due to the exclusion of NCL (P/B multiple of 1.13x) and Kim Heng (P/B multiple of 1.03x). MPML's target price may also have been pulled down due to PRL's low P/E multiple of 1.63x.

We also note that the overall target price of S\$0.025 (downside of 44.4%) may not be representative of our projected rise in MPML's TTM diluted EPS (cents) of 15.9% from 0.57 at the end of 1H FY2025 to 0.66 at the end of 2H FY2026.

Therefore, we conduct another valuation analysis using MPML's historical valuation metrics.

(II) VALUATION ANALYSIS

We also performed a valuation analysis using MPML's historical P/E multiple, P/B multiple, and yield from 1H FY2022 to 1H FY2025 as shown in **Exhibit 52**.

Exhibit 52: Historical Share Price & Valuation Metrics (1H FY2022 to 1H FY2025)

Period	Results release date	Share price (S\$) ⁽¹⁾	Diluted EPS (cents)	TTM EPS (cents)	P/E multiple	DPS (cents)	TTM DPS (cents)	Dividend yield	NAV per share (cents)	P/B multiple
1H FY2025	09 May '25	0.044	0.28	0.57	7.76x	-	0.10	2.27%	5.58	0.79x
2H FY2024	28 Nov '24	0.055	0.28	0.58	9.52x	0.10	0.10	1.82%	5.35	1.03x
1H FY2024	13 May '24	0.067	0.29	0.78	8.58x	-	0.10	1.49%	5.10	1.31x
2H FY2023	27 Nov '23	0.049	0.49	0.60	8.15x	0.10	0.10	2.04%	4.89	1.00x
1H FY2023	11 May '23	0.048	0.11	0.41	11.70x	-	-	-	4.30	1.12x
2H FY2022	24 Nov '22	0.043	0.30	0.60	7.14x	-	-	-	4.28	1.00x
1H FY2022	12 May '22	0.028	0.31	0.56	5.04x	-	-	-	3.88	0.72x
Maximum					11.70x			2.27%		1.31x
Minimum					5.04x			-		0.72x
Average (excl. values ≤0)					8.27x			1.91%		1.00x

⁽¹⁾ Share price based on seven days after results release date to account for price movements after results release.

Source: MPML's financial statements, FPA

(a) P/E multiple

As shown in **Exhibit 52**, MPML's historical average P/E multiple was 8.27x which is higher than its current P/E multiple of 7.92x. This suggests that MPML is undervalued at the current share price. Based on the historical average P/E multiple of 8.27x and TTM diluted EPS (cents) of 0.57, we estimate a target price of S\$0.047 as follows:

$$\begin{aligned}
 \text{Estimated Target Price} &= \text{Historical Average P/E} \times \text{MPML's TTM diluted EPS} \\
 &= 8.27 \times \text{S\$}0.057 \\
 &= \text{S\$}0.047
 \end{aligned}$$

The target price of S\$0.047 implies an upside potential of 4.4% from the current share price of S\$0.045.

(b) P/B multiple

As shown in **Exhibit 52**, MPML's historical average P/E multiple was 1.00x which is higher than its current P/E multiple of 0.81x. This suggests that MPML is undervalued at the current share price. Based on the historical average P/E multiple of 1.00x and NAV per share (cents) of 5.58, we estimate a target price of S\$0.056 as follows:

$$\begin{aligned}\text{Estimated Target Price} &= \text{Historical Average P/B} \times \text{MPML's NAV per share} \\ &= 1.00 \times \text{S\$0.0558} \\ &= \text{S\$0.056}\end{aligned}$$

The target price of S\$0.056 implies an upside potential of 24.4% from the current share price of S\$0.045.

(c) Dividend yield

As shown in **Exhibit 52**, MPML's historical average yield was 1.91% which is lower than its current yield of 2.22%. This suggests that MPML is undervalued at the current share price. Based on the historical average yield of 1.91% and TTM DPS (cents) of 0.10, we estimate a target price of S\$0.052 if MPML is to trade at the historical average yield of 1.91% as follows:

$$\begin{aligned}\text{Estimated Target Price} &= \frac{\text{MPML's TTM DPS}}{\text{Historical Average Yield}} \\ &= \frac{\text{S\$0.0010}}{1.91\%} \\ &= \text{S\$0.052}\end{aligned}$$

The target price of S\$0.052 implies an upside potential of 15.6% from the current share price of S\$0.045.

(d) Target price

From our analysis, MPML seems to be undervalued in terms of its P/E multiple, P/B multiple, and dividend yield. By averaging our estimated target prices based on P/E multiple, P/B multiple and dividend yield, we derive an overall target price of S\$0.052 as follows:

$$\begin{aligned}\text{Overall target price \#2} &= \frac{1}{3} \times [\text{Estimated target price (Historical P/E)} + \text{Estimated target price (Historical P/B)} \\ &\quad + \text{Estimated target price (Historical yield)}] \\ &= \frac{1}{3} \times [\text{S\$0.047} + \text{S\$0.056} + \text{S\$0.052}] \\ &= \text{S\$0.052}\end{aligned}$$

The overall target price of S\$0.052 represents an upside potential of 15.6% from the current share price of S\$0.045.

(III) POTENTIAL MPML PRIVATISATION

We note that the Lee family may collectively hold 23.0% total interest (1.1% direct + 22.0% indirect) interest in MPML, while Teo Kee Bock & Darren Teo collectively hold 16.6% total (0.4% direct + 16.2% indirect) interest in MPML. We also note that, based on changes in interest disclosures, over the past three years (from report date),

- Darren Teo acquired 10.8 million shares for a total consideration of S\$0.5 million
- the CEO acquired 6.5 million shares for a total consideration of S\$0.3 million
- Lee Wan Tang acquired 134.4 million shares in MPML for a total consideration of S\$4.4 million
- Nautical International Holdings Ltd (of which Lee Wan Tang holds 660,003 of its shares) exercised warrants to acquire 142.4 million shares in MPML for S\$5.0 million.

Meanwhile, we note too that privatisation offers have been announced for other SGX-listed companies in the past three months.

Given the purchases of shares by insiders, as well as the recent privatisation offers announced for other SGX-listed companies, we consider the possibility of a joint privatisation offer by the Lee Family as well as Teo Kee Bock & Darren Teo (collectively, the "Lee & Teo Consortium").

To estimate the potential privatisation cost for MPML, we review the recent privatisation offers for SGX-listed companies as shown in **Exhibit 53**. We note that the average price premium of the selected privatisation offers was 24.7%.

Exhibit 53: Privatisation Offers for SGX-listed Companies

Target	Code	Acquirer	Currency	Last transaction		Offer price per share	Price premium
				Date	Price		
Grand Venture Tech	JLB	Aalberts Advanced Mechatronics B.V.	SGD	30 May '25	0.840	0.940	11.9%
Ossia International Ltd	O08	Goh Ching Wah, Goh Ching Huat, and Goh Ching Lai	SGD	15 May '25	0.113	0.160	41.6%
Fraser Hospitality Trust	ACV	Frasers Property Hospitality Trust Holdings Pte. Ltd.	SGD	13 May '25	0.665	0.710	6.8%
Amara Holdings Ltd	A34	DRC Investments Pte. Ltd.	SGD	28 Apr '25	0.705	0.895	27.0%
Sinarmas Land Ltd	A26	Lyon Investments Limited	SGD	27 Mar '25	0.275	0.375	36.4%
Average							24.7%

Note: "Last transaction" based on last available share price before takeover announcement.

Source: respective companies, SGX Stock Screener, FPA

In the case of MPML, we estimate that the Lee & Teo Consortium collectively holds 39.6% total (1.5% direct + 38.1% indirect) interest in MPML. Thus, the Lee & Teo Consortium would need to acquire the remaining 60.4% total interest to privatise the company. At the current share price of S\$0.045 and market capitalisation of S\$168.9 million, this equates to S\$102.0 million (60.4% × S\$168.9 million).

While we think the potential privatisation is currently unlikely to happen, we estimate that any privatisation offer may need to have a price premium of 24.7% from the current share price of S\$0.045 to have a chance to be successful. Thus, the Lee & Teo Consortium would need to offer a minimum offer price of S\$0.056.

POTENTIAL CATALYSTS

(I) SECURANCE OF MORE-THAN-EXPECTED SHIP BUILDING PROJECTS WITH GREATER-THAN-EXPECTED CONTRACT VALUE(S)

We assume that ship building revenue in FY2026 will be S\$14.1 million (page 43), the same as projected for FY2025, as there may be little indication of: (1) whether MPML will secure ship building project(s) in FY2026; and (2) what the contract value of the project(s) will be if MPML secures ship building project(s) for FY2026.

However, should MPML secure more-than-expected ship building project(s) or secure project(s) with higher-than-expected contract value(s), MPML's ship building revenue in FY2026 may be higher than S\$14.1 million.

(II) BUILDING OR ACQUISITION OF NEW VESSEL(S)

We note that MPML had been disposing its tugboats & barges from FY2022, such that its total tugboats & barges fell from 24 at end-FY2021 to 14 at end-FY2024. Thus, MPML may be diversifying from the chartering of tugboats & barges.

Meanwhile, after OC acquired PKR in May 2022, ship chartering revenue from Taiwan-based customers (who likely operate in the offshore wind sector) has been rising from S\$20.3 million in FY2022 to S\$34.4 million in FY2024. We note too that MPML completed in 1H FY2025 the construction of a CSOV which began its maiden charter in mid-April 2025.

Thus, MPML may be diversifying from the chartering of tugboats & barges towards the chartering of offshore wind vessels to the offshore wind sector.

Should the maiden charter of the CSOV perform well, MPML may acquire or begin the construction of another offshore wind vessel (e.g., CTV or CSOV). Accordingly, MPML's ship chartering revenue may rise after the acquisition or completion of construction of the new offshore wind vessel.

INVESTMENT RECOMMENDATION

Based on the historical average P/E multiple of 8.27x and TTM diluted EPS (cents) of 0.57, we estimate a target price of S\$0.047. Based on the historical average P/E multiple of 1.00x and NAV per share (cents) of 5.58, we estimate a target price of S\$0.056. Based on the historical average yield of 1.91% and TTM DPS (cents) of 0.10, we estimate a target price of S\$0.052. By averaging the estimated target prices, we derive a target price of S\$0.052 as follows:

$$\begin{aligned} \text{Overall target price \#2} &= \frac{1}{3} \times [\text{Estimated target price (Historical P/E)} + \text{Estimated target price (Historical P/B)} \\ &\quad + \text{Estimated target price (Historical yield)}] \\ &= \frac{1}{3} \times [\text{S\$0.047} + \text{S\$0.056} + \text{S\$0.052}] \\ &= \text{S\$0.052} \end{aligned}$$

The overall target price of S\$0.052 represents an upside potential of 15.6% from the current share price of S\$0.045.

MPML's P/E & P/B multiples may not return to historical averages as implied by the valuation analysis based on historical metrics as the prospects for both the offshore oil & gas and offshore wind industries (thus the charter rates of OSVs and offshore wind vessels) may have worsened after U.S. President Trump introduced his "Liberation Day" tariffs. Thus, MPML's likely share price may be lower than as implied by the overall target price of S\$0.052 such that the upside potential of 15.6% may not be realised.

Nonetheless, while the valuation analysis based on historical metrics has its limitations, we find that the overall target price of S\$0.052 may be representative of MPML's likely share price upside as the overall target price (and associated upside potential) may be supported by: (1) our projected rise in MPML's TTM diluted EPS (cents) of 15.9% from 0.57 at the end of 1H FY2025 to 0.66 at the end of 2H FY2026; and (2) the selected recent privatisation offers' average price premium of 24.7%. Thus, we refer to the overall target price of S\$0.052 when making our recommendation.

On its own, the upside potential of 15.6% may suggest that optimism may be warranted. However, we recognise that there are risks to the target price, such as: (1) a potential depreciation of the United States Dollar ("USD") against the Singapore Dollar ("SGD"); and (2) a projected economic downturn from trade tensions. Accordingly, we recommend a hold.

We elaborate on the risks to target price in the next section.

RISKS TO TARGET PRICE**(I) DEPRECIATION OF THE UNITED STATES DOLLAR (“USD”) AGAINST THE SINGAPORE DOLLAR (“SGD”)**

MPML noted in its AR for FY2024 that a 10% strengthening of the SGD against the USD “at the end of the financial year” would lead to profit for the year falling by S\$2.8 million in FY2023 and S\$3.2 million in FY2024 as shown in **Exhibit 54**.

Based on data from Yahoo! Finance, the SGD has depreciated against the USD by 4.3% from a USD-to-SGD exchange rate of 1.2851 on 30 September 2024 (start of FY2024) to 1.3427 on 31 March 2025 (end of 1H FY2025), before appreciating by 4.9% to 1.2794 on 11 July 2025 (3Q FY2025).

Should the SGD continue to appreciate against the USD, MPML’s projected profit may fall.

Exhibit 54: Impact of a 10% Strengthening of SGD (FY2023 & FY2024)

	SGD \$'000	USD \$'000	NTD \$'000	IDR \$'000	EUR \$'000	OTHERS* \$'000
2024						
Group						
Profit for the financial year	172	(3,160)	(87)	16	(187)	13
Company						
Profit for the financial year	-	(6,307)	-	-	-	-
2023						
Group						
Profit for the financial year	(29)	(2,791)	(42)	48	(96)	(40)
Company						
Profit for the financial year	-	(9,638)	-	-	-	-

* Others comprise of Australian dollars, Malaysian ringgit and Thai Baht.

Source: MPML’s AR (FY2024)

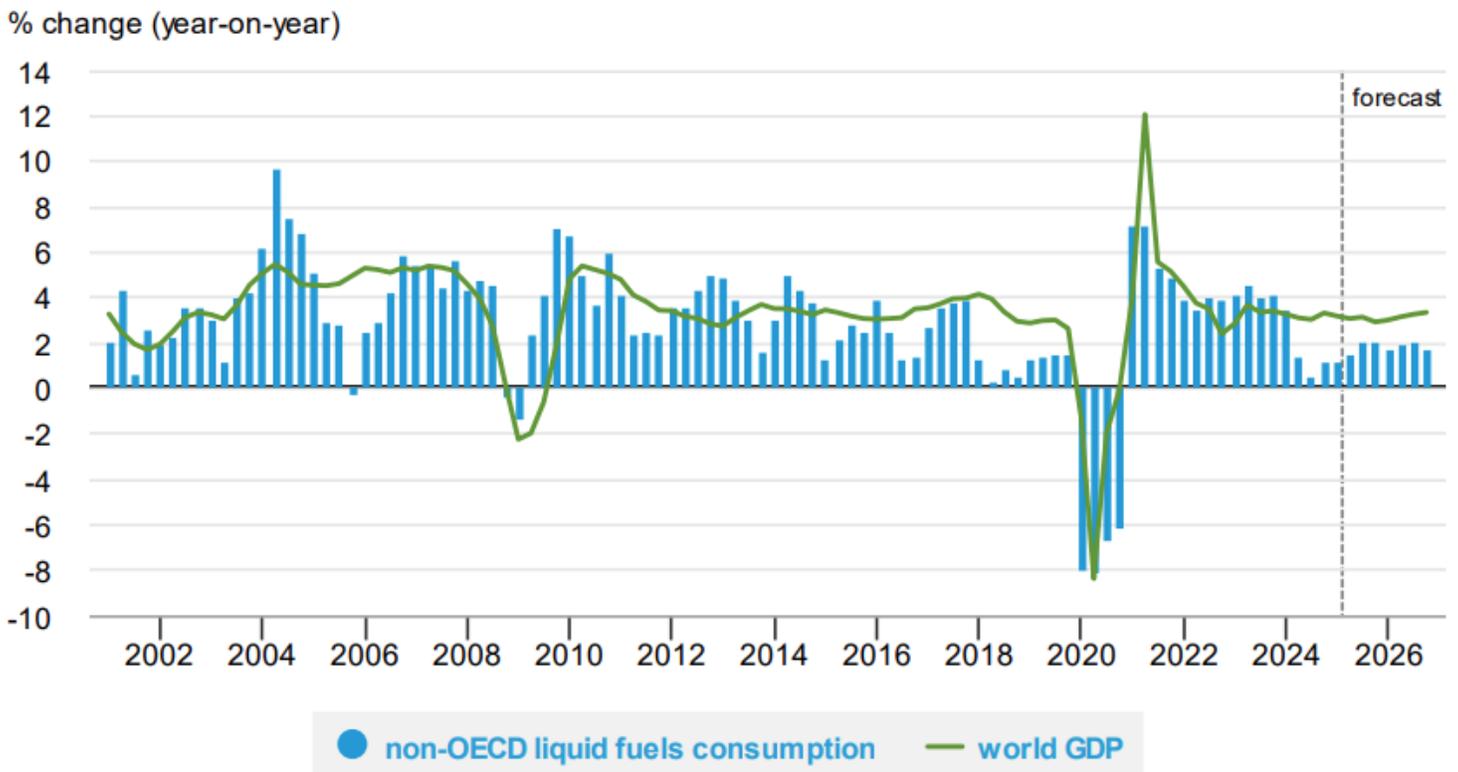
(II) PROJECTED ECONOMIC DOWNTURN FROM TRADE TENSIONS

According to the World Bank, global GDP growth is “slowing due to a substantial rise in trade barriers and the pervasive effects of an uncertain global policy environment.” The World Bank noted in June 2025 that global GDP growth is “expected to weaken” from an estimated 2.8% in 2024 to 2.3% in 2025, before rising to 2.4% in 2026. The World Bank added that global growth “could turn out to be lower if trade restrictions escalate or if policy uncertainty persists, which could also result in a build-up of financial stress.”

EIA noted in April 2025 that economic growth “has a strong impact on oil consumption” by non-OECD countries as shown in **Exhibit 55**. Thus, should global growth fall further-than-expected in 2025 and 2026, oil demand may fall. Accordingly, downstream demand for OSVs may fall, leading to a fall in MPML’s ship chartering revenue.

Exhibit 55: Economic Growth vs Non-OECD Liquid Fuels Consumption (2001 Q1 to 2025 Q1)

Economic growth has a strong impact on oil consumption



Source: EIA (published April 2025)

CORPORATE GOVERNANCE

(I) BOARD OF DIRECTORS

As at 17 January 2025, the Board comprises seven (7) directors:

- Tan Hai Peng Micheal: Independent Non-Executive Chairman
- Sean Lee Yun Feng: Executive Director & CEO
- Leong Kah Wah: Independent Director
- Koh Chun Yuan: Independent Director
- Liely Lee: Non-Executive Director
- Teo Junxiang, Darren: Non-Executive Director
- Jeffrey Hing Yih Peir: Non-Executive Director

MPML noted in its AR for FY2024 that the Board “oversees the conduct of the Group’s affairs and is accountable to shareholders for the long-term performance and financial soundness of the Group.”

Micheal Tan, Darren Teo, and Jeffrey Hing were appointed to the Board on 1 March 2018. Micheal Tan was appointed as the Chairman of the Remuneration Committee (“RC”); Darren Teo was appointed as a member of the RC; and Jeffrey Hing was not appointed into any Board Committee. Micheal Tan was an Executive Director of Ho Lee Group Pte Ltd (“Ho Lee Group”); Darren Teo was a Managing Partner of ACPL; and Jeffrey Hing was the Executive Chairman & controlling shareholder of Penguin.

On the same day (1 March 2018), Liely Lee resigned as an Executive Director and was appointed as the Alternate Director to former Executive Chairman Lee Wan Tang while former Non-Executive Director Lai Qin Zhi also resigned as a director of MPML to “pursue other career interest”. Prior to their resignations, Liely Lee was not a member of any Board Committee; however, Lai Qin Zhi was a member of the Audit Committee (“AC”), Nominating Committee (“NC”), and RC. Lee Wan Tang & Lai Qin Zhi are the father & mother of Sean Lee & Liely Lee.

When MPML was looking to raise funds in 2017, MPML entered into investment agreements with Ho Lee Group, ACPL, and Penguin. Ho Lee Group committed to invest S\$1.5 million; ACPL committed to invest S\$20.0 million; and Penguin committed to invest S\$10.0 million. Under the investment agreements’ terms, ACPL and Penguin were each “entitled to appoint one (1) director to the Board” with ACPL’s nominee to be appointed to the RC, partly provided that each appointment was “approved by the Nominating Committee (acting reasonably)”.

MPML noted in January 2018 that ACPL appointed Darren Teo while Penguin appointed Jeffrey Hing. MPML added that, “In order to meet the independence requirements under the Code of Corporate Governance 2012” (“CG Code 2012”)¹, Micheal Tan was “proposed to be appointed as an additional Independent Non-Executive Director to the Board” while Lai Qin Zhi (who was a Non-Executive Director) & Liely Lee (who was an Executive Director) would resign from the Board.

By assuming that the total number of issued shares remained the same from 25 January 2018 to 1 March 2018, we estimate that Micheal had 1.43% total interest (0.28% direct + 1.15% indirect) in MPML as at 1 March 2018 as: (1) Micheal had direct interest in 9,800,000 shares and deemed interest in Ho Lee Group’s 40,535,715 shares as at 1 March 2018; and (2) the total number of issued shares was 3,520,168,361 as at 25 January 2018.

On 1 March 2018, the Board size thus grew from seven (7) members to nine (9) members while the number of independent directors rose from three (3) to four (4).

¹ Guideline 2.1 of the CG Code 2012 noted that independent directors should make up “at least one-third of the Board”, while Guideline 2.3 stated that an “independent” director was one that had “no relationship with the company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director’s independent business judgement”. A “10% shareholder” was one that had “not less than 10% of the total votes attached to all the voting shares in the company.”

Former Executive Chairman Lee Wan Tang retired as a director of MPML on 21 January 2020 to "take on a more passive role as an honorary advisor to the Company". Accordingly, Liely Lee ceased to an Alternative Director to Lee Wan Tang on 21 January 2020. Micheal Tan was also appointed as the Independent Non-Executive Chairman on 21 January 2020.

However, Liely Lee was re-appointed as an Executive Director on 12 February 2020. MPML noted that there would be "no changes to her job scope" as the Chief Financial Officer ("CFO") of MPML, and mentioned that she was "responsible for all finance, accounting, treasury and strategic development of the Group" (comma added after 'accounting' in quote).

Liely Lee resigned again as an Executive Director on 31 December 2024 and was re-designated as a Non-Executive Director. MPML noted that she would be "taking on a more passive role in the Company."

Leong Kah Wah was first appointed to the Board on 12 May 2022. MPML noted that he was "a Partner at Rajah & Tann Singapore LLP" and had been "with the firm for the last 10 years."

Koh Chun Yuan was first appointed to the Board on 21 June 2024. MPML noted that he "was the Chief Financial Controller for Super Group Ltd ("Super Group"), a company previously listed on the Singapore Exchange from 2004 to 2017 and he carried on as the Finance Director after Super Group was renamed JDE RTL SCC Pte Ltd, post delisting from 2017 to 2020." MPML added that he "then moved to AEM Holdings Ltd as the Group Financial Controller until September 2022."

MPML noted that the Board "has delegated specific responsibilities to three subcommittees, namely" the AC, RC, and the NC. MPML added that the "Chairman of the respective Committees reports to the Board with their recommendations."

Audit Committee ("AC"):

As at 17 January 2025, the AC comprises three (3) directors:

- Koh Chun Yuan: AC Chairman & Independent Director
- Tan Hai Peng Micheal: Independent Director
- Leong Kah Wah: Independent Director

Nominating Committee ("NC"):

As at 17 January 2025, the NC comprises three (3) directors:

- Leong Kah Wah: NC Chairman & Independent Director
- Koh Chun Yuan: Independent Director
- Sean Lee Yun Feng: Executive Director & CEO

Remuneration Committee ("RC"):

As at 17 January 2025, the RC comprises three (3) directors:

- Leong Kah Wah: RC Chairman & Independent Director
- Tan Hai Peng Micheal: Independent Director
- Teo Junxiang, Darren: Non-Executive Director

SUSTAINABILITY INFORMATION

Sustainability governance:

According to MPML, the Board is “Responsible for the direction and overall sustainability strategy” as stated in **Exhibit 56**. MPML added that the Board “Oversees the implementation of sustainability strategy and related matters.”

MPML also noted in its Sustainability Report (“SR”) for FY2024 that it established in 2024 a Group Sustainability Committee, which “is responsible for setting clear objectives and key performance indicators (KPIs) related to sustainability.” MPML noted too that the “roles and responsibilities of the Group Sustainability Committee” are as shown in **Exhibit 56**.

Exhibit 56: Sustainability Governance

Board of Directors	<ul style="list-style-type: none"> Responsible for the direction and overall sustainability strategy. Oversees the implementation of sustainability strategy and related matters.
Sustainability Board Representatives	<ul style="list-style-type: none"> Updates and communicates recommendations, findings, as well as significant issues and concerns relevant to sustainability to the Board of Directors.
Sustainability Management Committee	<ul style="list-style-type: none"> Engages leadership across business units and function, and provides further oversight and strategic guidance. Formulates the sustainability objectives, targets, priorities, policies and goals. Monitors and tracks the sustainability performance. Evaluates sustainability risks and opportunities within the Group.
Sustainability Working Committee	<ul style="list-style-type: none"> Coordinate and implement Group-wide sustainability activities. Executes the implementation of approved sustainability strategy and related matters. Supports Sustainability Management Committee in monitoring and tracking sustainability performance.

Source: MPML’s SR (FY2024)

Reporting scope:

MPML noted that the scope of its SR for FY2024 included:

- Marco Polo Marine Ltd
- Marco Polo Shipyard Pte Ltd
- PT Marco Polo Shipyard
- MP Offshore Pte Ltd
- Marco Polo Offshore Pte Ltd
- Marco Polo Offshore (II) Pte Ltd
- Marco Polo Offshore (III) Pte Ltd
- Marco Polo Offshore (VII) Pte Ltd
- Marco Polo Offshore (VIII) Pte Ltd
- PT Pelayaran Nasional Bina Buana Raya Tbk (“BBR”)
- BBR Shipping Pte Ltd
- BBR (L) Shipping Berhad
- Oceanic Crown Offshore Marine Services Group Limited (“OC”)
- PKR Offshore Co. Ltd. (“PKR”)

Meanwhile, subsidiaries listed in **Exhibit 57** were excluded from its reporting scope, for the reasons stated in **Exhibit 57**.

Exhibit 57: Subsidiaries Excluded from Reporting Scope

<ul style="list-style-type: none"> • MP Ventures Pte Ltd • MP Marine Pte Ltd • PT Marco Polo Indonesia • Marco Polo Wind Private Limited • Marco Polo Offshore Sdn Bhd 	These are holding companies with minimum activities and zero headcounts.
<ul style="list-style-type: none"> • Marco Polo Offshore (IV) Pte Ltd • SK Marco Polo Sdn Bhd • Pelayaran New Era (L) Berhad • Pelayaran Era Sdn Bhd 	These are joint venture entities and have zero to little contribution to the Group. The total contribution to the net profit is less than 1%.
<ul style="list-style-type: none"> • Marco Polo Shipping Co Pte Ltd • MP Shipping Pte Ltd 	These entities contribute less than 5% of total revenue and net profit. The Group is also expanding its business in the offshore and Shipyard segments, and we expect the contribution from tugboats and barges to be even more insignificant in the near future.

This sustainability data will be reported by division, including Shipyard operations and Offshore operations, as well as data from our global offices in Singapore, Jakarta, and Taiwan. The Offshore division encompasses the operations of MP Offshore, PTBBR, and PKR Offshore.

Source: MPML's SR (FY2024)

Stakeholder engagement:

MPML noted that it engaged with stakeholders as shown in **Exhibit 58**.

Exhibit 58: Overview of Stakeholder Engagement

Stakeholders	Basis for Determining Stakeholders	Engagement Platform	Frequency of Engagement	Areas of Concerns
Employees	Employees are involved in the daily operations of the Group	<ul style="list-style-type: none"> Informal dialogues Performance appraisal 	<ul style="list-style-type: none"> As and when required Annually 	<ul style="list-style-type: none"> Personal development Employee compensation and benefits Occupational health and safety Diversity and equal opportunity
Government and regulators	Compliance with local and overseas laws and regulations	<ul style="list-style-type: none"> Regular reports Site visits 	<ul style="list-style-type: none"> Annually Ad-hoc visits 	<ul style="list-style-type: none"> Regulatory matters Compliance with regulations Timely reporting
Investors and shareholders	Influence on Management's and the Board's decisions and responsibility towards investors	<ul style="list-style-type: none"> Annual Report Annual General Meetings Website SGX Announcements 	<ul style="list-style-type: none"> Annually As and when required 	<ul style="list-style-type: none"> Financial performance Strategic planning Sustainability reporting Anti-corruption Risk management
Suppliers and contractors	Dependency on suppliers and subcontractors	<ul style="list-style-type: none"> E-mails Phone calls Physical meetings 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Quality management Price negotiation
Customers	Customers' needs influence the strategic direction of the Group	<ul style="list-style-type: none"> E-mails Phone calls Customer feedback forms Physical meetings 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Quality management Contract negotiation Service delivery Environmental Compliance
Trade unions	Represents the voice of employees collectively	<ul style="list-style-type: none"> Meetings with union leaders 	<ul style="list-style-type: none"> Annually As and when required 	<ul style="list-style-type: none"> Employee compensation and benefits

Source: MPML's SR (FY2024)

Materiality assessment:

MPML noted that its materiality process involved:

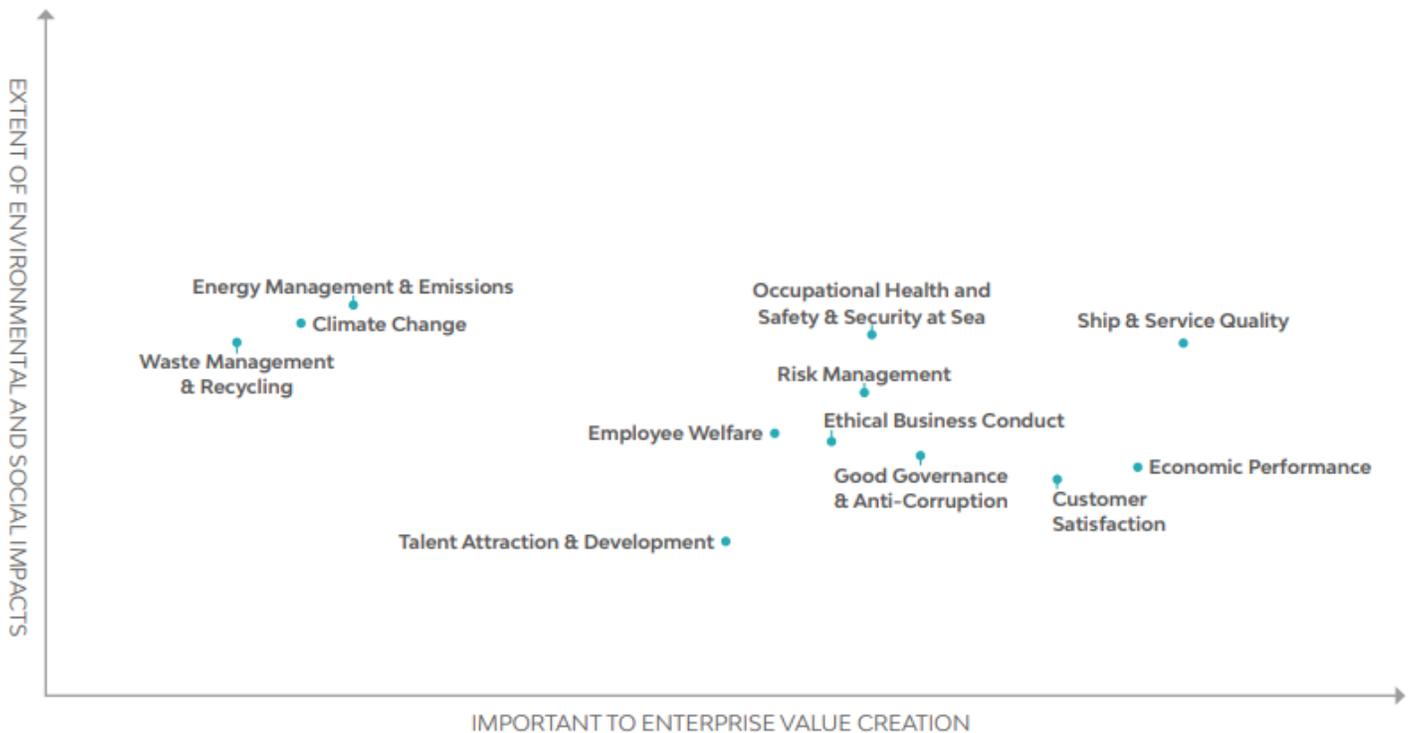
1. Identification: of potential Environmental, Economic, Social, and Governance (“EESG”) issues
2. Selection: of issues “based on their significance to the Group and its stakeholders”
3. Analysis: “of the selected issues to understand their implications and relevance to the Group’s operations and strategy”
4. Prioritisation: “based on their impact and importance, determining which ones should be the focus of Marco Polo’s sustainability efforts”
5. Confirmation: of issues “through internal review from the Board to ensure their accuracy and relevance before finalising them.”

Thereafter, MPML plotted the issue it identified & selected on a materiality matrix as shown in **Exhibit 59**.

In the next few sections, we shall focus only on disclosures that MPML made on Environmental, Social, and Governance topics.

Exhibit 59: Materiality Matrix

FY2024 MATERIALITY MATRIX



Source: MPML’s SR (FY2024)

(I) ENVIRONMENTAL

MPML summarised highlights of its environmental performance in FY2024 as shown in **Exhibit 60**.

On its material consumption, MPML's steel plate consumption fell by 30.0% from 19,872 tonnes in FY2023 to 13,907 tonnes in FY2024 while its copper grit consumption rose by 10.3% from 7,400 tonnes in FY2023 to 8,159 tonnes in FY2024. MPML noted that it has been recycling scrap materials, which would be "sold to third parties for reuse."

On fuel consumption, MPML's Marine Gas Oil ("MGO") consumption rose by 333.1% from 81,893 gallons in FY2023 to 354,652 gallons in FY2024 while its diesel consumption rose by 15.2% from 372,957 gallons in FY2023 to 429,696 gallons in FY2024. MPML's electricity consumption also rose by 16.2% from 6,753 Megawatt-Hours ("MWH") in FY2023 to 7,822 MWH in FY2024, while its energy consumption rose by 56.8% from 86,470.25 GJ in FY2023 to 135,574 GJ in FY2024. MPML noted that the "rise in energy use can be attributed to heightened operational demands and expanded activities during the year, as well as more comprehensive and accurate data collection from all subsidiaries."

On emissions, MPML noted that scope 1 emissions rose by 138.4% from 4,617 tCO₂e in FY2023 to 11,006 tCO₂e in FY2024 "mainly due to the added Scope 1 GHG emission sources – AC filled freon gas, which has occupied around 27% of the total Scope 1 emissions; as well as the increased fuel consumption related to operational expansion." Meanwhile, MPML noted that the rise in scope 2 emissions by 16.2% from 5,260 tCO₂e in FY2023 to 6,113 tCO₂e in FY2024 was "attributed to increased electricity usage across facilities, and the more accurate accounting from the global offices."

Water consumption fell by 10.3% from 42,426 m³ in FY2023 to 38,045 m³ to FY2024. MPML noted that the Shipyard section (as opposed to the "Offshore" or "Global Offices" sections) remained "the highest contributor to water consumption". MPML added that it "made significant strides in reducing water consumption and improving water efficiency" from FY2022 to FY2024.

Exhibit 60: Highlights of MPML's Environmental Performance**Key Highlights of the Company's Performance on Environmental Footprint**

Emission Scope 1 emissions: 11,006 tCO ₂ e Scope 2 emission: 6,113 tCO ₂ e	Fuel consumption Diesel: 429,696 Gallons MGO: 354,652 Gallons
Material consumption Steel and copper: 22,066.61 tonnes	Electricity consumption 7,822 MWh
Water intake 38,045 m ³	Total Energy Consumption 135,574 GJ
Waste generation Shipyard: 13,284.51 tonnes Offshore: 794.09 m ³ Global offices: 209.09 kg	Environmental Compliance Zero non-compliances

Source: MPML's SR (FY2024)

(II) SOCIAL

MPML provided a breakdown of its employee diversity metrics as shown in **Exhibit 61**.

MPML noted that as a “key player in the marine sector”, it “has a significant opportunity to enhance meaningful job creation through strategic investments in areas like shipbuilding, maintenance, and repair services.” MPML also noted that its “commitment to inclusive hiring practices has been instrumental in driving its success in the marine sector.”

MPML’s average training hours per employee have also been rising by 42.9% from 3.78 in FY2023 to 5.40 in FY2024.

Exhibit 61: Employee Diversity Metrics by Employee Category

FY2024	Global Offices	Shipyard
Total Workforce	75	353
Breakdown by employee category:		
(1) Directors		
Male Employees	4	2
Female Employees	1	0
Employees aged < 30	0	0
Employees aged 30 - 50	4	0
Employees aged > 50	1	2
(2) Senior Managerial Staff		
Male Employees	8	1
Female Employees	2	0
Employees aged < 30	0	0
Employees aged 30 - 50	6	0
Employees aged > 50	4	1
(3) Managerial Staff		
Male Employees	20	21
Female Employees	9	2
Employees aged < 30	0	1
Employees aged 30 - 50	24	20
Employees aged > 50	5	2
(4) Non-managerial Staff		
Male Employees	10	306
Female Employees	21	21
Employees aged < 30	7	148
Employees aged 30 - 50	20	177
Employees aged > 50	4	2

Source: MPML’s SR (FY2024)

(III) GOVERNANCE

MPML noted that it “aims to strengthen its governance framework and build stakeholder trust” through “a firm commitment to a zero-tolerance on corruption and the implementation of regular audits”.

MPML also noted that it “enforces a strict compliance framework, reinforced by regular training to instil ethical practices across the Company.”

To make its risks, MPML noted that it “has formalised its Enterprise Risk Management (ERM) process since financial year ended 30 September 2019, marking a decisive step toward managing uncertainties, mitigating risks, and capitalising on opportunities that enhance long-term value.”

MPML’s governance structure has been highlighted on pages 67 & 68.

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